

Protecting Your Biggest Investment

While Canadians are quick to list a decent mortgage rate, home insurance and a yearly furnace inspection as key considerations in helping them sleep better when it comes to their home, many do not consider protecting their biggest investment with a title insurance policy. What exactly is title insurance? You may have heard about it in the media, as it is considered an inexpensive and effective way to cover a number of risks that are related to the “good title” of your property.

In order to explain title insurance, it is necessary to explain what “title” is. When you buy a home, you are in effect buying the title to the property, which is commonly referred to as a “deed” or “transfer of land”. This means that you own the property and your lawyer/notary has registered you as the owner in a land titles system. You want to have good title because it means that you will be able to sell your property in the future or obtain financing against your home at any point. To protect your ownership, a title insurance policy provides coverage in the event that your right of ownership is challenged or a loss occurs due to a covered title defect or a claim against your property.

When considering if you should include title insurance as part of your real estate purchase, the following is important information that you should know:

Top Benefits of Title Insurance

- **Fast and efficient closing process** – title insurance will help ensure your transaction closes on time
- **Survey coverage** – protects against unmarketability (not being able to sell your property in the future or obtain financing against your home) as a result of defects that would have been disclosed on an up-to-date survey, Real Property Report or Location Certificate
- **Fraud and forgery** – protection against fraudulently registered mortgages against your title
- **Duty to defend** – the legal fees associated with resolving insured title issues will be covered
- **Building permit coverage** – coverage for renovations completed without a permit that result in a loss
- **Zoning coverage** – protection should a property not meet municipal zoning requirements
- **Competing interests** – protection in the case of someone claiming an interest in your land; for example, an easement for a driveway or a builder’s lien
- **Problem solving/facilitates closings** – we can frequently provide coverage for known defects such as encroachments, delays in registration and zoning violations
- **Saving money** – requesting a homeowner title insurance policy at the time of your real estate purchase may be the best opportunity for you to buy your policy at a lower price. If your lawyer/notary is ordering a policy for your lender, you can buy a homeowner policy at a lower cost!

For more information on how you can include title insurance as part of the purchase of your home, ask your lawyer or notary about FCT’s homeowner’s coverage and enjoy the peace of mind that results from the protection of a title insurance policy.

Thank you for choosing FCT!

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