

LTGC Colorado Title Practice Test (Sample)

Study Guide



Everything you need from our exam experts!

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Table of Contents

Copyright	1
Table of Contents	2
Introduction	3
How to Use This Guide	4
Questions	5
Answers	8
Explanations	10
Next Steps	15

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 - 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. Which term completes the phrase 'suspend, _____, or refuse to issue' in the Commissioner's authority?**
 - A. REVOKE**
 - B. RESTITUTION**
 - C. CIVIL**
 - D. PENALTY**

- 2. To hold a title insurance company liable for the acts of one of its agents, which statement is true?**
 - A. The agent must be an office of the title company.**
 - B. He/she represents the company with or without apparent authority.**
 - C. The agent must be licensed.**
 - D. The agent must be a member of ALTA**

- 3. Which document is not a document that will be recorded in the land records?**
 - A. Disburser's Notice**
 - B. Bargain and Sale Deed**
 - C. Notice of Election and Demand**
 - D. Bankruptcy Petition**

- 4. A person who is not a licensed agent of an insurance company, but who negotiates contracts for title insurance, is called:**
 - A. An insurance agent**
 - B. An insurance broker**
 - C. A title insurance claims adjuster**
 - D. A real estate appraiser**

- 5. Easements may be extinguished by: title decree against easement holder. This describes which method?**
 - A. Express**
 - B. Merger**
 - C. Quiet**
 - D. Non-Continued**

- 6. The title commitment is formed in connection with an application for title insurance and includes a report, an application, and a statement.**
- A. Only an application**
 - B. True**
 - C. A report, an application, and a statement**
 - D. Only a report**
- 7. Which statement about the Colorado Insurance Commissioner is false?**
- A. Appointed by the Attorney General**
 - B. Serves as Chief Executive of the Division of Insurance**
 - C. Oversees the regulation of the insurance industry in Colorado**
 - D. Creates an inclusive regulatory approach for only title insurance**
- 8. Which statement is true about the definition of land in title insurance?**
- A. Right to Use a Contiguous Alley**
 - B. Includes All Improvements**
 - C. Air Space**
 - D. All of the Above**
- 9. What does the acronym O&E stand for in title practice?**
- A. Ownership and Encumbrance Report**
 - B. Official and Encumbrance Evidence**
 - C. Order and Endorsement**
 - D. Ownership and Easement Evidence**
- 10. Upon death of a resident, title to real property in the state is subject to which of the following?**
- A. Family allowances and creditor's rights**
 - B. Heirs**
 - C. Probate**
 - D. Taxes**

Answers

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1. A
2. B
3. D
4. B
5. C
6. C
7. A
8. B
9. A
10. A

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Explanations

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1. Which term completes the phrase 'suspend, _____, or refuse to issue' in the Commissioner's authority?

A. REVOKE

B. RESTITUTION

C. CIVIL

D. PENALTY

In licensing actions, the Commissioner can take several formal steps against a licensee or applicant. The phrase lists possible actions: suspend, ____, or refuse to issue. The word that fits best is revoke, because it is another official step to withdraw a license that is already held, complementing suspension (temporary) and a decision not to issue (denial). The other terms don't fit grammatically or conceptually: restitution is a monetary remedy, civil is not a verb, and penalty isn't the type of licensing action described here.

2. To hold a title insurance company liable for the acts of one of its agents, which statement is true?

A. The agent must be an office of the title company.

B. He/she represents the company with or without apparent authority.

C. The agent must be licensed.

D. The agent must be a member of ALTA

The key idea is that a title insurance company can be held responsible for what its agents do when those agents are acting on behalf of the company. If an agent presents themselves as representing the company, the company is bound by that agent's actions if the agent had authority to act in that capacity, either through actual authority or through apparent authority. Apparent authority exists when the company's representations lead a third party to reasonably believe the agent has authority, even if the agent did not have formal permission. That's why the statement about the agent representing the company with or without apparent authority is the best fit: liability can attach if the agent is acting as the company's representative and under authority that the company has given or that appears to have been granted based on the company's conduct. The other points aren't required for this liability concept: the agent need not be an office employee, licensing alone doesn't create liability, and ALTA membership isn't a condition for holding the company liable.

3. Which document is not a document that will be recorded in the land records?

- A. Disburser's Notice**
- B. Bargain and Sale Deed**
- C. Notice of Election and Demand**
- D. Bankruptcy Petition**

Documents recorded in the land records are those that affect the title to real property or create, modify, or release an encumbrance on it. A bankruptcy petition, while important in the federal court system for the debtor's fiscal relief and stay protections, does not convey, transfer, or encumber real property, and it does not serve as a notice affecting the chain of title in the county recorder's office. Therefore it isn't recorded in the land records. The other listed documents are typical recordable instruments because they relate to ownership or liens on the property (for example, a deed that transfers title or notices that reflect interests or claims affecting the property).

