GEORGIA REAL ESTATE EXAM GLOSSARY

Marketable title

Marketable title is title reasonably free from substantial doubt, material defects, and probable litigation, such that a prudent purchaser would accept it under the contract.

OFFICIAL AREA	KNOWLEDGE CLUSTER	LEARNING SYSTEM
Transfer of Title	Title and notice	Define, distinguish, apply, retrieve

SOURCE STANDARD

Official exam outline plus authoritative Georgia or federal references where the topic has a controlling rule. Independent educational resource, not affiliated with GREC or PSI.

01 / COMPLETE LESSON

Build the complete exam definition

Learn the rule, separate it from the nearest distractor, then apply it to a Georgia fact pattern.

CORE DEFINITION

What does Marketable title mean?

Marketable title is title reasonably free from substantial doubt, material defects, and probable litigation, such that a prudent purchaser would accept it under the contract.

CLOSEST DISTINCTION

How do you separate the nearest exam answer?

Marketable title is a legal quality of title. Insurable title is title a particular insurer is willing to cover, possibly with exceptions.

GEORGIA APPLICATION

What changes or stays the same in Georgia?

Georgia closing attorneys examine the public record and transaction documents to determine what must be cured for the contracted title standard.

WORKED EXAMPLE

An unreleased old security deed creates a substantial title question that must be cancelled or otherwise resolved before the seller can deliver the promised title.

EXAM TRAP

Insurability does not automatically prove marketability if the policy simply excludes the known defect.

Memory cue: Insurability does not automatically prove marketability if the policy simply excludes the known defect.

02 / PRACTICE AND MASTERY

Retrieve the rule under exam conditions

Answer before reading the explanation. Then explain why every distractor belongs to a different term.

ORIGINAL PRACTICE CHECK

Which statement correctly explains Marketable title?

- **A** Insurable title is title a title insurer is willing to cover under a policy, subject to the policy's terms, exclusions, exceptions, limits, and premium.
- **B** Title insurance is an indemnity contract protecting an owner or lender against covered loss from specified title defects that exist as of the policy date, subject to exclusions, exceptions, limits, and conditions.
- **C** Recordation is filing an eligible real estate instrument in the appropriate public land records so it becomes part of the chain of title and provides the notice and priority effects given by law.
- **D** Marketable title is title reasonably free from substantial doubt, material defects, and probable litigation, such that a prudent purchaser would accept it under the contract.

CORRECT ANSWER: D

Marketable title is correct. Marketable title is title reasonably free from substantial doubt, material defects, and probable litigation, such that a prudent purchaser would accept it under the contract. Marketable title is a legal quality of title. Insurable title is title a particular insurer is willing to cover, possibly with exceptions. Georgia closing attorneys examine the public record and transaction documents to determine what must be cured for the contracted title standard.

MASTERY TRACKER

Mark each box only when you can perform the skill without looking.

- [ ] I can define the term in one precise sentence.
- [ ] I can separate it from the closest look-alike.
- [ ] I can explain the Georgia rule or confirm that the national rule applies.
- [ ] I can answer the practice check and explain every option.

03 / CONNECTIONS AND AUTHORITY

Connect the term to the wider exam

Use these relationships to move from isolated recall to a connected exam model.

RELATED TERM

Insurable title

Insurable title is title a title insurer is willing to cover under a policy, subject to the policy's terms, exclusions, exceptions, limits, and premium.

https://www.passgeorgiarealestate.com/glossary/insurable-title

RELATED TERM

Title insurance

Title insurance is an indemnity contract protecting an owner or lender against covered loss from specified title defects that exist as of the policy date, subject to exclusions, exceptions, limits, and conditions.

https://www.passgeorgiarealestate.com/glossary/title-insurance

RELATED TERM

Recordation

Recordation is filing an eligible real estate instrument in the appropriate public land records so it becomes part of the chain of title and provides the notice and priority effects given by law.

https://www.passgeorgiarealestate.com/glossary/recordation

RELATED TERM

Satisfaction or cancellation of security deed

Satisfaction or cancellation of a Georgia security deed is the formal record that the secured debt has been paid and the security deed has been cancelled, which operates to reconvey title as provided by Georgia law.

https://www.passgeorgiarealestate.com/glossary/security-deed-cancellation

RECOMMENDED NEXT COMPLETE LESSON

Transfer of Title complete lesson

https://www.passgeorgiarealestate.com/study-guide/transfer-of-title/title-quality

EXAM SOURCES AND AUTHORITY NOTES

1. PSI Georgia Candidate Information Bulletin, 7/1/2026

Official exam administration and content-outline source.

https://test-takers.psiexams.com/api/content/bulletin/4672

2. Official Code of Georgia Annotated, public access portal

State-authorized public access to current Georgia statutes, including Title 44 property law.

https://www.lexisnexis.com/hottopics/gacode/Default.asp

3. Georgia Superior Court Clerks' Cooperative Authority, Real Estate Index

Official statewide reference for Georgia real estate recording, indexing, and public land-record access.

https://www.gsccca.org/learn/projects-programs/real-estate-index