



THE IMPORTANCE OF A PRE-PURCHASE PROPERTY TITLE SEARCH

In our day & age, paperwork is still king. As in any life situation, you want to make sure you have all the necessary documents in place before spending substantial amounts of money or signing into long-term agreements that could have potential associated risks.

Many are unaware that you need to conduct a title search to obtain a Certificate of Title when buying or selling property, proving ownership, refinancing your home loan, and many more.

Many moons ago this document was only provided on a piece of paper, but with the advancements in technology, it is now easily accessible online. I know that by now you're thinking... "What is a Title Search?" and "What kind of important information does this document provide?".

A property Title Search (or Certificate of Title) is a legal record, providing information on the current owners of the property, block or piece of land. This document also reveals if there are any restrictions or interests on the land, mortgage and lease details, and other information that might be deemed as important. These details help and guide you into making necessary informed decisions.

Information Provided

- ✓ Owners of the Property
- ✓ Easements
- ✓ Covenants
- ✓ Caveats
- ✓ Mortgages on the Property

OWNERS OF THE PROPERTY

This information is especially important, because if you want to negotiate or confirm any dealings on the land, the legal property owners are the ones you want to be in contact with when authorizing and signing off on documents.

EASEMENTS

An easement on a property means that another individual has the legal right to cross or use your land or property for a specified purpose. This can cause you to be limited on any changes you want to make to the land or property.

COVENANTS

Covenants are agreements or limitations put in place on the land or property. These limitations state what can and cannot be done by the property owner of the land. These agreements are usually agreed on to aid as protection of the integrity or the appearance and functionality of the neighbourhood.

CAVEATS

A caveat means that another individual has an interest in the land or property. Subsequently, it prevents it from being sold, or dealt with in other ways by the property owners.

MORTGAGES ON THE PROPERTY

Mortgages on the property will restrict the owner of obtaining a title certificate, which is held by the lender until the mortgage has been paid off. Ensure that all mortgages are discharged by the owner before settlement, or this could cause considerable delays in the transfer of ownership.