4. A person who is not a licensed agent of an insurance company, but who negotiates contracts for title insurance, is called:

- A. An insurance agent**
- B. An insurance broker**
- C. A title insurance claims adjuster**
- D. A real estate appraiser**

In this context, someone who isn't tied to a single insurance company but negotiates and arranges title insurance acts as an insurance broker. A broker represents the insured's interests and places coverage with one or more title insurers, often comparing options and terms. This contrasts with an agent, who represents a specific insurer and sells that insurer's policies. The other roles don't fit: a title insurance claims adjuster handles claims after policy loss, and a real estate appraiser evaluates property value.

5. Easements may be extinguished by: title decree against easement holder. This describes which method?

- A. Express**
- B. Merger**
- C. Quiet**
- D. Non-Continued**

Extinguishing an easement through a court action that settles who owns the property and its rights is the idea here. A quiet title action is used to resolve disputes over title and encumbrances, including an easement. When a court issues a decree deciding that the easement claim is invalid or no longer applicable against the property, the easement is extinguished and clears the title. This judicial action directly ends the easement by removing it as a recognized right on the property. In contrast, an express grant creates an easement, not extinguishes it; merger ends an easement automatically when the same owner holds both the dominant and servient estates; and non-continuance or abandonment involves giving up the use of the easement without a court determination.

6. The title commitment is formed in connection with an application for title insurance and includes a report, an application, and a statement.

A. Only an application

B. True

C. A report, an application, and a statement

D. Only a report

The key idea is that a title commitment is issued in response to an application for title insurance and is composed of three parts: the report, the application, and a statement. The report provides the preliminary title search results (showing ownership, encumbrances, and defects). The application contains the information supplied by the applicant about the property and the desired insured amount. The statement lays out the insurer's terms, conditions, and any exceptions or requirements that must be met before a policy can be issued. Together, these three documents form the commitment that the title company offers to insure the title, pending satisfaction of the stated requirements.

7. Which statement about the Colorado Insurance Commissioner is false?

A. Appointed by the Attorney General

B. Serves as Chief Executive of the Division of Insurance

C. Oversees the regulation of the insurance industry in Colorado

D. Creates an inclusive regulatory approach for only title insurance

The position is filled by the Governor, not the Attorney General. The Colorado Insurance Commissioner heads the Division of Insurance within the Department of Regulatory Agencies and serves as its chief executive, overseeing regulation of the entire insurance industry in Colorado. The idea that the commissioner is appointed by the Attorney General is not correct. Also, the division regulates all types of insurance, not just title insurance, so describing the role as limited to title insurance isn't accurate.

8. Which statement is true about the definition of land in title insurance?

A. Right to Use a Contiguous Alley

B. Includes All Improvements

C. Air Space

D. All of the Above

In title insurance, land means the surface of the earth along with everything permanently attached to it. That includes improvements that are fixed to the property, like buildings and other fixtures that are part of the property itself. The right to use a contiguous alley is an easement—a separate interest that isn't part of the land itself. Air space relates to rights above the surface and is not included in the land definition in this context. So the statement that land includes all improvements best reflects how land is defined for title insurance.

9. What does the acronym O&E stand for in title practice?

A. Ownership and Encumbrance Report

B. Official and Encumbrance Evidence

C. Order and Endorsement

D. Ownership and Easement Evidence

Ownership and Encumbrance Report. In title practice, an O&E report is a snapshot from public records showing who owns the property and what encumbrances, such as liens, mortgages, easements, restrictions, or judgments, affect it. This helps lenders and title professionals assess marketability and determine what needs to be cleared or insured before closing. The other phrases aren't the standard term used for this document, and while easements are a type of encumbrance, the recognized label is Ownership and Encumbrance Report.

10. Upon death of a resident, title to real property in the state is subject to which of the following?

A. Family allowances and creditor's rights

B. Heirs

C. Probate

D. Taxes

When a resident dies, real property owned at death becomes part of the decedent's estate and goes through probate. During probate, the estate must pay debts and administration expenses, including family allowances for the surviving spouse or children and any creditor claims. These obligations attach to the property and must be satisfied before title can pass to heirs or beneficiaries. So the title is subject to family allowances and creditor's rights. Heirs will receive the property only after debts and expenses are paid; taxes are addressed as part of the overall settlement, but the practical effect on title during probate comes from those creditor claims and any family allowances.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://ltgccoloradotitle.examzify.com>

We wish you the very best on your exam journey. You've got this!

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