

Dear Stewart Partners,

Now that we're well into September, we hope you are ready to say goodbye to summer and hello to the fall season. Beach time might be over for now, but we can welcome apple picking, leaf peeping, everything pumpkin flavored and cozy sweater time. September is also Realtor® Safety Month and Stewart has provided the following tips and tools for sharing with your Realtor® partners: [Real Estate Agent Safety: How to Stay Safe at Work | Stewart](#).

In this week's update we're discussing Stewart's Special Alerts Database and a refresher on Massachusetts refinances. We are also including information on the so-called "registered land modernization" provisions that were included in the recently passed Affordable Homes Act in Massachusetts.

On the education front, we're also providing another reminder of NELTA's annual convention, which takes place September 15-17 in Portland, Maine and a reminder that our Massachusetts Underwriters Talk Title September webinar is scheduled for Wednesday, September 18th at 11:00 a.m. See below for details and links to register for these events.



Stewart's Special Alerts Database and Land Fraud Avoidance –

By: Tracie M. Kester, Esq., Associate Sr. Underwriting Counsel,
Massachusetts

As you are no doubt aware, you are required to search the Stewart Special Alerts database prior to committing to issuing a Stewart policy of title insurance. This database allows you to search using not only the names of the parties involved in the transaction, but also the property address. While you are not required to search the database if you aren't issuing a Stewart policy, running this extra search may save you time and money.

We recently received an email from another title company regarding a fraud alert for vacant property at 132 Sargent Street in Newton, Massachusetts. This same property was the subject of a Stewart Special Alert Bulletin issued in May of this year: [SPECIAL ALERT - 132 Sargent St., Newton, MA](#)

While it's fortunate that the attorney dealing with the scammer trying to sell the property eventually discovered the fraud, it would likely have saved time and money had they run a search of this property in Stewart's database. As a reminder, you do not have to be a Stewart agent or even an attorney to use this database, and so whether you're representing

a seller, lender, or buyer, we strongly encourage you to have your office search the names and property addresses in the database when opening the file.

Even if the Special Alerts search does not provide any results, you should always vet the transaction and the parties thoroughly, and trust your instincts – if something doesn't look or sound right, please ask questions. Protecting property owners from fraud is a team effort, and we appreciate the parties notifying others when a scammer tries to impersonate someone.

As fraud in the real estate industry is an ongoing and growing threat, should you identify a fraud, let us know about it as we can take steps to add information to this database. A fraudster will usually not be deterred if the fraud isn't successful the first time, and will try again. This is exactly what happened with the Sargent Street property referenced above.

In case you missed it, a recent Special Alert was directed to our New Hampshire policy issuing agents involving property at **184 Sargent Road, Center Conway, New Hampshire 03813 (Carroll County)**.

You can read the bulletin here: [SPECIAL ALERT - 154 Sargent Rd, Center Conway, NH](#)

The Stewart Special Alerts database can be accessed here:

<https://specialalerts.stewart.com/>



Massachusetts Refinances: Things to Know – By: Rhonda L. Duddy, Esq., Massachusetts and New Hampshire Underwriting Counsel

Since the Federal Reserve Chair Jerome Powell recently stated that the “time has come” for the Fed to adjust its policy direction with respect to interest rates, many of us are anticipating an increase in mortgage refinances, and some have perhaps already begun experiencing an influx in refinance business. We are frequently asked about the requirements for issuing a title policy for a refinance so we thought it would be a good time to discuss this topic.

We know that there aren't any sellers to deal with or purchase and sale agreements to review, and no certification of title pursuant to MGL c. 93, §70 is required, but what about the title search? With respect to title searches, Massachusetts does not have any statutes or title standards regarding residential refinancing. For the issuance of a loan policy in a refinance context, Stewart does allow a shortened search on residential properties in certain circumstances. To determine if a shortened search is appropriate, the refinance transaction must meet both of the following requirements: (1) the current owner is a BFP and (2) the current owner obtained an institutional purchase money mortgage at the time of acquisition. If these two requirements are met, you may issue a loan policy based on a search of: the grantee(s) in the current owner deed, along with a search to confirm that all mortgages of the grantor(s) in the current owner deed have been property discharged of record.

Please note that a current owner name search must be for a period of at least ten (10) years in order to identify liens which may have attached to after acquired property (i.e, IRS

liens, DOR liens, child support liens, etc.). In circumstances where there wasn't an arm's length transaction or no mortgage granted at the time of acquisition, a two-owner search would be required. Please also keep in mind that if there is a Stewart owner's policy, we can usually issue policies based upon a shortened search from the policy forward.

Stewart also provides you with the following options for insuring residential refinances if you feel they are appropriate and provided they also comply with the lender's closing instructions:

- A plot plan is not necessary in order to delete the preprinted survey exception in the ALTA loan policy or to issue the Enhanced Loan Policy.
- A municipal lien certificate is not required in order to issue a lender's policy (verbal tax information from the Tax Collector is sufficient).
- A 6(d) certificate is not required for condominium refinances.

