



Reduce Risk on Real Estate Transactions through Title Insurance Solutions

LIANS Webinar

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What is Title Insurance?

- It is a contract of insurance between the insured and the title insurance company, entered into to indemnify loss or damage resulting from defects or problems relating to the ownership of real property, or from the enforcement of liens that exist against it.
- In return for payment of a one-time premium, the title insurance company agrees to defend the insured from future losses arising because of defects or events that occurred prior to the time the policy was issued.

Canada's **Best Kept Secret** in Residential and Commercial Title Insurance.

Why Title Insure?

- Reduce Risk
- Increase the likelihood a transaction will close
- Streamline closing process
- Reduce Closing Costs

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Why Title Insure?



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Simplified Search Requirements



Purchases

4 Basic Searches

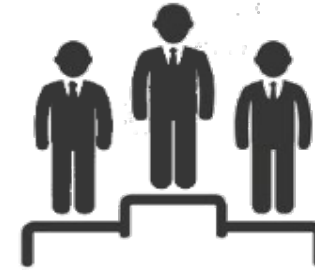
- ❖ Title Search
 - Registry systems 40 year search and Land Titles copy of PIN showing deleted instruments
- ❖ Executions/Judgments/Writs
- ❖ Realty taxes
- ❖ Condominium: Status/estoppel certificate



Refinances

3 Basic Searches

- ❖ Title Search
 - Sub search of title from last arm's length transaction
- ❖ Executions/Judgments/Writs
- ❖ Realty taxes



Commercial

1 Additional Search

- ❖ Corporate Profile in addition to searches required for residential transactions (Under \$10M)



Commercial Search Guidelines: <http://www.chicagotitle.ca/commercial/legal-professional>
Residential Search Guidelines: <http://www.chicagotitle.ca/residential/legal-professional>

Comprehensive Coverage



2006 ALTA inspired Policy Jackets

- ❑ 24 Covered Risks in a standard residential owner policy
- ❑ 30 Covered Risks in a standard residential loan policy
- ❑ Includes **Survey, GAP and Fraud** coverage
- ❑ Duty to Defend

"90% of all claims are derived from coverage found under the Policy Jacket"

