



Mortgage-Only Instruction Sheet – Québec^{1,2}

Insurance Representative, Dale Parizeau Morris Mackenzie Inc. (“Dale Parizeau Morris Mackenzie”): 1-877-865-6865

	Completed
<p>1. Confirm that: <input type="checkbox"/></p> <ul style="list-style-type: none">• lender will accept TitlePLUS coverage (check TitlePLUS Confirmed Lenders Chart³ or contact lender);• neither you nor anyone at your firm is mortgage broker for deal;• loan amount is \$2 million Cdn or less – CAUTION: For mortgages over \$1 million, call the TitlePLUS Customer Service Centre at 1-800-410-1013 immediately for special requirements;• mortgaging right of ownership in residential property (four-plex or smaller); commercial, leasehold, farm, time share, and co-operative properties not eligible; and• mortgage is not part of an arm’s length⁴ purchase transaction.	<input type="checkbox"/>
<p>2. Obtain and review title search (including deleted documents, if any), as follows: <input type="checkbox"/></p> <p>(a) confirm apparent owner based on later of registered mortgage being replaced or last deed;</p> <p>(b) subsearch forward from registered mortgage being replaced. If no such mortgage exists, subsearch forward from deed to borrower. Search abutting land if property is in an agricultural zone,⁵ a notice of entry in the register of cultural property is registered on title or property is in a protected area;⁶</p> <p>(c) if search reveals any transfers or mortgage discharges within the past six months, add details to TitlePLUS Mortgage-Only Policy – Québec Order Form (“Order Form”) or call the TitlePLUS Customer Service Centre;</p> <p>(d) note the following, and add details to Order Form:</p> <ul style="list-style-type: none">i. all mortgages;ii. all servitudes against the property and all servitudes in favour of the property;iii. all legal hypothecs (including construction legal hypothecs), priorities and real rights;iv. Certificates of Pending Litigation;v. Cautions;vi. Notices of Arrears of Common Expenses;vii. Notices of Non-compliance with anything/Registered Orders;viii. Any adverse matters noted in description or on Index of Immovables (e.g., notations that property may be subject to spousal interests, debts or judgments; notations that boundaries of property cannot be determined or that legal description conflicts with abutting parcel; notice of period of prohibition due to cadastral modification; Crown reservations, if not standard in area and adversely affect marketability). Ignore restrictions contained in servitudes and reservations of mining rights.	<input type="checkbox"/>
<p>3. Confirm all mortgages revealed are addressed in the Mortgage Instructions, as follows: <input type="checkbox"/></p> <p>(a) to be discharged – obtain payout statement. If lender handling payout/registration of discharge, add details to Order Form;</p> <p>(b) to remain and have priority – confirm principal amount corresponds with lender’s expectations and add details to Order Form. Obtain mortgage statement (if no fee) or verbal, if possible;</p> <p>(c) to be ceded in priority – confirm particulars and prepare Agreement of cession of priority of rank, if so retained. If not retained to handle Cession of priority of rank, add details to Order Form.</p>	<input type="checkbox"/>
<p>4. Determine any judgments affecting the property. Add details to Order Form. They will be exceptions to policy coverage unless TitlePLUS Department approves otherwise or notary handles payout. <input type="checkbox"/></p>	<input type="checkbox"/>

(continued...)

