Protect your greatest investment

Title insurance for homeowners

What is title insurance?

Title insurance protects you from financial loss due to challenges to your ownership, title fraud and other defects related to your property. Unlike traditional insurance, title insurance doesn't just cover things that may happen in the future (e.g. title fraud). In fact, some of the most common issues covered are things that occurred before you even purchased your home. Plus, if you have to defend and restore your title as a result of a covered title risk, FCT will pay the legal fees and costs associated with it*.

Why do you need it?

As part of the closing process, most lenders in Canada require a lawyer or notary to order a lender title insurance policy. This policy protects the lender and the priority of the mortgage on your property. While it has some benefits to you—such as reduced transaction costs and a smoother closing process—the lender policy doesn't protect homeowners. Ensure your own interest in your property is protected by getting a homeowner title insurance policy.

✓ **Close quickly.** Even if there are known title defects*, we can customize the policy by adding coverage over known defects.

✓ **Save money.** Title insurance from FCT is accepted in lieu of a survey± by most lenders, eliminating the need for your lawyer to complete costly property surveys and multiple searches.

✓ **No-fault claims process.** We assume the responsibility and costs of defending your title, and provide you with a resolution if you suffer a loss for a covered risk.

FCT's Homeowner Policy

The most common issues covered under our typical homeowner's policy includes, but is not limited to:

Lack of building permits

Improvements like a finished basement or the addition of a deck may have been made to your home without the required permits before you even purchased it. At any time, your local municipality can force you to remove or remedy the situation, which could end up costing you thousands of dollars. Title insurance can cover the cost of removals or remediation required by the city, or diminished value if the structure cannot be rebuilt*.

Fraud and forgery

If someone forges your signature without your knowledge and registers a fraudulent mortgage on your home, the onus is on you to prove that fraud was committed. This can be very costly—financially and emotionally—to resolve. However, a homeowner title insurance policy can cover the legal expenses and costs to prove that fraud was committed*.

FCT's Homeowner Policy

The most common issues covered under our typical homeowner's policy includes, but is not limited to:

Encroachment issues

Sheds, laneways, homes and garages can sometimes be built on neighbouring properties and need to be moved. This often happens when a previous owner builds without verifying where the lot lines are. We protect you against financial loss associated with encroachment issues*.

Outstanding work orders

If the previous homeowners had a building permit issued in the past but never called for a final inspection, or if there is an Order to Comply, a Stop Work Order, or a building inspector's report stating more work needs to be done, the property may have outstanding work orders. A homeowner policy will protect you against loss associated with the outstanding work order*

Tax and utility payments

If the previous homeowner was not up-to-date on payments and the accounts are now in arrears, a homeowner title insurance policy can cover the outstanding payments*.

The cost

For a low, one-time premium you get the protection you need for as long as you, or your heirs, own your home. Premiums are based on property value and vary by province.

An unpleasant surprise for new homeowners

Read the following real-life claim story to understand why you need title insurance.

Jerry and Rita† received a letter from the city advising them that their deck, deck addition and deck roof, as well as the basement renovation in their recently purchased home were constructed by the previous owners without getting the required building permits.

As a result, the city demanded that the proper building permits be obtained for the finished basement, and that the deck, its addition and roof, be removed. The cost of complying with these requirements amounted to over $50,000.

Thankfully, Jerry and Rita had a homeowner title insurance policy from FCT which covered the cost of the forced removal due to a lack of building permits. They didn't have to pay any of the costs related to the city's order.

Order a policy

Purchasing a new home? Ask your lawyer or notary to order a homeowner title insurance policy from FCT at the time of closing.

Already own your home? You can order a title insurance policy at any time by calling us at 1.877.888.1153.

Make a claim

If you think you have a claim under your title insurance policy, we're here to help. To make a claim, simply submit the claim and the required supporting documents by using our online **Proof of Loss** form on fct.ca or call our claims department at 1.866.515.5516.

1.877.888.1153 ▸ FCT.ca

FCT

* For specific coverage and exclusions, refer to the applicable policy, schedule or endorsement.
± Certificate of location or real property report where applicable.
† Name has been changed to protect the privacy of our clients.

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