**What is “Good and Marketable Title”?**

Paragraph B.1 of the GAR Purchase and Sale Agreement provides that the “Seller warrants that at the time of closing Sellerti will convey good and marketable title to said property…subject only to (1) zoning; (2) general utility, sewer and drainage easements of record; (3) declarations of covenants, conditions and restrictions of record; (4) leases and other encumbrances specified in this Agreement.” So, what is this “Good and Marketable title” that the seller is committing to themselves to transfer to the title?

In Georgia courts, good and marketable title has been defined as one free from reasonable doubt, that is, not only a valid title in fact, but one that can be sold to a reasonable purchaser or mortgaged to a person of reasonable prudence.

However, in practice, it is most likely understood to mean **title which a title insurance company licensed to do business in Georgia will insure at its regular rates subject to standard exceptions**. This, in the trade, is referred to as an “insurable title.”  The title insurance company may make a business decision to insure title that is not marketable because of one concern or the other. If this is the case and you have purchased owner title insurance you would be insured against any loss including the cost of defending the claim, but the issue will remain.