New England Regional Midweek Update
10/21/2026

Dear Stewart Partners,

In this week's Midweek Update, we focus on information you can put to work in your title practice. We explain when to consider the enhanced ALTA Homeowner's Policy and Stewart Gold Endorsement for residential buyers, summarize significant revisions to Connecticut Standard of Title 23, and share updates on Stewart's community giving efforts. We also include a reminder for Massachusetts agents regarding the Special Alert for 415 Cove Street in Wellfleet.



ALTA Owner's Policy ("Standard") vs. ALTA Homeowner's Policy ("Enhanced") and the Stewart Gold Endorsement By: Brian C. Goudas, Esq., New Hampshire Underwriting Counsel

When Appropriate, Give Your Buyers More: The Homeowner's Policy ("Enhanced") and the Stewart Gold Endorsement

When a residential buyer asks what their owner's policy actually protects, the answer depends on which policy you issue. Stewart offers two: the 2021 ALTA Owner's Policy (our "Standard" policy) and the 2021 ALTA Homeowner's Policy (our "Enhanced" policy). For eligible residential purchases, the Homeowner's Policy, paired with the Stewart Gold Endorsement, gives your buyer the broadest coverage Stewart offers. This week's update covers who qualifies for each policy, what it takes to add the Gold Endorsement, and what the enhanced coverage adds, so you can match each buyer to the right coverage.

Who Qualifies: Owner's Policy vs. Homeowner's Policy

The ALTA Owner's Policy is the broadly available option. It is not limited by property type or by who takes title, so it remains the policy for buyers who do not meet the Homeowner's Policy requirements, such as commercial purchasers and unimproved or vacant land purchasers.

The ALTA Homeowner's Policy has three threshold requirements:

1. **Residential property only**. The Homeowner's Policy insures existing 1-4 family residential property; commercial and other non-residential properties do not qualify.
2. **The right kind of insured**. It can be issued only to a natural person or an entity formed for estate-planning purposes, such as the trustee of a buyer's revocable trust. A buyer taking title in a non-estate planning LLC or corporation does not qualify on the policy alone (but see the Gold Endorsement below).

3. **Underwriting compliance**. Issuance assumes compliance with Stewart Title Guaranty Company's underwriting requirements for the policy. When a file raises a question, confirm with your Stewart Underwriting Counsel before committing to the Homeowner’s policy.

Once issued, both policies continue as long as the insured owns the property and protects the insured’s heirs, the trustee of the insured’s estate-planning trust who received a deed from the insured, and also certain affiliates who receive a deed from the insured for no consideration.

What the Enhanced Coverage Adds

Both policies share the same core covered risks: title vested other than as stated in Schedule A; forgery, fraud and impersonation; liens and encumbrances on the title; defective execution or recording of documents; defects caused by improper remote online notarization and improper electronic signature defects; unmarketability; lack of access; and gap coverage from closing to deed recording. The Owner's Policy stops there, generally protecting against defects in the Public Records through the date the deed is recorded. The Homeowner's Policy goes further in three ways.

First, the covered risks extend to certain matters a title search will not find. These include parties in possession that are not disclosed by the Public Records such as adverse possessors, unrecorded easements, encroachments and boundary disputes that a survey would disclose, mechanic's liens, and taxes or assessments due but not paid and not shown as liens by the Public Records.

Second, it adds additional covered risks built around problems that homeowners are more likely to actually face. It insures against lack of actual vehicular and pedestrian access based upon a legal right. It provides limited coverage, subject to deductibles, when the buyer must correct a building permit or zoning violation, or must remedy or remove a structure that encroaches on an easement or setback line. It also covers damage to existing structures from the exercise of an existing easement right, the inability to use the land as a single-family residence because of zoning, and a residence not located at the address stated in the policy. If a covered claim prevents the buyer from using the home, it offers reimbursement for rent and relocation expenses, and the policy amount automatically increases up to 150% over five years.

