



What is title insurance?

It is an insurance policy that provides an indemnity against loss or damage for many covered title risks relating to real property, including coverage in the event someone else claims an ownership interest in the insured property or in the event that the priority and enforceability of a lender's mortgage on title is challenged.

Title insurance provides coverage against title defects in existence at the time of closing, but which are not known to the insured at that time. It also provides coverage against losses resulting from many forms of title fraud.

It is widely used due to its comprehensive coverage and to save costs and time on real estate closings.

Who can benefit from title insurance?

- home purchasers;
- residential and commercial lenders;
- commercial property buyers.

What types of properties and mortgages does title insurance apply to?

Subject to meeting underwriting criteria, title insurance is available for both residential and commercial properties. Policies may be obtained for purchasers and lenders [banks]. The policy coverage offered varies between residential and commercial properties.

How is title insurance obtained?

Title insurance policies are obtained via the Stewart Title Offices. The purchaser will cooperate with our in-house legal team to assist in providing documents to enable us to complete the due diligence searches required to obtain a policy.

Is there an annual premium?

Title insurance is available for a one-time premium. The premium is based upon the purchase price (for an owner policy) and the registered mortgage amount (for a lender policy).

For owners, the policy coverage lasts for as long as the owner retains an ownership interest in the property and **for lenders** for as long as the insured mortgage is outstanding.

What does title insurance cover?

Title insurance provides coverage for title risks existing as of the policy date.

For Homeowners – Residential Owner Policy

- Liens or encumbrances on title
- Tax arrears
- Other parties owning an interest in a title
- Many forms of title fraud
- Lack of a legal right access to and from the Land
- Legal fees associated with a covered title risk as per the duty to defend contained within the policy

For Lenders

- The invalidity or unenforceability of the insured mortgage upon the title
- The priority of any lien or encumbrance over the insured mortgage
- Lack of a legal right of access to and from the Land
- Legal fees associated with a covered title risk as per the duty to defend contained within the policy

For Commercial Properties

- Liens or encumbrances on the title
- Lack of legal access to the property
- Invalidity or unenforceability of the insured mortgage on title
- Legal fees associated with a covered title risk as per the duty to defend contained within the policy
- Types of commercial properties that may be insured include: business centers, golf courses, hotels, office towers and resorts

What are some of the Benefits of a Stewart Title Policy?

- **Gap coverage:** Provided, Stewart's underwriting requirements are met, a Stewart policy will provide coverage for the lender and homeowner for the gap between closing and document registration, thereby allowing the transaction to close at the time of signing rather than registration.
- **Standard coverage:** Lenders receive coverage that is recognized worldwide so as to make commercial and residential mortgage portfolios more marketable.
- **Defence of title:** All of Stewart's policies contain a duty to defend title in the event that court action is taken to challenge an insured's title where such court action is based on a covered title risk. Stewart can end that duty to defend by paying out the claim.
- **Expert advice:** Stewart Title values the role and advice provided by a lawyer during the real estate process. Our experience can often identify issues or risks prior to closing and address or mitigate issues before they become problematic.
- **Efficient claims handling:** No deductible.
- **Cost effective:** A single premium covers the insured owner of the property until ownership changes.
 - By obtaining a title insurance policy, there is often the ability to reduce the number of searches required to complete the closing of a real estate transaction
- **Peace of mind:** Stewart Title Limited stands proudly as one of the largest title insurers in the world, with more than a century of experience protecting homeowners and lenders.

How are claims made?

Claims are made in writing to Stewart Title and the information required varies depending on the type of claim. Homeowners or lenders provide in writing that they have suffered a loss as a result of a defect covered by the policy. One of Stewart Title's claims associates will then propose the method best suited to resolve the claim.

There is no deductible, and a title policy also provides cover for the costs, lawyer's fees and expenses incurred in defending title against a covered claim.