

Quick Facts

for Residential Purchase Transactions¹

■ PRINCE EDWARD ISLAND
SEPTEMBER 12, 2017

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

TitlePLUS purchase policies³ (up to \$5 million) are available for these types of properties:

- new houses and condominiums;
- resale houses and condominiums;
- secondary homes and cottages;
- residential rental (up to 6 units);
- rural; and
- vacant land⁴ intended for residential purposes.

TitlePLUS policies are also available for the following:

- mortgage-only (refinance) transactions; and
- current owners (OwnerEXPRESS[®]).

Survey Coverage

Survey coverage will be provided, without an up-to-date Surveyor's Location Certificate, in the following situations:

- the property is the whole of a lot on a registered plan of subdivision (see below for definition); or
- there is a Surveyor's Location Certificate which has been reviewed by the purchaser for accuracy or the vendor is giving a statutory declaration commenting on accuracy.

Whole of a Lot

For TitlePLUS purposes, a "whole of a lot on a registered plan of subdivision" includes a property which is:

- a whole lot on a provincially or municipally approved plan of subdivision,
- plus**
- 2 or more whole lots as described above; or
 - a property that was a whole lot as described above prior to an expropriation, road widening or road closing, resulting in the removal or addition of part of a lot.

titleplus.ca

titleplus.lawyerdoneal.com

1-800-410-1013

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. The TitlePLUS program does not insure commercial, mixed use or farms in Prince Edward Island.

⁴ 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, or you know of, issues or concerns which will not be resolved on or before closing. Verbal or online search responses are acceptable.

For properties up to \$1 million, the following searches are never required: (a) *Personal Property Security Act*; (b) corporate escheats/limited partnerships; or (c) compliance with Subdivision/Development Agreements (as defined⁵).

| TYPE OF SEARCH | COMMENTS |
|---|---|
| TITLE SEARCH | |
| Subject Property | Always required: 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 in TitlePLUS application. If mortgage discharge registered within last 6 months, indicate in TitlePLUS application. |
| Servient Tenement re: Easement (if any) | Always required: Confirm that the registered title of servient property discloses existence of easement throughout the 40 year period or since creation (whichever is shorter). |
| Compliance with Subdivision Control | Sometimes required: Where necessary. |
| JUDGMENTS/WRITS | |
| Vendor | Always required: Note any judgments/writs found on title. |
| Condominium Corporation | Always required: Where condominium, note any judgments/writs found on title. |
| OFF-TITLE SEARCHES & INQUIRIES | |
| Property Tax and Local Improvements | Always required: Where provided, verbal or online responses are acceptable. If not available, we will accept the vendor's undertaking to pay all outstanding taxes to the date of closing or as shown on the Statement of Adjustments, and an undertaking to readjust. Where property taxes for a new house or condominium have not yet been separately assessed, you may obtain on closing the builder's undertaking to readjust. For resale of recently constructed houses or condominiums, see Hotsheet in Help menu on titleplus.lawyerdonedeal.com for instructions. |
| Utility Arrears | Sometimes required: Where these charges form a lien on the property that would bind a subsequent owner. Where provided, verbal or online responses are acceptable. If not available, we will accept the vendor's undertaking to pay all charges to the date of closing. |
| 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. |
| Building Work Orders/Open Permits | Not required where: (a) new home; (b) condominium; (c) vacant land; or (d) one dwelling unit, except as stated below. Required where: (a) 2 to 6 dwelling units, including secondary suites and basement apartments (except new homes); or (b) being purchased under foreclosure, court sale, power of sale, judgments/writs, tax sale, from a mortgage insurer, trustee in bankruptcy or receiver or from the Crown after forfeiture. |
| Zoning – Confirm Use Permitted | Separate search not required where: response to Building Work Orders/Open Permits search includes permitted uses. Required where: (a) 2 to 6 dwelling units, including secondary suites and basement apartments; or (b) you have reason to believe that year-round occupancy may not be permitted. Surveyor's Location Certificate not required. |
| Potability Certificate | Sometimes required: Where private water system, client may obtain and deliver. |
| Licensing/Registration of 2 to 6 Dwelling Units | Sometimes required: Where 2 to 6 dwelling units, including secondary suites and basement apartments, and municipality requires permit, registration or licence. |
| Boarding, Lodging or Rooming House Licence | Sometimes required: Where property is a boarding, lodging or rooming house containing up to 6 rooms or units, and municipality requires a licence. |
| Unregistered Utility Easements, Conservation Area/Buffer Zone, Highway Access | Sometimes required: Never required for condominium; otherwise, required where risk factors apply. Risk factors may include: (a) hydro transmission lines, towers or other facilities; (b) bodies of water, coastline, wetlands, ravines or cliffs on or near the property; or (c) frontage on a provincial highway. |
| Waterfront Inquiries | Sometimes required: Where property fronts on ocean, lake or river (e.g., shoreline road allowance, waterbed issues, accretion, etc.). |
| New Home Warranty Program | Sometimes required: Where new home enrolled in program. |
| Occupancy | Sometimes required: Where permission to occupy is mandatory. |
| Heritage | Sometimes required: Where there are concerns that the property or the road on which the property is located may be considered a "heritage place." |
| Environmental Hazards | Sometimes required: Where the vendor has disclosed any potential environmental hazard, obtain certificate from Dept. of Environment confirming no outstanding breaches. |
| Corporate/Non-Resident Purchaser | Sometimes required: Where any of the purchaser(s) is/are corporations or non-residents of PEI with (a) aggregate land holdings on PEI with an area exceeding five acres, or (b) shore frontage exceeding 165 feet, confirm permission granted. |
| SEARCHES ARISING FROM TITLE SEARCH | |
| Condominium Certificate of Lien | Sometimes required: Where condominium, obtain and review current Certificate of Lien dated no earlier than 60 days prior to closing. If between 60 and 120 days have passed since the date of the 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. |
| Land Identification Agreement | Sometimes required: Where revealed by title search and prohibits subdivision or uses other than agricultural, seek de-identification or termination of existing agreement. |

⁵ 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.lawyerdonedeal.com for additional details.