



Ministry of Consumer
and Business Services
Registration Division
Title and Survey Services Office

BULLETIN NO. 2001-3

DATE: December 15, 2001

TO: All Land Registrars

Land Titles Act

Restrictions under s.118
of the *Land Titles Act*

Section 118 of the *Land Titles Act* provides that the registered owner may impose restrictions on transferring or charging land or a charge. There has been some confusion in the past regarding the deletion of these types of Restrictions and this bulletin is intended to clarify the requirements for dealing with restrictions on title that required the consent of a specified party.

The general rule is that once a restriction is imposed, it remains on title until a new transfer that contains the required consent is registered. At that time, the first restriction is deleted and the new owners may impose a new restriction, which would then be dealt with accordingly on subsequent registrations. The restriction may also continue if the new transferee consents in the transfer to the continuation of the conditions or restrictions.

The consent must form part of the document that it has been granted for and cannot be registered as a separate instrument.

Documents not registered Electronically

Restrictions on transferring or charging:

(Note – The restriction may restrict both transfers and charges, or one or the other alone.)

- When a transfer to a third party is registered containing the consent of the party specified in the restriction, the restriction ceases to apply and is to be deleted or ruled off the parcel without application.
- When a restriction is registered that restricts a property from being transferred or charged and a subsequent charge is registered with the consent of the party specified in the restriction, the restriction continues to apply and shall not be automatically deleted.
- When there is a restriction registered restricting the property only from being transferred and a charge is registered, consent is not required.

Restrictions preventing dealings with a specific charge:

- When a transfer of the restricted charge is registered to a third party containing the consent of the party specified in the restriction, the restriction ceases to apply and is to be deleted or ruled off the parcel without application. If the transferee wishes the restriction to continue, they must register a new Application to Register Restriction under s. 118 of the *Land Titles Act* or the transferee must consent in the transfer of charge to the continuation of the conditions or restrictions.
- If a discharge is presented for registration containing the consent of the party specified in the restriction, the restriction is to be deleted from title along with the charge, discharge and other related documents.
- The restriction will not be deleted automatically if a postponement or agreement amending the terms of the restricted charge are registered containing the consent of the party specified in the restriction.

At any time, restrictions may be withdrawn by Application to Delete Restrictions under s. 75 of the *Land Titles Act* with the consent or release of everyone appearing by the register to have an interest in the restriction.

The statutory registration fee applies to the registration of the Application to Register Restriction and to an Application to Delete Restrictions. No additional registration fees apply to documents containing consents.

Documents registered Electronically

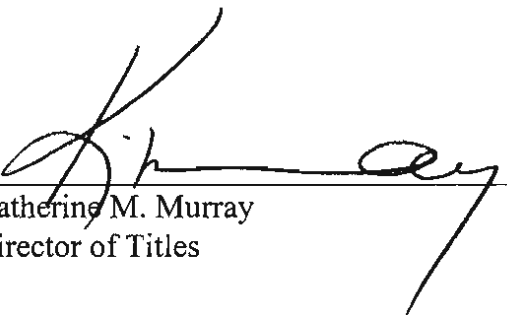
Restrictions on transferring or charging:

When a restriction of this type is registered on title a "No Dealings Indicator" is activated on the PIN. The restriction documents are found on the 'Create New Form' window in the 'Restrictive Covenants' folder. The appropriate document to select is titled 'Application to Annex Restrictive Covenants S.118'. The restrictions are to be imported or entered in statement 61.

Restrictions preventing dealings with a specific charge:

When a restriction of this type is registered on title a "No Dealings Indicator" is activated on the PIN. The restriction documents are found on the 'Create New Form' window in the 'Restrictive Covenants' folder. The appropriate document to select is titled "Annex Restrictive Covenants S.118-Charge". The restrictions are to be imported or entered in statement 61.

The document type to delete the restrictions from title is also found in the 'Restrictive Covenants' folder on the 'Create New Form' window. The appropriate document to select is titled 'Application to Delete Restrictions'. The statutory registration fees apply to the registration and deletion of the restrictions from title.



Katherine M. Murray
Director of Titles