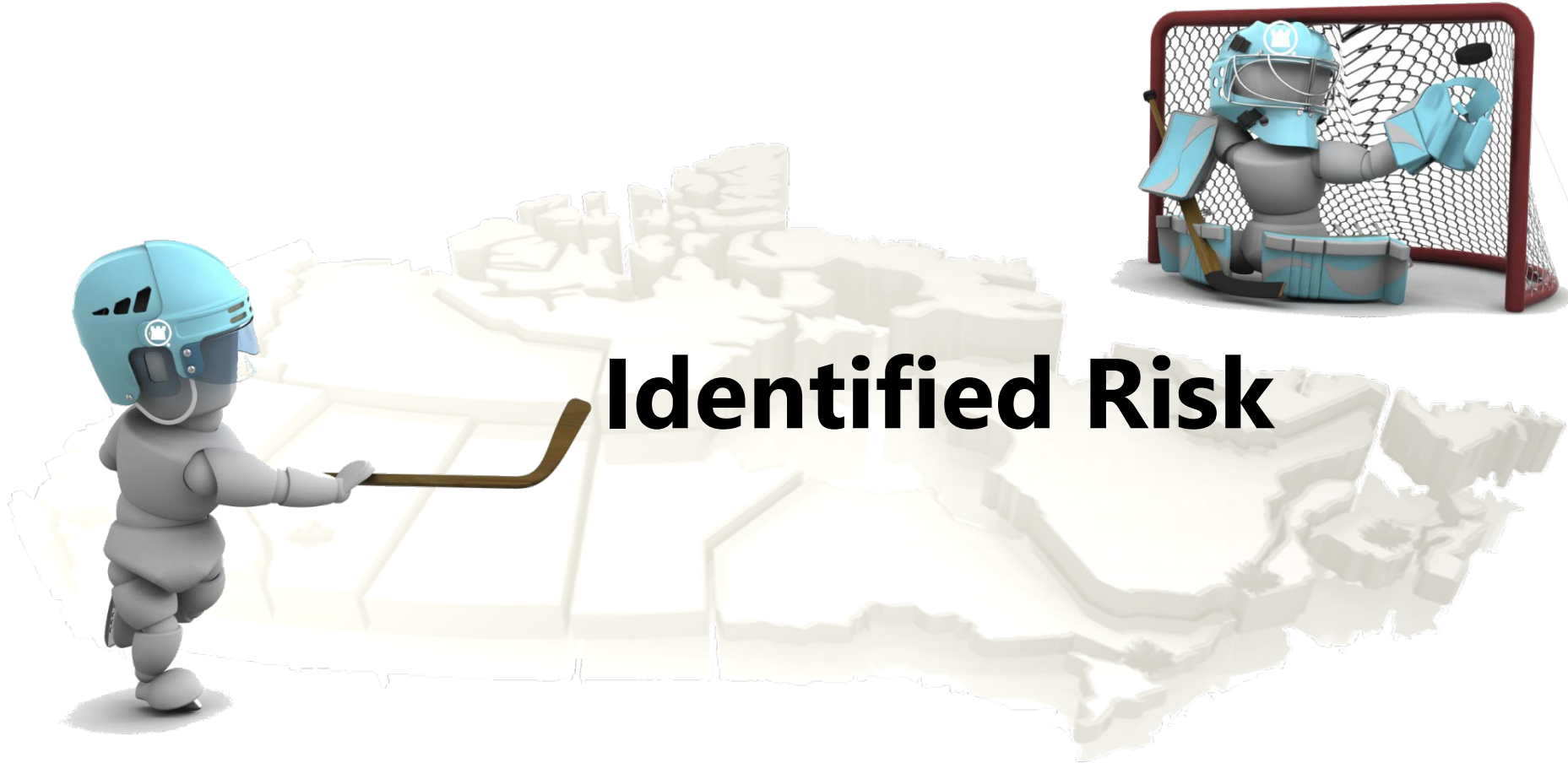


Endorsements

A comprehensive suite of endorsements to address all your deal requirements

Chicago Title Insurance Company Canada

Solutions For Title Issues



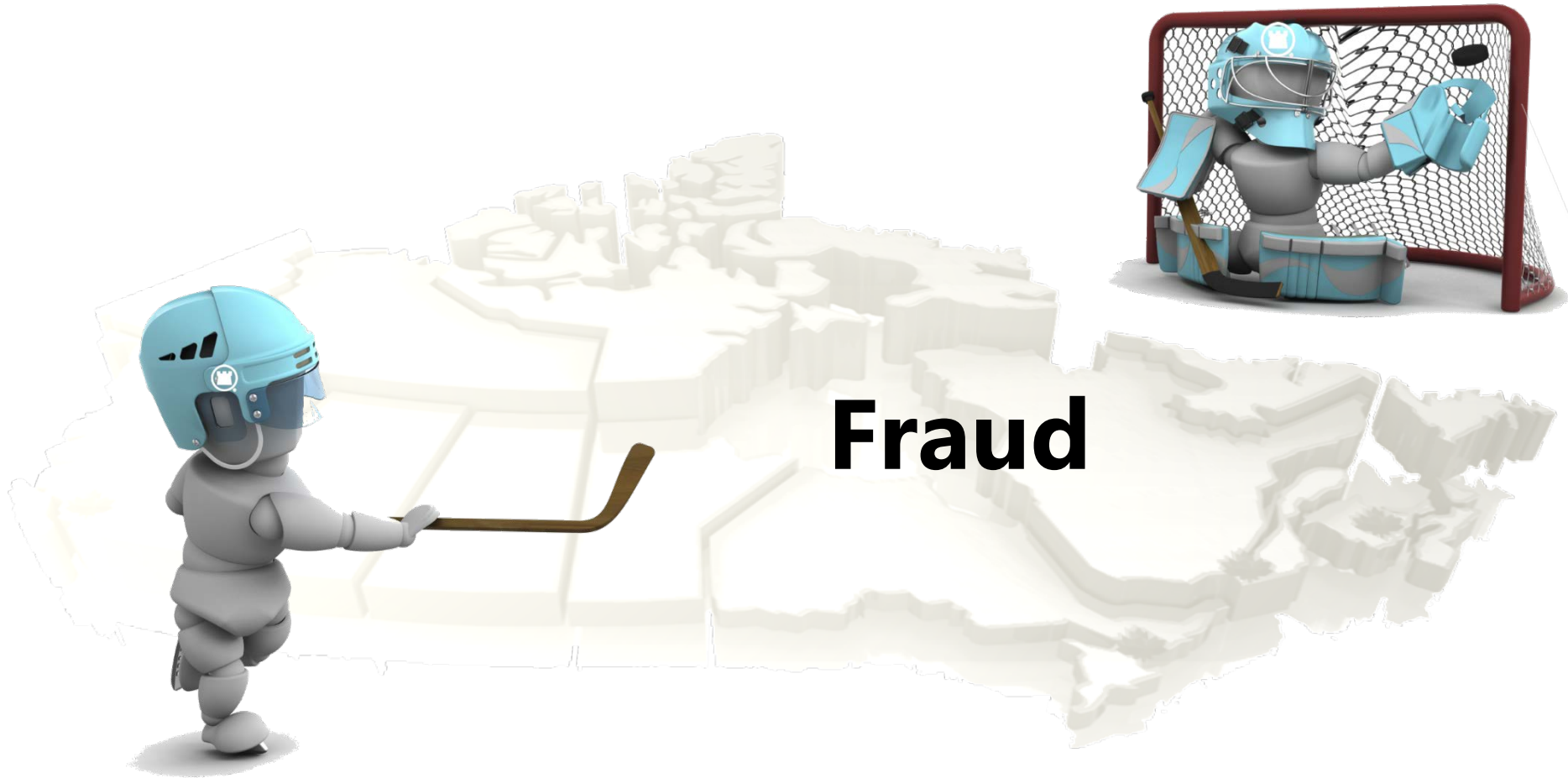
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Additional Coverage



