

# Real Estate Initiatives

## BACKGROUND

- Title insurance is marketed as faster and cheaper than using a lawyer to search the title and give an opinion on its validity. Lending institutions benefit from flat rates for bulk processing of routine transactions.
- CBAO Real Property Section worked with the Lawyers Professional Indemnity Company (now LawPro) to create TitlePLUS. Three other title insurance companies of US origin offer residential title insurance in Canada: Chicago Title, First Canadian Title and Stewart Title.
- CBA and FLSC approved a joint three-year national real estate project in February 1999, with a mandate to address the professional and public issues affecting real estate practice across Canada. Operations were under the day-to-day direction of the CBA. A project manager worked with the Joint Committee to implement the project.
- At the 2000 Annual Meeting in Halifax, CBA Council resolved that it would not accept advertising or sponsorship revenues from First Canadian/First American Title.
- The Western Provinces Conveyancing Project launched its Short Form Solicitors Opinion in February 2001. An Eastern Solicitors Certificate Project started in February 2001, but was never realized.
- In 2001, the Committee wrote to Finance Canada on the inclusion of legal fees in cost of borrowing regulations, and to the Ontario government on proposed removal of the exemption for solicitors under the *Real Estate and Business Brokers Act*.
- In November 2001, project priorities were revised to: creating a national umbrella alliance and model of insurance; aggressively challenging unethical business practices of American title insurers; and marketing the value of conveyancers in the real estate transaction.
- A discussion paper for a national real estate insurance program was prepared by LawPro in consultation with CLIA in February 2002. Law Societies were asked to direct their E&O insurer to explore the national product for their jurisdiction. The proposal was rejected.
- In August 2002, the FLSC decided not to extend its participation in the Joint Project.

## CURRENT STATUS

- At the 2008 Annual Meeting in Quebec City, the Board of Directors adopted procedures to follow when CBA enters into or renews commercial relationships with preferred suppliers, sponsors and advertisers. The underlying principle is that these relationships shall not undermine or compromise the interest of CBA or its members. In light of the new policy, CBA Council rescinded the specific prohibition on advertising and sponsorship from First Canadian/First American Title, as it will be subject to the new procedures.

## **NEXT STEPS**

- The National Real Property Section will plan initiatives to inform stakeholders in a real estate transaction about the important services provided by lawyers, and to endorse solutions that enhance the lawyer's attractiveness as a legal service provider. This will reflect regional conveyancing and practice differences while providing seamless national solutions to client groups who require same.