



Title Insurance for **Homebuyers**

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 losses arising from, but not limited to:

Title Risks:

- ▶ Someone else claiming an interest in your title
- ▶ Forgery or impersonation affecting the validity of your title
- ▶ Existing liens against the title including realty tax arrears and municipal utility charges

Off-Title Risks:

- ▶ 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 (RPR)/Building Location Certificate would have revealed

What types of policies are available?

- ▶ The Gold Comprehensive Protection Owner's Policy to protect your title to the property
- ▶ The Gold Comprehensive Protection Loan Policy to protect your lender's priority and enforceability of the mortgage

Policies are available for:

- ▶ Residential dwellings of up to six units
- ▶ Residentially zoned vacant land
- ▶ Cottages
- ▶ Condominiums
- ▶ Cooperatives
- ▶ Leased land

Current homeowners can also obtain coverage through the purchase of an Existing Owner Policy. If you own a business, you can speak to your lawyer/notary about purchasing title insurance for your commercial property.

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What is the premium?

Title insurance is available for a low premium that is paid only once at the time of closing.

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 Stewart Title as soon as possible. You will need to provide evidence in writing that you have suffered losses as a result of a defect covered by the policy. A Stewart Title 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?

Our claimants have avoided the hassle and costs associated with correcting title defects and resolving other covered matters. Below are some real-life examples:

Title Fraud

Our insured homeowner was contacted by an investigator who worked for a major financial institution. The investigator informed our 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.

Stewart Title retained counsel to restore the title to its rightful owner.

Lien on Title

After moving into their new condominium, our insureds were informed that they were responsible for paying a special assessment on the condo unit. This special assessment, which did not appear on their Status Certificate when they purchased, was levied by the condominium board after our insureds had signed their Agreement, but before their closing date.

Stewart Title covered the unexpected levy because it would have been revealed by a Status Certificate had one been obtained on the closing date.

Outstanding Building Permit

After purchasing their property, our insureds found several issues with some of the renovations that had been completed prior to their purchase. It was discovered through a search that the previous owners had obtained the proper building permits, but a final inspection had not been completed, allowing serious issues to remain outstanding. The municipality required that the final inspection be completed and the open permit closed.

Stewart Title covered the costs of remedying the issues revealed by the final inspection that were necessary to close the outstanding building permit.

What is not covered?

Please note the standard exclusions and exceptions from coverage contained in all title insurance policies. These include:

- ▶ Risks created, allowed, or agreed to by you
- ▶ Risks that are known to you, but not to Stewart Title, on the policy date
- ▶ Environmental matters, including mold and UFFI
- ▶ First Nations land claims
- ▶ Matters that result in no loss to you
- ▶ Matters disclosed in a home inspection report obtained prior to closing
- ▶ Functionality of home systems
- ▶ Physical/structural conditions or defects regardless of whether or not such conditions/defects affect the value or marketability of the property

Based on the searches performed by your lawyer/notary, there may be property specific exceptions added to your policy. Please review your policy with your lawyer/notary.

Visit stewart.ca for more details on policy coverage and exclusions.

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Title Insurance Tips

- ▶ Your amount of insurance should be the amount you paid for your property, except for existing homeowner policies where the amount of insurance will be the fair market value at the time the policy is obtained.
- ▶ Carefully review your policy to ensure that it correctly describes all of the property you purchased.
- ▶ In the event you have a potential claim, contact Stewart Title as soon as possible.

An Experienced, Reliable Leader

A leading global title insurer, Stewart Title has over a century of experience in protecting property owners and lenders against inherent title risks. With a history of working with legal professionals, property owners/buyers and lenders, Stewart Title has the expertise and know-how needed to help close real estate transactions with peace of mind.

Our Privacy Policy

The protection of your personal information is important to Stewart Title and accordingly, we have policies and procedures in place to effectively manage and secure personal information. The personal information you provide is kept confidential and is collected, used, and disclosed for the purposes and in the manner set out in our Privacy Policy. You may review Stewart Title's Privacy Policy at stewart.ca.

Protect your investment.
Contact your lawyer/notary to obtain
title insurance from Stewart Title
on your behalf.



Stewart Title Guaranty Company
888.667.5151
stewart.ca

This brochure is intended to provide information that is of a general nature and is subject to change. For full particulars of coverage, including exceptions and exclusions, please review the actual policy issued. Sample policies are available on request. Sample policies may not represent the final policy language issued for any particular transaction.

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