Third, it protects against certain risks that arise after the policy is issued: forgery or impersonation affecting the title; unauthorized leases, contracts or options; ownership claims; easements affecting use of the land; and a neighbor's building encroaching onto the property.

Qualifying for the Stewart Gold Endorsement

The Stewart Gold Endorsement is a proprietary Stewart product that adds additional covered risks and strengthens existing coverage at no additional charge. Stewart recommends issuing it in every eligible transaction. Its requirements differ from the Homeowner's Policy's in an important way: the test turns on occupancy rather than on who takes title.

1. **Issued with the 2021 ALTA Homeowner's Policy.** The endorsement can only be issued with the Stewart Homeowner's Policy; it is not available on the Owner's Policy, so the buyer must first qualify for the Homeowner's Policy.
2. **Single-family residence or condominium.** The property must be a single-family home or a condominium unit.
3. **Owner-occupied.** The insured must occupy the property. A buyer taking title in an LLC or corporation qualifies, as long as the entity's members or shareholders occupy the property.
4. **Second homes, if not rented.** A second or vacation home qualifies when the insured occupies it and it is not a rental property. Rental and investment properties are not eligible.

For qualifying buyers, the endorsement:

- **Expands who can be insured**, extending Homeowner's Policy coverage to all legal entities, not just those formed for estate planning, as long as the members or shareholders of the entity occupy the property. This is the path to Enhanced coverage for an owner-occupant who takes title in a non-estate planning LLC or corporation.
- **Continues coverage after certain transfers:** to a child or grandchild without consideration; to a current spouse if the insured is the sole owner; and to an LLC or other entity the original insured solely owns, even if not formed for estate planning purposes.
- **Adds post-policy coverage** for Covered Risk 6 (someone has a right to enforce a covenant limiting use of the land) and Covered Risk 7 (the title is defective).

Putting It to Work

- **Confirm eligibility early.** Note occupancy, property type and how the buyer will take title (individual, trust or entity) when you open the file.
- **Emphasis Point:** A standard Owner's Policy protects ownership. A Homeowner's Policy protects ownership and many of the ways one uses and enjoys the property.
- **Default to Enhanced.** When appropriate and requested by eligible residential buyers, quote and issue the Homeowner's Policy, and add the Gold Endorsement whenever the buyer qualifies.

Questions? Contact your Stewart Underwriting Counsel.

Coverages described are examples only and are subject to the policy and endorsement terms, exceptions, exclusions and conditions, and to Stewart's underwriting requirements.

Connecticut Standard of Title 23 and Its Recent Changes By: David S. Veleber, Esq. Connecticut Underwriting Counsel

Whenever a person dies owning an interest in Connecticut property, there is an inchoate tax lien as a result of that death. Up until January 1, 2005, Connecticut had the Succession Tax under Conn. Gen. Stat. § 12-344 (which has now been replaced by the Estate Tax). Under

the Succession Tax, there is a statutory lien against the property owned by the decedent from the date of death until paid.

We still see many title searches which reveal an inchoate Succession Tax lien related to the death of a person who died before January 1, 2005 and for whom no probate was opened and no tax clearance obtained. Often, this is due to the misunderstanding that nothing needs to be done in probate court for property held by joint tenants. Unfortunately, the issue usually arises shortly before the closing is to take place (since the surviving spouse is often unaware that anything should have been done) or after the surviving spouse is also deceased and the property is now being sold from an estate.

According to **Standard 23.1** titled "The Connecticut Succession Tax Lien," there is a time limitation on how long this inchoate lien will impair marketability. Originally, the Standard stated that, if more than twenty-five years have passed since the devolution of title resulting from the death of the owner of the property interest, "the mere possibility of a succession tax lien shall not render that title unmarketable, even though neither the land records nor the probate records, if any, evidence determination or payment of a succession tax." So, if the person has been dead more than twenty-five years, no succession tax clearance is necessary.

