



New England Regional Midweek Update
2/11/2026

Dear Stewart Partners,

We hope you fared well in the frigid temperatures over the weekend. In this week's update, we're featuring an article on insuring timeshares from Jaime Spaulding, Maine Underwriting Counsel. We also have some information on the FinCEN residential real estate reporting rule, which goes into effect in less than a month. Finally, we're sharing news about our Stewart colleagues and the events they have been – and will be – attending.



Insuring Timeshares By: Jamie Spaulding, Esq., Maine Underwriting Counsel

Did you know that you can insure title to timeshares? Despite their negative cultural portrayal, timeshares remain a popular ownership option for vacation spots at Maine's ski mountains and waterfront vacation destinations. When a client asks about insuring a potential timeshare purchase, you must determine what type of timeshare interest is involved. **Please note that you must obtain approval from a Stewart underwriter prior to issuing any policy on a timeshare interest.**

Timeshare interests can take many forms, so determining the type – or, in some instances, schemes – is crucial in determining insurability. According to Stewart's Underwriting Manual the following timeshare interests are **NOT** insurable:

1. Cooperative Time-Share Interest: A cooperative corporation owns or leases the real estate, and the timeshare owner buys shares of stock in the corporation, with individual use periods set forth in the proprietary lease.
2. Hybrid Time-Share Estate: The owner has an interest in a specific unit of real estate but does not have the right to occupy that unit, or any other unit, for a designated recurring period of time and must reserve his time and space each year from the association or management entity.
3. Right-to-Use Time-Share Contracts: Also referred to as a vacation license, vacation lease, or club membership, the buyer is granted a license that allows them to use a particular unit for a specified period, but the "resort" or "club" owns or leases the real property for the benefit of its members.

The only insurable timeshare interests are those conveyed by deed (fee simple estate) or by lease (leasehold estate).

While the Maine Condominium Act, 33 M.R.S.A. § 1601-101, et seq., controls the declaration, bylaws, governance and general make-up of the timeshare unit owners' association, there are specific carve-outs for the creation, taxation, billing and foreclosure of timeshares set forth in 33 M.R.S.A §§ 591-595, which we will refer to here as the Time Share Act.

Maine recognizes two types of timeshares according to the Time Share Act: (i) a timeshare estate, and (ii) a timeshare license. A timeshare license is defined as "a right to occupy a unit or any of several units during 3 or more separated time periods over a period of at least 3 years, including renewal options, not coupled with a freehold estate or an estate for years." 33 M.R.S.A § 591(9). This latter type of timeshare interest is NOT insurable and aligns with the Right-to-Use Time-Share Contract described above. By contrast, a "timeshare estate" as defined by the Act is insurable and defined as:

[A]ny interest in a unit or any of several units under which the exclusive right of use, possession or occupancy of the unit circulates among the various time-share owners in the unit in accordance with a fixed time schedule on a periodically recurring basis for periods of time established by the schedule **coupled with a freehold estate or an estate for years** in a time-share property or a specified portion thereof. 33 M.R.S.A § 591(7).

As highlighted above, the important distinction between an insurable timeshare estate and a non-insurable timeshare license is the coupling of the rights to use, possess and occupy the unit with a deed or lease.

Once you have determined that you have an insurable timeshare interest, and your Stewart underwriter has approved the issuance of a policy, you will need to include the following exception in the title commitment and policy:

This Policy does not insure against any loss or damage by reason of the hold over or unauthorized occupancy by other owners of an interest in the unit(s) and week(s) described in Schedule A, or by the association, the developer, its lessees or other third parties. The land insured hereby is an undivided interest and there is excepted from this property any rights, title or interest of the other tenants in common or those persons claiming by, through, or under them, including rights of ownership, possession, reimbursement and partition, and right of the United States to sell the land.

You can find more information on timeshares in Maine at the following links:

[Title 33, Chapter 10-A: Time Shares](#)

[Underwriting Manual: Timesharing Ownership](#)

In a future article, I'll discuss the insurability of timeshares when there is a non-judicial foreclosure in the chain. As always, if you have any questions about insuring a time share interest, reach out to your Stewart underwriting counsel.



The FinCEN AML Rule is Coming...But Don't Panic! By: Tracie M. Kester, Esq., Senior Underwriting Counsel and Deputy Regional Underwriting Counsel

The FinCEN Anti-Money Laundering (AML) Rule goes into effect on March 1, 2026, which is less than a month away. Here are a few do's and don'ts to make sure you and your clients are ready to comply with the Rule's requirements.

Do be sure to communicate with your clients and your Realtor® partners prior to closing to make sure they're aware of the new rule.

Do remember that the new rule requires that both buyers and sellers provide information. For example, if your individual seller client is selling their house and an LLC is paying cash to purchase it, both the buyer and the seller will have to provide information. You may want to consider including information in your client engagement letter informing them of the new Rule and its requirements.

Do investigate whether it makes sense to use a reporting service instead of taking on the work of filing yourself. Stewart created a new company, FinCEN Reporting Services (FRS), to help agents comply with the Rule's requirements. To learn more about FRS, visit this website: <https://www.stewart.com/en/fincen-aml/reporting-services>.

Do share information on the new rule with your colleagues, including those who practice in the area of estate planning. When drafting deeds for clients for estate planning purposes, they may be required to file.

Do make sure you're familiar with the requirements of the rule and **Don't** panic! Stewart has a [website](#) dedicated to the FinCEN AML, designed to help you comply with the rule: Wondering whether the transaction with a trust that's taking title to the property means a report has to be filed? Go to the website's [FAQ section](#), where you'll find the exceptions to reporting requirements for trusts. The site also has a one-page [flowchart](#) which allows you to determine whether the transaction is subject to reporting, and includes the "reporting cascade" showing who is responsible for filing the report. There is also a one-page [Checklist for Real Estate Agents](#) you can provide to your Realtor® partners to help answer questions they may have.

If you have any questions about the Rule or the resources offered by Stewart, please contact one of our underwriters for more information.



Stewart Out and About

Northeast Mortgage Summit at Foxwoods

Many members of Stewart's Southern New England agency team will be at the Northeast Mortgage Summit, which takes place at Foxwoods Casino in Mashantucket, CT on February 25 through February 26, 2026. Stewart is hosting a cocktail party in the evening on February 25 – if you're planning to attend the Summit, please contact your Agency Sales Representative for more details.

The Summit is a regional mortgage industry conference and trade show produced by the Connecticut, Massachusetts, and Rhode Island Mortgage Bankers Associations designed to bring together hundreds of mortgage industry professionals from across New England — including lenders, mortgage bankers, brokers, appraisers, attorneys, insurers, technology experts and more. For information on the Summit and how to register you can view their website here: <https://csuite-events.com/northeast-mortgage-summit-home/>

CREW Network 2026 Winter Leadership Summit

Monica Barrera, Connecticut Agency Sales Representative, recently attended the Crew Network 2026 Winter Leadership Summit in Costa Mesa, CA, as the delegate for CREW CT. The two-day professional summit brought together CREW members from all areas of the United States and offered professional development workshops catering to women in commercial real estate. Stewart is proud to be a Platinum sponsor of this event.



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