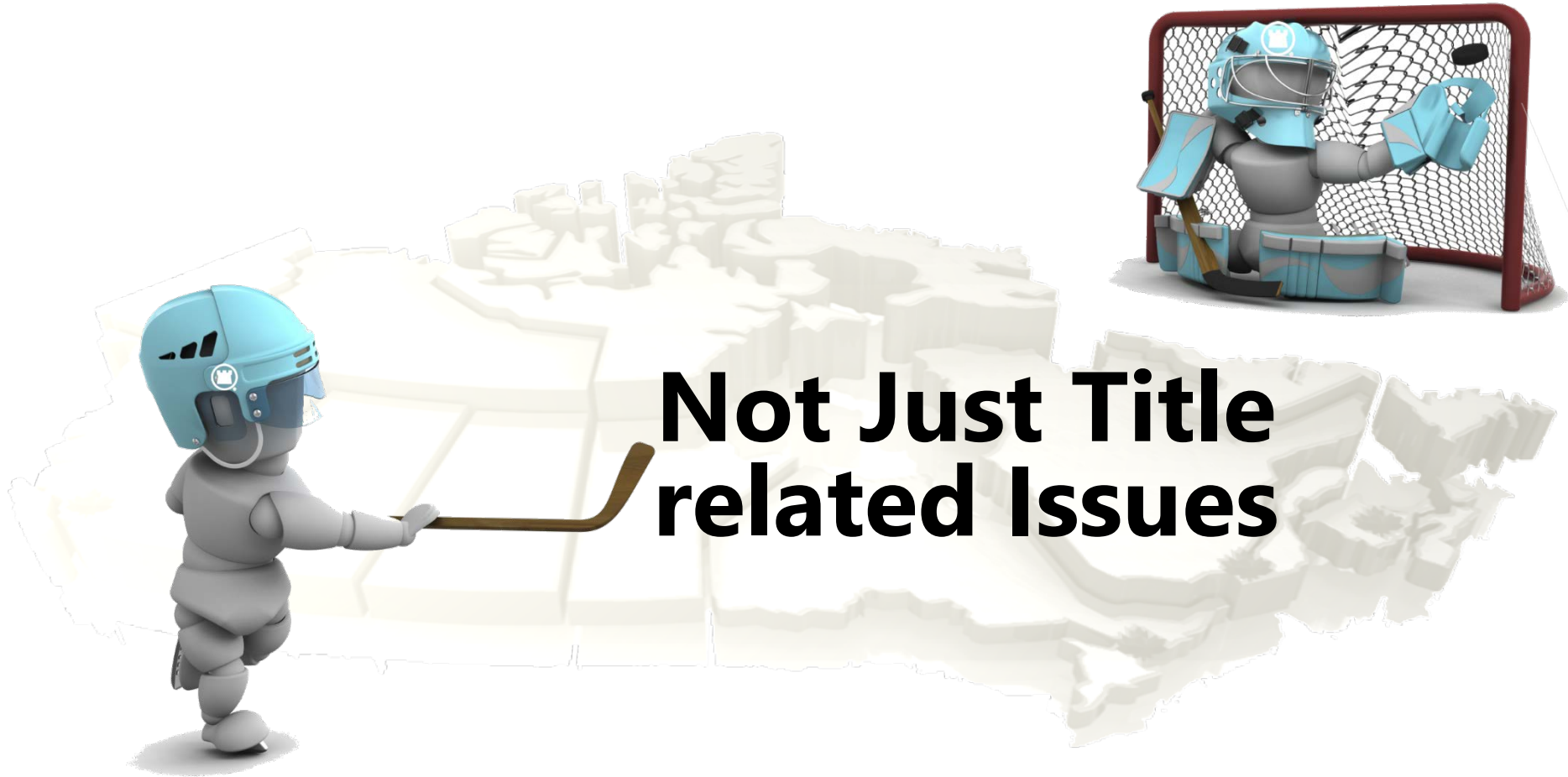
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Additional Coverage



