

What ordering options are available?

COMMERCIAL	RESIDENTIAL
<ul style="list-style-type: none">▶ Complete an electronic PDF order form at FCT.ca and submit online▶ Call 1.866.804.3112 to place an order over the phone▶ Fax your PDF order form to 1.866.566.8599	<ul style="list-style-type: none">▶ Order residential title insurance via our online ordering application▶ Order through FCT's integration with The Conveyancer® in Ontario, Alberta, Manitoba and New Brunswick▶ Order through FCT's integration with econveyance™ in British Columbia▶ Call 1.866.804.3122 to place an order over the phone▶ Fax your PDF order form to 1.800.705.0006▶ Complete an electronic PDF order form at FCT.ca and submit online

About FCT

Founded in 1991, the FCT group of companies is based in Oakville, Ontario, and has over 800 employees across the country. The group provides industry-leading title insurance, default solutions and other real-estate-related products and services to approximately 450 lenders, over 44,000 legal professionals and 5,000 recovery professionals, as well as real estate agents, mortgage brokers and builders, nationwide.

FCT has been recognized as one of the best workplaces in Canada* by the Great Place to Work® Institute in both 2015 and 2016, as well as earning the designation of being one of the best workplaces in Canada for women in 2016.

The FCT group of companies includes FCT Insurance Company Ltd. which provides title and valuation insurance, with the exception of commercial title policies, which are provided jointly by First American Title Insurance Company and FCT Insurance Company Ltd. Services are provided by First Canadian Title Company Limited.

For more information on FCT, please visit the company website at FCT.ca.

* Large and multinational category

®Registered trademark of Great Place to Work Institute

®Registered trademark of First American Financial Corporation



Understanding title insurance

Comparing commercial and residential policies from FCT

Commercial or residential, we've got you covered.

To learn more about the benefits of title insurance from FCT, visit us online at FCT.ca.

▶ FCT.ca | 1.866.804.3112



Insurance by FCT Insurance Company Ltd., with the exception of commercial policies, which are provided jointly by FCT Insurance Company Ltd. and First American Title Insurance Company. Services by First Canadian Title Company Limited. The services company does not provide insurance products. This material is intended to provide general information only. For specific coverage and exclusions, refer to the applicable policy. Copies are available upon request. Some products/services may vary by province. Prices and products/services offered are subject to change without notice.

® Registered Trademark of First American Financial Corporation

#1191E CS_RS 09-16



At FCT, we provide a range of title insurance products that meet your clients' diverse business and personal needs. For that reason, we offer both commercial and residential policies that provide coverage for property owners and their lenders.



How does FCT determine whether a transaction is commercial or residential?

Generally speaking, a transaction is considered residential or commercial based on the type of property being insured and how the property is being used.

COMMERCIAL PROPERTIES

- ▶ Typical commercial buildings such as retail centres, office or industrial buildings
- ▶ Multi-unit residential dwellings with more than six units*
- ▶ Mixed-use properties
- ▶ Vacant land zoned as commercial
- ▶ Income-generating agricultural land
- ▶ Infrastructure and energy development
- ▶ Vacant lots being developed for residential purposes

RESIDENTIAL PROPERTIES

- ▶ Single family dwellings
- ▶ Condominiums/strata units/townhouses
- ▶ Multi-unit residential dwellings up to and including six units*
- ▶ Live/work units where specifically zoned as live/work
- ▶ Rooming houses with up to six units
- ▶ Single residential vacant lots

Insurance is available for freehold or leasehold interests for any of the property types listed above.

* In instances where a lender classifies a multi-unit residential dwelling with less than six units as a commercial property, we defer to the lender and ordering lawyer/notary to confirm if we should underwrite the property/loan as commercial or residential.



How are commercial and residential title insurance policies similar?

