

Purchasing Title Insurance

Historically, a lawyer's title opinion was the only option available to assure title to property. Adding title insurance to a real estate transaction, however, protects your investment against title-related matters and imperfections that are beyond a lawyer's control, in addition to providing fraud protection. ¹

Benefits of Title Insurance

For a low, one-time premium, title insurance provides many benefits and comprehensive, no-fault coverage. It:

- Reduces your closing costs and minimizes delays by:
 - Eliminating the need for many costly off-title searches
 - Eliminating the requirement for an up-to-date survey in most circumstances
 - Insuring over many known defects
- Reduces your risk by providing comprehensive protection over defects beyond the control of your lawyer

The policy remains in force as long as you own the property. You are insured for the value of the property at the time you obtain the policy with an additional 200% inflationary coverage. ¹

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. ²

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 title 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 would have revealed ²

What is not covered?

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

- Title or other defects created, allowed, or agreed to by you
- Title or other defects known to you but not the title insurer prior to the policy date
- Environmental matters
- Native land claims
- Matters that result in no loss to you
- Matters disclosed in home inspection or building inspection reports obtained by you²

¹ Copyright Chicago Title Insurance Company Canada. 'Why Title Insurance?'

² Copyright Stewart Title Guaranty Company. 'Title Insurance for Homebuyers.' 2006-2012.