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Issues in Law You Need To Know

What is Ontario Title Insurance? Why do I Need It?

When you purchase real estate, it is crucial that you obtain a property with clear ownership or "good title." Title insurance can assist in ensuring that the quality of the legal title that you are purchasing is unproblematic thereby giving you peace of mind.

Title insurance can provide coverage for work orders which arise from the failure of previous owners to obtain proper permits. Title insurance can also cover a purchaser for issues that an up to date survey might reveal (such as encroachments of buildings over lot lines), access related problems, fraud, mortgages or other encumbrances affecting title and, in general, the unmarketability of title to the property.

Use of title insurance often lowers your closing costs by eliminating many of the costly "off-title" searches. It allows you to close your transaction sooner instead of waiting weeks for responses to the off-title searches.

The survey coverage provided by title insurance allows a purchaser to close a transaction without obtaining an up to date building location survey potentially saving \$1500 to \$2000. The cost of title insurance is approximately \$280 and is a onetime payment which provides coverage to the purchaser for the length of time that they own the property.

Title insurance will not necessarily fix any issue that is discovered on title but will often protect an owner from



financial loss for issues which may not be discoverable through regular investigations. Title insurance is a tool to be discussed with your lawyer to provide you added protection and peace of mind when purchasing real estate.

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In addition to his legal work, Alexander is an Officer within the Canadian Army Reserve.

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