

Quick Facts

for Residential Purchase Transactions¹

ONTARIO
FEBRUARY 15, 2011

A TitlePLUS[®] purchase policy = title insurance plus legal services coverage²



Survey coverage will be provided for all properties up to \$1 million. For properties over \$1 million, a survey may be required.

TitlePLUS purchase policies (up to \$2 million) are available for these types of properties³:

- new houses and condominiums;
- resale houses and condominiums;
- secondary homes and cottages;
- residential rental (up to 4 units);
- rural;
- farms⁴;
- leaseholds⁴; and
- vacant land⁵ intended for residential purposes.

TitlePLUS policies are also available for the following:

- mortgage-only (refinance) transactions;
- current owners (OwnerEXPRESS[®]);
- new houses and condominiums enrolled in the TitlePLUS New Home Program; and
- commercial properties.⁴

¹ The TitlePLUS policy is underwritten by Lawyers' Professional Indemnity Company (LawPRO[®]). Contact LawPRO for brokers in Manitoba, Alberta and Québec.

² Excluding OwnerEXPRESS policies and Québec policies.

³ Please refer to the policy for full details, including actual terms and conditions. See over for Summary of Searches. Different search

requirements apply to transactions over \$1 million, please call us for details.

⁴ Please call the TitlePLUS Customer Service Centre for assistance with these types of properties.

⁵ Some restrictions may apply.

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You must enter an exception to coverage in the TitlePLUS application where: (a) a search is required but not done; or (b) search results disclose issues or concerns which are not being resolved on or before closing.

For properties up to \$1 million, the following searches are never required: (a) executions on condominium corporations or prior owners; (b) *Personal Property Security Act*; (c) corporate escheats/limited partnerships; (d) compliance with Subdivision/Development Agreements (as defined)⁶; or (e) hydro arrears.