This Standard was revised in 2023 in light of changes under P.A. 22-136 (C.G.S. 45a-133(c)). It is no longer simply tied to 25 years after death. Now, you need to determine if an estate was ever opened and tax return filed for the decedent's estate. If no estate was opened or tax return filed, then an affidavit can be filed now if more than 10 years after death. If there is evidence of an estate opened and tax return filed, then marketability is not impaired 25 years after date of return or tax assessment if no succession tax lien is recorded and no discoverable audit or collection action has been commenced by the State. An affidavit establishing these facts should be recorded. These time limitations do not apply if an actual lien has been filed by the State. Such a lien has no expiration and will need to be addressed if one is found recorded in the land records.

Even though tax clearance may not be needed because of the passage of the appropriate time period, this does not mean the person's death does not need to be evidenced on the land records. The release of succession tax lien served two purposes when it was recorded. It tells the world that the person died and no taxes were due. Often, in joint tenant situations, not only was tax clearance not obtained but nothing even evidencing the party's death was recorded. In that situation, some evidence still needs to be recorded even if tax clearance is not needed. That can be resolved by an affidavit of facts.

Standard 23.2 – The Connecticut Estate Tax Lien – Creation, Scope and Duration. This standard was added in April of 2022 and revised in March 2023. Under this standard, for deaths on or after January 1, 2005, the Connecticut Estate Tax arises immediately upon death. The lien continues in favor of the State of Connecticut from the date of death for a period of ten years, except for those estates where a return was filed or a tax was assessed under Sec. 12-392. Title to real property that is subject to the inchoate lien is unmarketable until either a release of lien is recorded, the lien is discharged of record (such as through a foreclosure), or either full payment of any tax due or the fact that no tax is due can be determined or established from other public records and made a part of the record title of the real property, in accordance with the procedure set forth in Comment 3 of this

Standard. These facts can be evidenced for the land records by recording a 47-12a affidavit outlining the facts necessary under C.G.S. 45a-133(c).

Standard 23.3 – The Connecticut Estate Tax Lien – Protection of Certain Persons Until Notice Thereof Has Been Recorded in the Town Clerk's Office was added November 14, 2022 and revised effective April 19, 2023. This standard outlines that the Estate Tax lien arising for deaths on or after January 1, 2005 is not valid against certain persons identified in CGS 12-398(d). This includes lienors, mortgagees, judgment creditors and bona fide purchasers who acquire a lien on or interest in the real property prior to the recording of a certificate of estate tax lien. Notwithstanding the listing of bona fide purchasers, as outlined in this Standard, a purchaser buying from a fiduciary of a decedent's estate or an heir of a deceased owner, generally cannot be considered a "bona fide purchaser." The seller still needs a release when title passes out of a decedent's estate or from an heir or devisee.

If you have any questions about this Standard, or any other Standards or title questions, please contact one of your Connecticut underwriting counsel.



Stewart Cares for Its Community

Stewart believes in giving back. Twice a year, Stewart gives employees across the country the opportunity to nominate causes that are meaningful to us. Through Stewart's giving event, our local team had the opportunity to support five charities with meaningful personal connections to members of our team.

We are beyond happy to share that **Blood Cancers United, The Jimmy Fund, the CJD Foundation, Memorial Sloan Kettering Cancer Center, and Interval House Connecticut** received donations. Each of these organizations does important work, and being able to support causes that are so meaningful to our colleagues makes this initiative even more special.



In Case You Missed It

Special Alert: SA2026238 was issued on October 14, 2026 and directs Massachusetts issuing agents to contact Stewart Legal Services if asked to issue a title commitment or close a transaction involving the property located at **415 Cove Street, Wellfleet, Massachusetts**. To read the alert, follow this link: Special Alert: SA2026238

As a reminder, to search the entire special alert database, follow this link: https://specialalerts.stewart.com/

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