How to protect real estate from being sold by fraudsters in BC?

By Haiyan (Anna) Wang - Notary Public

There are more and more scams now, and the phenomenon of houses sold by strangers also occurs frequently in Toronto and Vancouver, Canada. The news at the end of the article is about a house sold by a fraudster in Toronto. A similar scam happened in Vancouver recently. Fortunately, the Notary insisted on checking the original identity documents and found traces of forgery, which prevented the scam. How to protect your real estate from being stolen? Here is my advice to homeowners as a legal professional:

1. Buy title insurance. If you have a mortgage when you purchase a house, the lender will require your Lawyer/Notary to buy the Title Insurance covering the mortgage portion or a Surveyor Certificate. If you buy a house, the Title insurance is generally several hundred dollars more expensive than a Surveyor Certificate, but it is a one-time investment. If you buy the Title Insurance, you will get compensation for the house price when the house is sold fraudulently, but a surveyor certificate does not have this function. Sometimes the Lawyer or Notary representing you will buy a Surveyor Certificate to save you some money. Knowing the importance of this, you can take the initiative to ask your legal representative to buy Title Insurance covering both the mortgage portion and your portion.

2. Keep some mortgage amount under the property title. It is not easy for scammers to successfully steal and sell without your mortgage account number. You can even ask your relatives to put an empty private loan on you for protection.

3. If your home is vacant or rented out for a long time, and you are out of town, you can go to the Land Title Office to get a duplicate Indefeasible title. If this copy is not returned, any property transaction cannot be processed. Of course, you must keep it safe.

4. You can ask a legal professional to register a notice, and any change in your property title will be notified by the Land Title Office.

In addition, according to the laws of the province of BC, if the house is fraudulently sold to a bona fide buyer, that is, the buyer is unaware of the scam and the sale price is the market price. After the house is registered in the buyer’s name, you will not be able to get your house back, and you can only get the price compensation.

If you don’t buy Title Insurance, there is an Assurance Fund under the BC Land Office. If there is a problem with the property title and you do nothing wrong, you may be able to get back the loss of the land, but it will require complicated procedures for litigation and evidence collection.

Toronto stolen real estate sale news: https://www.cbc.ca/news/canada/toronto/couple-toronto-home-sold-says-system-failed-them-1.6726043