Both commercial and residential title insurance policies offer the following benefits:

- ▶ Available for property purchasers, existing owners and lenders
- ▶ Available for a one-time premium
- ▶ Includes coverage for loss related to:
 - Unknown title defects such as mortgages, encumbrances and liens
 - Off-title matters related to access, zoning and surveys/real property reports/building location certificates
 - Transactional risk including title fraud, and errors in public records
 - Known defects on a case-by-case basis
- ▶ Provides protection for as long as the insured holds an interest in the property
- ▶ Enables a timely and cost-effective closing
- ▶ Satisfies most lender requirements in lieu of an up-to-date survey/real property report/building location certificate
- ▶ Replaces certain title and off-title searches/inquiries
- ▶ Includes the duty to defend provision, which provides payment of legal fees/costs incurred to defend the insured's interest in the title as a result of a covered risk
- ▶ Shifts liability and claims away from the insured and their lawyer/notary to the title insurance provider



How do commercial and residential policies differ?

While there are many similarities between title insurance coverage offered for commercial and residential transactions, there are also several differences including loss related to/from:

	COMMERCIAL COVERAGE	RESIDENTIAL COVERAGE
Title fraud	Lenders and owners: Fraudulent ownership transfers, discharges or registrations of mortgages that occurred prior to the date of policy and in the insured transaction.	Lenders and owners: Fraudulent ownership transfers, discharges or registrations of mortgages that occurred prior to the date of policy and in the insured transaction. In addition, fraudulent ownership transfers, discharges or registrations of mortgages occurring after the date of policy.
Taxes and utilities	Lenders and owners: Taxes and/or utilities that were due and payable at the date of policy but unpaid provided they form a lien. There is no coverage for final meter readings and supplemental billings issued after the date of policy.	Lenders and owners: Taxes and/or utilities (including final meter readings) owing at the date of policy provided they form a lien.
Work orders	Lenders: Outstanding work orders that existed at the date of policy for all loans up to \$50M. Owners: Errors in responses from public officials related to municipal searches/inquiries made by lawyers/notaries.	Lenders and owners: Outstanding work orders that existed at the date of policy.
Building permits	Lenders: Existing structures or improvements that were built without obtaining permit for loans up to \$50M. Owners: There is no coverage related to open permits or existing structures built without obtaining the required permit(s).	Lenders: Existing structures or improvements constructed after the date of policy that have been built without obtaining the required permit(s) and/or open permits that would have been revealed by a building compliance search at the date of policy. Owners: Forced removal or remedy of an existing structure that was built without obtaining the required permit and/or open permits that would have been revealed by a building compliance search at the date of policy.
Survey/RPR/building location certificate**	Lenders: Defects that would have been revealed by an up-to-date survey/RPR/building location certificate regardless of the property type and size of the loan. Owners: Defects that would have been revealed by an up-to-date survey/RPR/building location certificate for properties valued up to \$25M. For properties valued over \$25M, coverage for any loss resulting from matters that were not disclosed on an existing survey/RPR/building location certificate.	Lenders: Defects that would have been revealed by an up-to-date survey/RPR/building location certificate regardless of the property type. Owners: Defects that would have been revealed by an up-to-date survey/RPR/building location certificate unless any part of the property is bound by water. Waterfront lots may be underwritten on a case-by-case basis.

**Excludes owner policies issued on vacant land.



Did you know?

FCT's underwriting and search requirements vary depending on the type of transaction.

There are certain variables used to determine these requirements including the property type and where the property is located.

As a reference tool, the FCT residential and commercial search guidelines are available online at FCT.ca. For questions related to a specific transaction, please contact us directly.

Premiums for commercial and residential policies can be determined differently.

The premium for any title insurance policy is based on the dollar amount being insured. For a loan policy, the insured amount is usually the principal amount of the mortgage. For an owner policy, the insured amount is usually the purchase price or current market value of the property. When the owner and loan policies are ordered together, the premium for the policy with the lower insured amount is reduced substantially.

Other variables used to determine the premium for residential policies include the property type and the province where the property is located. These variables are not used to determine the premium for commercial policies.