TYPE OF SEARCH	COMMENTS
TITLE SEARCH	
Subject Property	Always required: Include deleted instruments in automated title search. Note date of last transfer to insert in TitlePLUS application. If last transfer within past 2 years, note whether transfer at arm's length and if so, insert date and consideration shown in TitlePLUS application. If mortgage discharge registered within last 6 months, indicate in TitlePLUS application.
Servient Tenement re: Easement (if any)	Always required: If Registry, confirm that registered title of servient property discloses existence of easement throughout 40 year period or since creation (whichever is shorter). If Land Titles, confirm easement in description for servient property.
Abutting Properties	Sometimes required: Where necessary to ascertain subdivision control compliance. If plan has been de-registered, this search is required.
EXECUTION SEARCHES	
Vendor	Always required.
Purchaser + Guarantor of Mortgage (if any)	Sometimes required: If granting mortgage (other than vendor take-back). Search against guarantor not required if expressly waived by lender.
OFF-TITLE SEARCHES	
Realty Tax and Local Improvements	Always required: Where provided, verbal responses or printouts of the municipality's tax records for the property are acceptable; where municipality will not provide verbal responses or printouts, any of the following are acceptable: (a) receipted tax bill; (b) confirmation that the prior lender has been paying the taxes; or (c) an unqualified statutory declaration from the vendor that all prior years' taxes have been paid, charges for local improvements (if any) are paid up-to-date and the status for the current year is accurately set out in the Statement of Adjustments; plus an undertaking to readjust from the vendor. Where realty taxes for a new house or condo have not yet been separately assessed, you may obtain on closing the builder's undertaking to readjust. For resale of recently constructed houses and condominiums, see Hotsheet in Help menu on titleplus.lawyerdoneal.com .
Gas Arrears	Sometimes required: Where supplier municipal and charges form a lien on the property that would bind a subsequent owner.
Water and Sewage Arrears	Sometimes required: Need not be done if: (a) included in common expenses for condo; (b) purchaser already in possession and previously paying; (c) in area where water supplier (public or private) has published policy of not pursuing purchaser for arrears; or (d) new home and receiving undertaking to readjust/pay any amounts owing from vendor. The following inquiries are acceptable: (a) verbal responses from suppliers; (b) the most recent bill if it shows that previous bills were paid; or (c) an unqualified statutory declaration from the vendor that all such charges have been paid to date, and that the status of payments is accurately set out in the Statement of Adjustments.
Arrears of Charges for Equipment Purchased/Rented from Utility Supplier	Sometimes required: Need only be done where: (a) notice of the utility supplier's interest is registered on title; or (b) lawyer or client knows there is equipment which was purchased from utility supplier and is not fully paid for, or is rented.
Technical Standards and Safety Authority (TSSA) (re: registration of underground oil tanks)	Sometimes required: Where property heated by oil from an underground oil tank or where the lawyer is otherwise aware that there is an underground oil tank on the property. A verbal response is sufficient.
Zoning	Sometimes required: Where: (a) you have reason to believe that year-round occupancy may not be permitted; or (b) where multi-unit property.
Building Department	Not required where property is: (a) new home; (b) condo; (c) vacant land; or (d) single family dwelling, except as stated below. Required where property is: (a) multi-unit; (b) being purchased under power of sale, foreclosure, court sale, execution, tax sale, from a mortgage insurer, trustee in bankruptcy or receiver or from the Crown after forfeiture; or (c) in City of Greater Sudbury (except for new homes, condos and vacant land). Verbal and online responses are acceptable. If this search is required, an additional search must be done in certain municipalities – see "Building Department Searches for properties in London, Thunder Bay, Windsor and Unorganized Territories" in Help menu on titleplus.lawyerdoneal.com .
Electrical Safety Authority and Fire Dept. Work Orders and Compliance	Sometimes required: Where multi-unit property, confirm that: (a) there are no work orders issued by the Electrical Safety Authority or Fire Department; and (b) the property complies with electrical and fire requirements, including retrofit.
Registration of Multiple Units	Sometimes required: Where multi-unit property and municipality requires registration or licence.
Boarding, Lodging or Rooming House Licence	Sometimes required: Where multi-unit property is a boarding, lodging or rooming house containing up to 4 rooms or units, and municipality requires a licence.
Health Dept./Certificate of Approval/ Use Permit/Municipal Approval	Sometimes required: Where private septic system and Certificate of Approval and Use Permit or municipal approval is not available from vendor. No specific search for work orders on septic system is required, but any information received must be entered in application.
Potability Certificate	Sometimes required: Where private water system – client may obtain and deliver.
Unregistered Hydro Easements, Conservation Authority, Controlled/Highway Access	Sometimes required: Never required for condo; otherwise, required where risk factors apply. Risk factors may include: (a) hydro transmission lines, towers or other facilities; (b) bodies of water, wetlands, ravines or cliffs on or near the property; or (c) frontage on a provincial highway.
Waterfront Inquiries	Sometimes required: Where property fronts on lake or river (e.g., shoreline road allowance, waterbed issues, accretion, etc.).
TARION, Occupancy Approval	Sometimes required: Where new home.
Rent Control	Sometimes required: Where purchaser wants opinion on legality of rents re: tenancies being assumed.
SEARCHES ARISING FROM TITLE SEARCH	
Condo Status Certificate	Sometimes required: Where condo or Parcel of Tied Land with interest in common element condo, obtain and review a current Status Certificate dated no earlier than 60 days prior to closing. If between 60 and 120 days have passed since the date of the Status Certificate, call for instructions.
Restrictive Covenants Compliance	Sometimes required: Where have grounds to believe there is non-compliance based on discussion with purchaser and instead of listing alleged non-compliance on Schedule "A," want to attempt to establish that there is in fact compliance.
Reciprocal/Cost-Sharing Agreement	Sometimes required: No inquiry necessary where agreement between condominiums; otherwise, must obtain status letter.

⁶ A "Subdivision/Development Agreement" for TitlePLUS purposes is defined as an agreement: (a) with a government, government-related body/agency (e.g., school board), or a utility company; (b) that imposes the primary obligation on the developer; and (c) that requires the developer to post security. Call us or see the Action List on titleplus.lawyerdoneal.com for additional details.