


Did You Know, TitlePLUS...

- ✓ was launched in 1997 by Lawyers' Professional Indemnity Company (LAWPRO), a Canadian insurance company and subsidiary of the Law Society of Upper Canada?
- ✓ is a software program, composed of numerous checklists to assist lawyers in completing residential real estate deals?
- ✓ has approximately 1,700 subscribing lawyers in Ontario?
- ✓ is now available in Atlantic Canada?
- ✓ covers issues such as forgery, fraud, missing heirs, etc.*?
- ✓ moves the risk associated with title from the lawyer, borrower or lending institution, to the title insurer?
- ✓ covers not only the title-related aspects of a transaction, but *also* the legal services provided by a lawyer?
- ✓ better protects your legal interest in the property and enhances the service from a lawyer?
- ✓ covers the purchaser and lender under the same policy?
- ✓ is available for: new home purchases, resale home purchases, farms, leasehold and mortgage-only transactions?

For you, this means...

- ✓ a reduction in the paperwork for a residential real estate deal – lessens your administrative work in a mortgage transaction and makes lawyers' opinion letters redundant.
- ✓ lawyers will follow the same standard of practice – a standard that protects you and your customer.
- ✓ streamlining the way a home purchase is closed, saving you time and saving your borrower money.
- ✓ providing extensive protection for the legal interest that you and your customer are undertaking in the home purchase.
- ✓ ensuring that borrowers benefit from the expertise and advice of an independent lawyer.
- ✓ reducing disbursement costs on many real estate closings, thus saving your customer money. 

The Claims Corner

*by Rosanne Manson, B.A., LL.B.
Claims Examiner*

As a TitlePLUS claims examiner I have had the opportunity to review and resolve a number of claims on

behalf of mortgagees who were also insureds under their TitlePLUS policies. In one instance, I had the good fortune of being able to help our insured mortgagee quickly

resolve a claim under her TitlePLUS policy. You will see from the facts set out below that using TitlePLUS benefited not only the mortgagee

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Introducing LawyerMortgage.com

TitlePLUS[®]
LawyerMortgage.com



LawyerMortgage.com is a Web-based mortgage-only (refinance) product launched by TitlePLUS last year.


The Web site allows real estate lawyers to work with their area lenders to provide excellent service and competitive pricing. The lawyer remains involved in the process so your customer receives independent legal advice.

Here's how it works:

1. To take advantage of LawyerMortgage.com, you must be a TitlePLUS Confirmed Lender.
2. You then contact a TitlePLUS subscribing lawyer, negotiate a price, give the lawyer the deal, and relax.
3. The lawyer takes care of everything, including meeting with your client, advancing funds and providing you with final reports, etc.


You may be interested to know that:

- The Web site is available to process conventional, high ratio, line of credit/collateral, and construction mortgages, up to \$1 million. The premium for this coverage is \$60.00, plus a \$5.00 processing fee and applicable taxes.
- The property must be a single family dwelling that is owner occupied.
- The due diligence requirements on the part of the lawyer are greatly reduced:

- One sub-search of title, which does not need to be repeated if the mortgage is registered within 14 days.
- One searching of executions, which does not need to be repeated if the mortgage is registered within 14 days.
- No inquiry as to taxes and common expenses unless the mortgage is high ratio.
- If the property is on a private water system, a potability certificate is required.
- If the property is on a private septic system, the lawyer is required to check for work orders and confirm that a certificate of approval and use permit were obtained.
- Other issues can be covered by a statutory declaration from the borrower.
- Your interest is insured from the time the lawyer makes the advance, meaning that the client receives the funds upon signing the mortgage.
- The mortgage must be registered within 48 hours of the advance. 

Locating a TitlePLUS Subscribing Lawyer

If you don't already deal with a TitlePLUS subscribing lawyer, just visit our Web site at www.titleplus.ca. Click on "Locate a Lawyer" on the left side of the screen, enter a postal code in the box provided and click "submit." Our database will provide you with

the names of up to five randomly selected subscribing lawyers in your area. You can also call 1-800-410-1013 or (416) 598-5899 and ask our Customer Service Representatives to provide you with names as above. 

Legal Services Coverage

TitlePLUS also covers any error or omission on the part of the lawyer handling the transaction for which liability is imposed by law, and specifically covers failure to register documents or remove encumbrances and improper adjustment of any items on closing.

Become a TitlePLUS Confirmed Lender

For additional information or to learn how you can become a confirmed lender, contact Mark Farrish at (416) 598-5866 or 1-800-410-1013, or mark.farrish@lawpro.ca.

Are you a TitlePLUS Confirmed Lender?

If you aren't already a TitlePLUS confirmed lender, here's what you've been missing:

Superior Protection

TitlePLUS provides superior protection through its legal services and fraud coverages, as well as post-closing coverage for certain events.

Standardization

The lender is familiar with the standard-form coverage and exclusions contained in the TitlePLUS policy. They remain consistent, so the lender doesn't have to be concerned.

All documentation associated with the lender's deals is standard, regardless of which lawyer is handling the transaction and where he or she is located.

If the lender specifically instructs the lawyer to obtain or provide additional opinions or verifications beyond obtaining a TitlePLUS

policy, these will be confirmed by the lawyer in writing.

Any additional coverage requested by the lender and approved by TitlePLUS will be incorporated in the policy directly or provided by way of written opinion from the lawyer, thus engaging the protection offered by the TitlePLUS legal services coverage.

Convenience

All lender requirements regarding reports, advances and pre-approved exceptions are published by TitlePLUS so that all TitlePLUS subscribing lawyers are informed of the lender's requirements. This eliminates the need to advise each lawyer on each transaction.


