



# Residential title insurance

The simple way to mitigate your risk  
and protect your clients



Experience  
Excellence™

## Real solutions for the real estate industry.

As a lawyer or notary, you play an important role in guiding real estate transactions.

You also have a direct impact on how well your client's investment is protected. By including title insurance as a regular step during every real estate transaction you process, not only do you ensure your client's investment is sound and viable, but moreover, you mitigate your own risk with the streamlined, secure service that only FCT can offer.

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### What is title insurance?

Title insurance protects your client — both lender and homeowner — against losses associated with title fraud, as well as survey and title issues/defects. Title insurance is unlike traditional insurance in that it does not just cover things that may happen in the future (e.g. title fraud), but also things that have already occurred in the past (e.g. pre-existing, unknown work orders and zoning violations), prior to purchase. A title insurance policy can be purchased for a low one-time premium and protects the insured lender or homeowner for as long as they hold interest in the property.

### What is duty to defend?

Every title insurance policy purchased from FCT includes what is called "the duty to defend." What this means is that if the insured's interest in the property is ever challenged due to a covered risk, FCT will defend the insured and will pay costs, legal fees or expenses that result. These expenses do not reduce the amount of insurance in the policy.

#### ► Minimize your risk

Real estate can be risky. There are many unknowns and you need to know how to mitigate that risk in order to protect yourself, your practice, and your client's investment.

#### FCT helps you by:

- Shifting the risk to FCT, effectively protecting your practice and your reputation from potential litigation. Claims that arise as a result of risks covered under the policy are made to FCT, thereby avoiding a claim

against you which could negatively impact your Errors and Omissions insurance premiums.

- Having the most experienced and responsive underwriting and claims departments in Canada work on your behalf. With over 20 years of Canadian underwriting experience, FCT is able to underwrite transactions in the most efficient manner possible and has the expertise to deter and detect fraudulent transactions quickly and easily on-site.
- Supporting you with live, helpful representatives that can answer all of your questions.

#### ► Maximize efficiencies and client satisfaction

By recommending title insurance to your clients, FCT helps you work more efficiently, while providing a higher level of service to your clients by:

- Ensuring client interests are well protected with comprehensive coverage.
- Reducing the number of searches needed to complete the deal.
- Providing you with a customized experience, where you can choose to communicate with FCT via your preferred channel (e.g. online, phone, email or fax).
- Saving money by using title insurance to appease most lender requirements in lieu of an up-to-date, costly survey.\*
- Facilitating better communication through a centralized underwriting team that work together to serve FCT customers from 8 a.m. to 8 p.m. EST.

## Different policies for different needs

### Homeowner policy

The homeowner policy insures the purchaser of a residential property against multiple covered title risks. Most times, policies are issued at the time of purchase; however, existing homeowner policies are also available after the transaction is completed. The amount of insurance is usually the purchase price of the property. For a one-time premium, the insured is protected for as long as they own the property.

### Loan policy

The loan policy provides protection for the lender taking a mortgage on a property against multiple covered risks. The amount of insurance is usually the principal amount of the mortgage. A one-time premium protects the lender until the mortgage is fully discharged from the title.

When both loan and homeowner policies are purchased in the same transaction, your client will see substantial savings on the second policy — this will also ensure comprehensive protection for both parties.



### Comprehensive coverage

Regardless of the risk and potential issues involved, FCT offers the most comprehensive coverage available. Whether it's a municipal issue such as zoning, an encroachment, fraud attempt or title defect, rest assured — FCT has you covered.

### Municipal issues

Many pre-existing issues do not become known until after closing, including such things as non-compliance with zoning or municipal agreements, forced compliance for structures or renovations built without required permits, as well as arrears of property taxes. Any of the above can create stress and expense for your client. Furthermore, this means the deal that you thought was closed, now requires additional work on your part. With a residential title insurance policy in place, FCT takes on the responsibility to correct these issues or will compensate the insured accordingly.

### Encroachment issues

Sheds, laneways, even homes and garages are sometimes built on neighbouring properties and need to be moved. This can easily happen if a previous owner built without an up-to-date survey.\* FCT protects your clients against actual loss for these types of challenges.

### Fraud and forgery

Real estate fraud is one of the fastest growing crimes in North America. Title insurance provides cost-effective coverage against title fraud, while the underwriting process allows FCT to put a stop to potential fraud before it occurs. In 2013 alone, the underwriting team at FCT prevented over \$35 million in suspicious transactions due to their extensive industry knowledge and experience in the Canadian real estate market.

### Title defects

Real estate transactions can be complex. But getting the proper coverage for your clients doesn't have to be. FCT's underwriting experience enables policies to be customized to cover many known and unknown title defects such as charges, liens or encumbrances that could affect the title to your client's property.

\*Real Property Report or Building Location Certificate, where applicable.

## About FCT

Founded in 1991 and based in Oakville, Ontario, the FCT group of companies provides industry-leading title insurance, default solutions and other real-estate-related services. Its customer base is comprised of more than 1,250 lenders, 43,000 legal professionals and 5,000 recovery professionals, as well as real estate agents, mortgage brokers and builders, nationwide.

With an emphasis on integrity and thinking differently, FCT offers customers increased efficiency while providing superior protection and customer service. Underwriting expertise, innovative products and services, and an unwavering passion to serve customers are the cornerstones of FCT's promise of Experience Excellence.™

FCT employs over 800 staff from coast-to-coast and provides a work culture where every employee is empowered to be great. The employee-led FCT Charitable Foundation was established in 2012 and provides funds to charities to help alleviate poverty and homelessness, as well as scholarships for the advancement of post secondary education in the communities in which FCT operates.

FCT has been recognized by Achievers as one of the 50 most engaged workplaces in Canada since 2012.

### Contact us

To learn how title insurance from FCT can help mitigate your risk while ensuring your clients are well protected, please contact us today.

► [FCT.ca](http://FCT.ca) | **1.866.804.3122**



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