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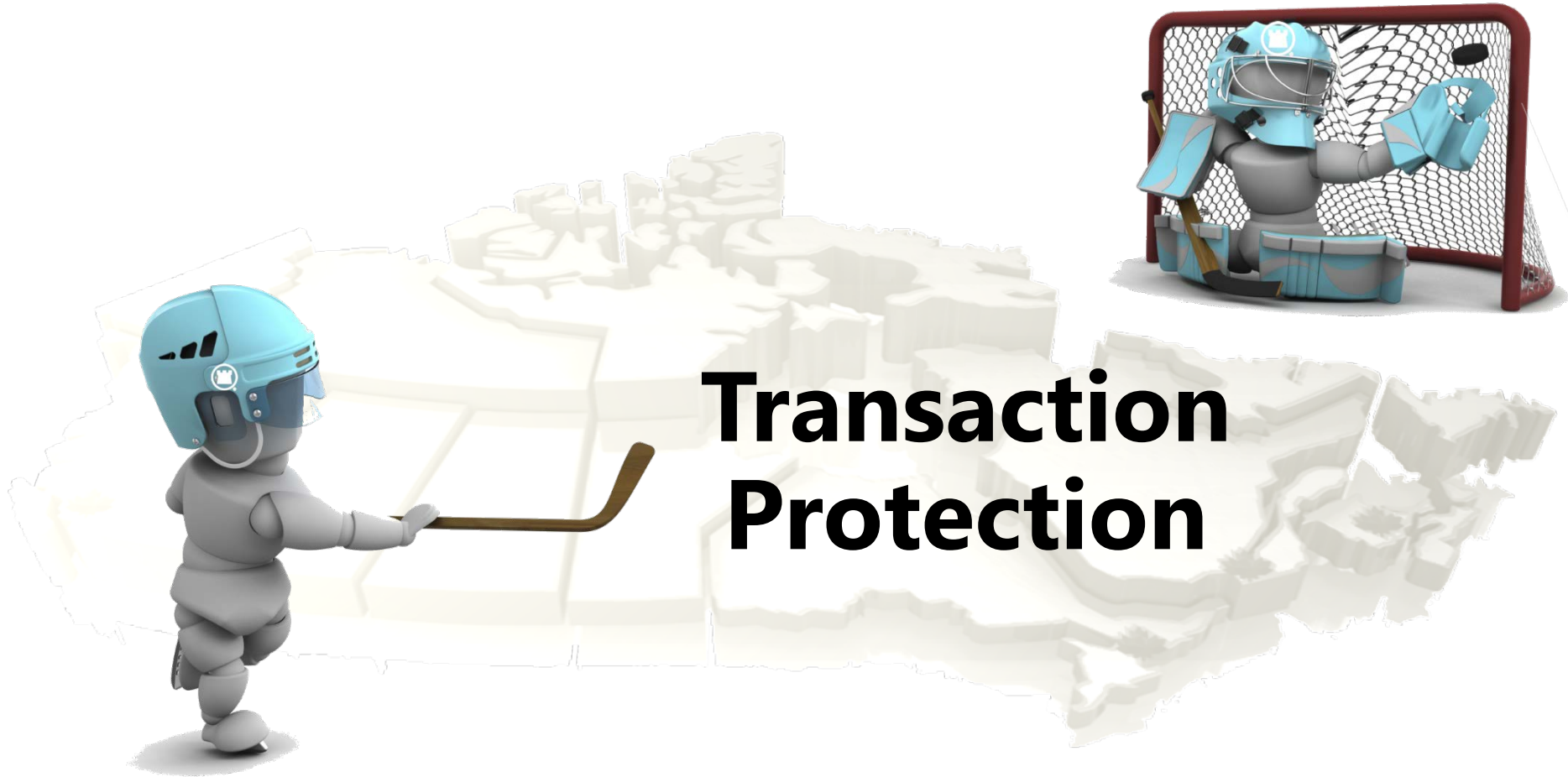
Additional Coverage