The title search parameters and the above options are for residential refinances and not for purchases or commercial property transactions.

Apart from the title search, one requirement that is the same for all transactions whether it is a purchase or refinance, is the need to obtain a title affidavit. In a refinance transaction, the affidavit is provided by the borrower/owner of the property.

Last, but not least, don't forget to pay attention to closing and funding dates. Because of the borrower's Right of Rescission/Right to Cancel, which applies to principal residences only, there is generally a three-day delay between the date the borrower signs the loan documents and the date the loan is funded. The three-day period is calculated based on the lender's business days so check your loan instructions for the date of disbursement since date calculations may vary between lenders. It's important that you provide the borrowers with two copies of the Right to Cancel form at the time of closing. Remember that almost all lender instructions will require that the mortgage not be recorded during the rescission and likewise prohibit the disbursement of funds, until the rescission period expires.

Whether borrowers will be looking to secure a lower interest rate, shorten their loan terms, switch loan types, or tap into home equity with a cash out refinance, we hope that the anticipated drop in interest rates will have a positive impact on your practice.

FreddieMac has produced an informative video geared to consumers explaining how even a small drop in the interest rate can save the consumer significant amount of money over the course of the loan. To checkout the video, follow this link: [FreddieMac Refinance Video](#)



Voluntary Withdrawal from Land Court Registration included in Affordable Homes Act By: Tracie Kester, Assoc. Sr. Underwriting Counsel, Massachusetts

Included in the new "Act Relative to Affordable Homes Act" which was recently signed into law as Chapter 150 of the Acts of 2024 is a section making it easier for owners of registered land to voluntarily withdraw their property from registration. This section of the Act will be effective in early November, 2024.

Voluntary withdrawal from registration is currently authorized under MGL c. 185, s. 52. However, it is only allowed as of right in certain circumstances, such as when the land is being or has been submitted to the condominium statute, MGL c. 183A, or the registered land is only a portion of the lot. The update to Section 52 removes these barriers, and as such any owner of registered land is entitled to voluntary withdrawal.

The new law also includes timelines within which the Land Court must act. For example, the Court must appoint an examiner to review the title within 30 days of the receipt of the complaint for withdrawal. The report must be filed with the Court not later than 14 days after the appointment is made. Finally, if no objection to withdrawal is received 30 days after service of notice on all interest holders, the law requires that the notice of withdrawal shall be endorsed by a Land Court justice.

The Act also makes it easier to address clerical errors on Certificates of Title and memoranda of encumbrances. MGL c. 185, s. 114 is replaced in its entirety, and the new subsection (a) allows an assistant Land Court recorder to correct clerical errors on Certificates or memoranda with the approval of the Chief Title Examiner. The amendment to Section 114 includes a subsection (b) which is substantially similar to the current text of Section 114, but instead of referring to a motion to correct errors or make changes to the Certificate, it confirms that the proper document to be filed is a complaint.

Withdrawal as a matter of right may make sense for some property owners, but as with anything there are some drawbacks. There has always been some comfort from a title perspective in having land that is registered. Further, registered land has protection from adverse possession claims of others. If those are not concerns for the landowner, removing land from registration may be a benefit – particularly when property is both recorded and registered and double recording fees are incurred each time the land is transferred or mortgaged.

The provisions regarding registered land are Sections 48 and 49 of the Act, which you can read here: <https://malegislature.gov/Laws/SessionLaws/Acts/2024/Chapter150>



Reminder to Register for NELTA's Annual Convention

New England Land Title Association (NELTA) is holding its annual convention September 15 - 17, 2024 at the Westin Portland Harborview Hotel in Portland, Maine. Attendees will be able to earn CLE credits, network with industry peers, participate in a roundtable discussion focused on commercial real estate transactions, and learn about various topics including new legislation affecting the title industry. The link to register is as follows: [NELTA Annual Convention](#)



Webinar: Massachusetts Underwriters Talk Title – September Installment

Join Tracie Kester, Esq., Associate Senior Underwriting Counsel for Massachusetts, for another installment of Stewart Underwriters Talk Title. September's webinar is entitled "What does That Mean??" The webinar will focus on some common and not so common terms and phrases encountered in recorded documents. Tracie will highlight the impact and meaning of the terms and what you need to know when you encounter them. This complimentary webinar for Stewart's agents will take place on September 18, 2024 from 11:00 a.m. to 11:30 a.m. To register, follow this link: [Massachusetts Underwriters Talk Title](#)



[Meet Our Team | Stewart Connecticut](#)

[Meet Our Team | Stewart Maine](#)

[Meet Our Team | Stewart Massachusetts](#)

[Meet Our Team | Stewart New Hampshire](#)

[Meet Our Team | Stewart Rhode Island](#)

[Meet Our Team | Stewart Vermont](#)



1-800-STEWART

www.stewart.com

© 2024 Stewart. All rights reserved.

This email was sent to your address because your email preferences are set to receive our updates.

[unsubscribe](#)