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<p>5. If mortgage exceeds 80% of property value, verify realty taxes, water taxes, transfer duties and school taxes by obtaining:</p> <p>(a) verbal or on-line responses from municipality and school commission;</p> <p>(b) unqualified Affidavit and Acknowledgment from borrower that all prior years' taxes and duties are paid and charges for local improvements, if any, are up-to-date (TitlePLUS Affidavit and Acknowledgment sent to you with Commitment Package may be used for this purpose);</p> <p>(c) receipted tax bills from borrower;</p> <p>(d) confirmation that prior lender collecting/paying taxes; or</p> <p>(e) written responses from municipality and school commission.</p> <p>Any arrears that notary not paying out of advance must be added to Order Form. They will be exceptions to policy coverage unless TitlePLUS Department approves otherwise or notary handles payout.</p>	<input type="checkbox"/>
<p>6. Private water system: If there are known problems (including work orders), add details to Order Form.</p> <p>Private septic system: Confirm with borrower that inspection done at time of purchase and no problems found, or that borrower installed new septic system after his/her purchase of property with municipal approval. If cannot confirm either of these, or if there are other known problems (including work orders), add details to Order Form.</p>	<input type="checkbox"/>
<p>7. Tenanted properties: Add tenancy details to Order Form.</p> <p>Multi-Unit properties: (a) obtain Certificate of Location stating that zoning permits multi-unit use, or confirm with municipality that multi-unit use permitted; (b) confirm with borrower that inspection done at time of purchase and no problems found; and (c) obtain Affidavit and Acknowledgment from borrower stating that there are no work orders and retrofit requirements are complied with, if applicable. If there are known problems, add details to Order Form.</p>	<input type="checkbox"/>
<p>8. If property is divided co-ownership and mortgage exceeds 80% of property value, obtain and review either:</p> <p>(a) copy of clear statement issued within past 2 years AND verbal confirmation re: status of common expenses and special assessments, if any; or</p> <p>(b) up-to-date statement.</p> <p>Note the following and add details to Order Form: any arrears that notary not paying out of the advance, any special assessments or any actions against the syndicate of co-ownership or failure to comply with agreements re: alterations to common elements.</p>	<input type="checkbox"/>
<p>9. Complete Order Form and send to Dale Parizeau Morris Mackenzie for review.</p>	<input type="checkbox"/>
<p>10. Receive notice of approval and TitlePLUS documents.</p>	<input type="checkbox"/>
<p>11. Send Confirmation to Mortgage Lender and obtain sign-off on exceptions that are not "pre-approved" by lender.</p>	<input type="checkbox"/>
<p>12. Meet with borrower(s) to obtain signed TitlePLUS Affidavit and Acknowledgment and mortgage documents. Get photo identification. Advance funds.</p> <p>Note: If any adverse information obtained upon review of Affidavit and Acknowledgment, or borrower advises of any tenancies, advise TitlePLUS Customer Service Centre and do not advance funds. Repeat steps #10 and #11, if necessary.</p>	<input type="checkbox"/>
<p>13. Register mortgage. Submit documents for registration within 24 business hours of advance. There is no requirement to sub-search title again provided that mortgage submitted for registration within 14 days of initial searches.</p>	<input type="checkbox"/>
<p>14. Complete and sign Certificate of Title/Request to Issue Policy and send to TitlePLUS Department. Issued policy and invoice will be sent to you.</p>	<input type="checkbox"/>

¹ The TitlePLUS policy is underwritten by Assurance LAWPRO.^{®7}

² Please include wording in your retainer letter confirming the borrower-client's consent to the release of personal information to comply with applicable privacy legislation. For example, consider including the following:

In order to protect your lender's interests through TitlePLUS coverage, we require your consent to disclose to Assurance LAWPRO all necessary personal information required for purposes of applying for a TitlePLUS policy and to consent on your behalf to the collection, use and disclosure by Assurance LAWPRO of such personal information.

³ Consult http://www.titreplus.ca/lawyers/Confirmed_Lenders.asp for Confirmed Lenders Chart.

⁴ For TitlePLUS purposes, "arm's length" means any transfer other than the following:

- (a) apparently between spouses or family members, as shown on the registered transfer; and
- (b) for no consideration, nominal consideration, or no consideration other than the assumption of an existing mortgage.

You are not required to make inquiries other than viewing the registered transfer. If you cannot determine the status of a transfer within the meaning of this definition, you may obtain a TitlePLUS purchase policy, which covers the purchaser and the mortgage lender.

⁵ Under *An Act respecting the preservation of agricultural land and agricultural activities*, R.S.Q. c. P.-41.1

⁶ Under the *Cultural Property Act*, R.S.Q. c. B-4

⁷ Assurance LAWPRO is a registered name used in Québec by Lawyers' Professional Indemnity Company.