**Not Just Title
related Issues**

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Additional Coverage



Transaction Protection

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Custom Title Packages

Our Goal is to provide the best coverage possible for the Insured:

- ▣ Willingness to develop custom solutions
- ▣ A comprehensive suite of endorsements
- ▣ Site specific packages



"We have the ability to craft our own endorsements so talk to us about your problems and you may be surprised about what we can cover."

Canada's **Best Kept Secret** in Residential and Commercial Title Insurance.

Claims



- ✓ Submitting a Claim

- ✓ Claims examples

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Submitting a Claim

Issues to Consider

- Has a policy been issued or paid for?
- Is the claimant an insured?
- Does the claim involve the land insured?
- Does the claim involve a covered title risk?
- Is the matter excluded?
- Has the insured prejudiced rights by delay or otherwise?
- Is the matter excepted?



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Claim #1

- ❑ **Issue:** Client is in the process of building a new home when they learn they do not have access to the road.

- ❑ **Investigation Needed:**
 - ✓ Verify policy paid for and issued. Review policy. Who closed the transaction?
 - ✓ Talk with insured to get background.
 - ✓ Talk with lawyer who closed the transaction.

Permit Coverages in the Owner Policy

- ✓ Covered Risk #5
 - ✓ You do not have any legal right of pedestrian or vehicular access to and from the Land.

Claim #2

- ❑ **Issue:** Client wanted to renovate home and applied for building permits. After the municipality inspected the property it was determined a number of items were not to code and permits had not been issued.

- ❑ **Investigation Needed:**
 - ✓ Verify policy paid for and issued. Review policy. Who closed the transaction?
 - ✓ Talk with insured to get background.
 - ✓ Reviewed letter from government authority forcing the owner to remedy the issues.

Permit Coverages in the Owner Policy

- ✓ Covered Risk #16
 - ✓ You are forced by a Government Office to remove or remedy your existing structure other than a boundary wall or fence because any portion of it was built without obtaining a building permit from the proper government office.

Claim #3

- ❑ **Issue: Forced conversion of triplex to duplex.** Insured bought a triplex as an investment property with all three units rented out. After purchase, the City issued an order to comply on the basis of a zoning by-law violation: the property had to be converted into a duplex and the insured had to live in one of the two units.
- ❑ **Investigation Needed:**
 - ✓ Verify Policy and how it was ordered.
 - ✓ Look at purchase contract and any inspection report.

Permit Coverages in the Owner Policy

- ✓ Covered Risk #13
 - ✓ You are forced to remove or remedy your existing structure, or any part of it, other than a boundary wall or fence, or you cannot use it for a one to six family residential property or condominium unit because:
 - a) it extends or is located onto adjoining land or onto any easement
 - b) it violates a restriction shown in Schedule B

Claim #4

- ❑ **Issue:** Insured owner thought that the furnace was owned by the vendor but has now received an invoice asking for the monthly payment for the furnace rental.

- ❑ **Investigation Needed:**
 - ✓ Verify policy paid for and issued. Review policy.
 - ✓ Look at purchase contract.
 - ✓ Was there a lien registered?
 - ✓ Talk with insured to get background.

Permit Coverages in the Owner Policy

- ✓ Covered Risk #16
 - ✓ You are forced by a Government Office to remove or remedy your existing structure other than a boundary wall or fence because any portion of it was built without obtaining a building permit from the proper government office.

- ✓ Covered Risk #22
 - ✓ Any adverse circumstances affecting the Land which would have been disclosed by a local authority search of the Land at Policy Date.

Questions or Comments?



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