

Title Insurance Made Simple

What is title insurance?

Title insurance protects your ownership interest (i.e., title of your property from losses incurred as a result of unknown title defects or other covered matters that exist at the time of your purchase, but are unknown to you at that time.

What does title insurance cover?

Title insurance provides coverage for, but not limited to:

- someone else claiming an interest in your title
- fraud, forgery and false impersonation affecting the validity of your title
- existing liens against the tile including realty tax arrears and municipal utility charges
- violations of municipal zoning by-laws
- many forms of encroachments onto the property or adjoining land
- existing work orders
- lack of legal access to the property
- unmarketability of land due to adverse matters that an up-to-date survey/Real Property Report/
Building Location Certificate would have revealed

What types of policies are available?

- a Residential Gold Owner Policy to protect your title to the property; and
- a Residential Gold Loan Policy to protect your lender's priority and enforceability of the mortgage

Policies are available for:

- residential dwellings of up to six units
- vacant land
- cottages
- condominiums
- cooperatives
- leased land

If you own a business, you can also speak to your lawyer/notary about purchasing title insurance for your commercial property.

What is the premium?

Title insurance is available for a **low premium that is paid only once** at the time of closing. Your lawyer/notary will be happy to provide you with a premium quote.

Coverage is valid for the duration of ownership and the policy coverage amount is generally the amount you paid for your property.

Premium costs are often offset by the savings from the reduced number of required searches your lawyer/notary must complete. Additionally, your title insurance policy can often satisfy the lender's requirement for an up-to-date property survey/RPR/Building Location Certificate, saving you additional costs (typically between \$500 and \$1,200).

How do I make a claim?

Should you have a potential claim, contact your title insurance provider as soon as possible. You need only provide evidence in writing that you have suffered losses as a result of a defect covered by the policy. A claims associate will then determine if your claim is covered by the policy and communicate to you the proposed method to resolve it.

What are some examples? (the following examples are taken from Stewart Title Guaranty Company)

Title Fraud

An insured homeowner was contacted by an investigator who worked for a major financial institution. The investigator informed the insured that a fraudster had assumed his identity and transferred the title of his property to another individual's name. The fraudster then assumed the identity of the name that now held the title to the property to obtain a second mortgage and retain the funds.