

TITLE FRAUD AND IDENTITY THEFT

Have you sold or mortgaged your home without knowing it? *(continued from page 1)*



losses from title problems that may have already occurred. For example, if it is found that some portion of property encroaches on a right-of-way, the insurance compensates the owner for any financial loss in correcting the problem. Title insurance will also reimburse property owners for financial losses suffered through title fraud in the future, although it cannot prevent the fraud from happening. Title insurance is generally purchased through a lawyer, who can tell you whether your property qualifies for coverage.

Keep in mind, however, that title insurance is not the only option if you are concerned about title fraud. Subject to tax considerations, in some cases, family conveyancing may be a possible alternative by adding one or more family members' names on the title to your property. Another option is the registration of a no-dealings indicator on the title to your property. This is a legal restriction that prevents further transactions related to the property pending investigation. These two options could help prevent fraud from occurring, as they present additional barriers for the fraudster to overcome.

If you have questions about title insurance or your options to help deter or prevent fraudulent activity from occurring, please contact our office to speak to a member of our Real Estate Group.



Heather Picken is Lawrences' Managing Partner and heads Lawrences' Real Estate Group. She can be reached at 905-452-6891 or hpicken@lawrences.com.

Lessening the Chances

Take these simple steps to help prevent identity theft and title fraud:

- If you rent out your property:
 - Obtain as much information as possible from prospective tenants before renting property to them.
 - Request letters of reference and follow up with the writers.
 - Request cheques in lieu of cash payments.
 - Run credit checks on the prospective tenants.
 - Obtain photo identification.
- Obtain your own credit report: if it lists unfamiliar creditors, follow up with them.
- If you go on vacation, have someone pick up your mail while you are away. If you rent out property, ensure that no mail addressed to you is sent to that property.
- Shred all documents containing your name or signature before disposing of them.
- Contact our office to obtain a title search of your property, to ensure there are no unfamiliar encumbrances registered on title.
- Consider purchasing a title insurance policy.
- For more information on how to prevent identity theft, check out the Ontario Ministry of Government Services web site at:
http://www.gov.on.ca/MGS/en/ConsProt/S TEL02_045992.html

Title insurance is generally purchased through a lawyer, who can tell you whether your property qualifies for coverage.