

IMPORTANT NOTE: In addition to your normal corporate due diligence, it is a requirement of Stewart Title that you obtain Canadian/Provincial Government issued PHOTO ID for all private individuals and corporate signing officers for private corporations, that you review and confirm the validity to the best of your ability, and that you keep a legible photocopy in your file. We will not insure a transaction for which acceptable PHOTO ID is not obtained. If you are unable to obtain acceptable PHOTO ID please contact a Stewart Title underwriter PRIOR to closing.

It is imperative that you order your title insurance policy *prior* to the closing date. This ensures all underwriting matters can be considered in the coverage provided for the Insured. Please inform Stewart Title immediately if your deal has been delayed over 30 days.

Where coverage is provided, title insurance can eliminate the need for certain off-title searches. This results in significant savings to the client, which often outweighs the cost of the title insurance premium. In order to maximize the cost savings, please refer to this list when the transaction is initiated. Please note that this information was compiled based on general practices in most jurisdictions. For further information please contact Stewart Title.

Title Search Requirements

Purchase Transactions: Registry Properties: A 10 year title search is required, as well as a 30 year search for priorities and other charges and a search up to the cadastre for servitudes.

Refinances: Only a Sub-search from the last arm's length deed is required for commercial refinances under 10,000,000\$. A full 10 year title search is required, as well as a 30 year search for priorities and other charges and a search up to the cadastre for servitudes for commercial refinances over 10,000,000\$.

NOTE: Where a prior opinion is available, the above search requirements may be altered with the approval of a Stewart Title Underwriter. Please contact any of our Underwriters to discuss.

Certificate of Location Requirements

FOR OWNER

Commercial Transactions Under 12,000,000\$: An up-to-date certificate of location is *not* required to obtain a certificate of location endorsement

Commercial Transactions Over 12,000,000\$: An up-to-date certificate of location is required to obtain a certificate of location endorsement. Please note, however, that certificate of location coverage may be negotiated for commercial transactions over 12,000,000\$ in the event that an old certificate of location is available and/or the vendor(s)/mortgagor(s) is willing to provide a Statutory Declaration confirming that there have been no improvements to the subject property, up to the Policy Date.

FOR LENDER

For all Commercial Transactions: An up-to-date certificate of location is *not* required to obtain a certificate of location endorsement.

Off Title Searches

Notes: i) "LTV" = Loan to Value Ratio

ii) Where a search is waived for lenders between 10 million dollars and 50 million dollars as set out below a suitable statutory declaration from the vendor (purchase mortgage transaction) or borrower (refinance) must be obtained.

(1) **Public Utility Certificates/Arrears.**

For Owner: For transactions under 5,000,000\$, verbal confirmation, a receipted utility bill or reference in a vendor's Statutory Declaration is sufficient; however, if any of the foregoing cannot be obtained we will require the certificate. Public Utility Certificates are required on transactions over 5,000,000\$.

For Lender: Verbal confirmation, a receipted utility bill or reference in a vendor's/mortgagor's Statutory Declaration is sufficient regardless of the mortgage amount; however, if any of the foregoing cannot be obtained we will require the certificate.

NOTE: Coverage is provided to the extent the arrears form a lien

(2) **Corporate Profile Report or Certificate of Status** is required against the vendor(s), and the purchaser(s)/mortgagor(s). They are not required against prior corporate owners.

(3) **Zoning Compliance.**

For Owner: If the purchase price is under 10,000,000\$ no report is necessary in order to obtain a zoning endorsement.

For Lender: If the loan amount is under 10,000,000\$ no report is necessary in order to obtain a zoning endorsement. If the loan amount is between 10,000,000\$ and 50,000,000\$ no report is necessary in order to obtain a zoning endorsement provided that we receive confirmation that the LTV is not greater than 75%. With the approval of a Stewart Title Underwriter, the search may be waived for loans over 50,000,000\$. Please contact any of our Underwriters to discuss.

NOTE: The policy will insure that the Property will be permitted to continue its present use. If the land is vacant or if a change of use is contemplated, the client or lawyer/notary should confirm that zoning corresponds with future plans for development/improvements.

(4) **Estoppel Certificates/Status Certificates** this search is required for all condominium transactions except for condominium refinances under 2,000,000\$.

Items Not Covered By Commercial Policies

Please Note- Existing Owner and Existing Lender Policies are not available for Commercial Properties

The following searches may reveal title or other defects which are of relevance to your client and are NOT covered by commercial title insurance policies:

- (1) Conservation Authority.
- (2) Environmental Clearance.
- (3) Residential Tenancies Act
- (4) Water Potability and Quantity.
- (5) PPSA Re: Chattels.
- (6) Fire Department Compliance
- (7) Bank Act Issues.
- (8) Bankruptcy Act.
- (9) Elevator Issues.
- (10) Public Health Department Issues.
- (11) Septic System.
- (12) Electrical Safety Authority
- (13) Technical Standards and Safety Authority

NOTE: Stewart Title Commercial Policies do not provide coverage for the foregoing matters. This list is for guidance only and is not intended to be an exhaustive list of searches that Solicitors should consider. Solicitors should determine if any of the above or other searches are relevant to the subject transaction and if so, which of the above or other searches need to be conducted to adequately protect their client's interests. Please review the actual policy documents for full particulars of coverage.