New Products and Reduced Premiums

TitlePLUS is constantly introducing new products and concepts. If you

are a confirmed TitlePLUS lender, you and your clients can take advantage of these new ideas. As well, there is, in some cases, the benefit of cost savings (refer to "Introducing LawyerMortgage.com" on page 2).

Don't miss out anymore. Here's how you can become a TitlePLUS Confirmed Lender!

All it takes is your signature on a simple letter agreement signed by TitlePLUS. Then we publish your requirements on all of our Web sites and notify our subscribing lawyers. To get more details and a copy of the required agreement, just call Mark Farrish at (416) 598-5866.

Our Confirmed Lenders list consists of numerous lenders with local and national presence. We would be pleased to put you on the list, too. 

What TitlePLUS Lawyers have to say



David Leith

One of our subscribing lawyers in Ottawa had a client wishing to complete a refinance transaction with a lender who was not on the Confirmed Lenders list. The lawyer, David Leith, and TitlePLUS worked it out together as follows: "A few months ago, one of my clients wanted to complete a mortgage-only transaction with a local lender. After reviewing the various title insurance options, as per the *Rules of Professional*

Conduct, I recommended that the client use the TitlePLUS LawyerMortgage.com product. My client agreed as the premium was very economical. Before we could proceed with the transaction, I needed to ensure that the lender was added to the Confirmed Lenders list. I called Mark Farrish to see how we could get the lender on-side. Mark took down some basic information and sent me a two-page letter agreement specific to the lender in question. I took the agreement to the lender and had it signed. The agreement was then returned to TitlePLUS and they set

the lender up so that I could complete the transaction for my client.

"The process was painless; my client was happy; the lender was quickly recognized as a confirmed lender, thereby realizing better protection, and I was delighted."

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Local Support

TitlePLUS supports all parties in the real estate transaction: from lenders, lawyers and real estate agents to home buyers/borrowers, we provide peace of mind and superior protection.

The Claims Corner

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but also the solicitors who had acted in the transaction.

In this case a mortgagee provided a \$30,000 loan to a mortgagor which was secured against the mortgagor's property. On the advice of the mortgagee's solicitor, the mortgagee purchased a TitlePLUS mortgage lender only insurance policy. The mortgagor was independently represented. The \$30,000 was provided to the insured's solicitor who disbursed the funds pursuant to a direction from the "mortgagor." It was subsequently discovered that the mortgagor's solicitor, who had not acted for the mortgagor previously, had not requested the mortgagor provide him with identification. The woman who had attended at his office and signed the mortgage was an imposter who forged the mortgagor's signature. The transaction was a fraud perpetrated by the boyfriend of the property owner (with the assistance of an unknown woman). The mortgage immediately went into default and a claim was asserted by the insured under her TitlePLUS policy.


This claim was clearly covered by the fraud/forgery provisions of the TitlePLUS policy. Had there not been a TitlePLUS policy, the mortgagor's solicitor, who was negligent for failing to make the necessary inquiries as to the identity of the mortgagor, would have had to seek coverage for the claim under his professional liability policy. Due to the fact that the mortgage document itself was forged, based on the doctrine of deferred indefeasibility which is presently the law in the province of Ontario, the mortgagee could not have made any recovery from the Land Titles Assurance Fund. As it was, it was three months to the day after the claim was received in our office that our cheque was issued to the insured, paying out her mortgage. TitlePLUS then took an assignment of the insured's mortgage, and TitlePLUS has actually recovered a small amount from the owner of the property to the extent we could prove that she benefited financially from the fraud.

In short, this was a win/win/win situation:

- the insured/mortgagee was fully insured for the loss and received

payment under her TitlePLUS policy promptly;

- the mortgagee's solicitor was able to facilitate the resolution of the claim, thereby maintaining a positive relationship with a contented client;
- the mortgagor's solicitor, whose negligence contributed to the perpetration of the fraud, did not have to submit a claim under his professional liability policy.

Actually, it was also a win situation for me. This claim was covered under the insured's TitlePLUS policy. I was able to confirm coverage to my insured and promptly pay out her claim. Isn't this the way an insurance company should respond to a claim? Talk about job satisfaction! 

Post-Closing

If a problem with title becomes known after closing, TitlePLUS may rectify the problem or compensate the title insurance policyholder, provided the type of problem that surfaces is covered by the policy.

TitlePLUS Lawyers say


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David Bresver

Approximately 800 TitlePLUS lawyers are using LawyerMortgage.com. David Bresver, a real estate lawyer in Toronto, has vast experience with the product, and here is what he has to say about it: "I have been a TitlePLUS subscribing lawyer for almost five years. All of my real estate transactions (purchase or mortgage-only) are insured by TitlePLUS. My clients get better protection, as do the

lenders. The service offered to Ontario real estate lawyers by TitlePLUS is second to none.

"At TitlePLUS, they are always thinking of new and innovative products such as LawyerMortgage.com. This mortgage-only product allows me to provide excellent service and great protection to lenders at a cost-effective price. As well, with this and all TitlePLUS products, the lawyer is completely involved in the process so the borrower gets legal advice. Because of the lawyer's involvement, we are able to keep the lenders fully informed of how the transaction is proceeding. I even advance the funds to the borrower, so the lender is saved time. All in all, a win/win situation." 

TitlePLUS Focus on Lenders is published by TitlePLUS and is designed to update lenders about TitlePLUS, real estate developments and related changes in conveyancing. Comments and suggestions are welcome.

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