



Dear Stewart Partners,

We are nearing the end of the summer as the school year is fast approaching. In this week's Mid-Week Update, we are again including the Stewart flyers about vacant land fraud and seller impersonation. You can download these flyers using the links below. While we understand that this information is redundant given our focus on this topic for the past few weeks, it is so important to keep this issue in the forefront, especially with recent events that occurred right here in New England.

In addition to our continued focus on real estate fraud, we are providing some timely information on expected phishing scams that may be carried out by cybercriminals, along with information regarding select Standards of Title in the State of Connecticut. Lastly, today is the last day to obtain a reduced hotel rate for the New England Land Title Association (NELTA) Annual Conference in September. We've included more information on the Conference below.



In Case You Missed It – Downloadable Stewart Flyers on Vacant Land Fraud and Seller Impersonation

We received some requests in the past week about the flyers that we have available on this topic, as well as the ALTA flyer we referenced in last week's update. We have attached the pdf version of the available flyers and they can also be accessed by the links below. As a reminder, the flyers from Stewart's marketing storefront can be personalized. For information, please contact your Stewart Account Service Representative.

[Protect Your Customers – Vacant Land Fraud](#)

[Vacant Land Fraud – Red Flags](#)

[Alta Flyer – Seller Impersonation](#)



Be on the Lookout for Phishing Scams

The KnowBe4 Security Team provided the following warning regarding inactive Google accounts:

Recently, Google announced a change to its inactive account policies. Starting in December 2023, accounts that have been inactive for two or more years will start to get deleted. While this policy is meant to enhance security, cybercriminals could use this news for their phishing scams.

In the coming months, we expect to see an influx of phishing scams based on Google's new policies. Cybercriminals may send you phishing emails claiming that your Google account will be deleted unless you take immediate action. They may also ask you for your Google login credentials. If your login credentials fall into the wrong hands, cybercriminals could steal your sensitive information or impersonate you to scam others.

Follow the tips below to spot similar scams:

- If you receive an email claiming that your account will be deleted, consider whether or not you use the account in question and verify the legitimacy of the email.
- Think before you click. Cyberattacks are designed to catch you off guard and trigger you to click impulsively.
- Be cautious before logging in to accounts through an email link. Instead, navigate to the organization's official website to log in.

For more cybersecurity information from KnowBe4, including a recent blog post about new malware targeting law firms, go to their website here: www.KnowBe4.com



Tools for the Real Estate Practitioner: Connecticut Standards of Title

The Connecticut Standards of Title were adopted in 1937 for the purpose of standardizing customs and practices to assist in real estate conveyancers. Not only are they a treasure trove of guidance for practitioners, but they have become the standard by which to practice. It now consists of 31 chapters. The Standards are published by the Connecticut Bar Association ("CBA") which has copyrighted them and if you are a member of the real property section of the CBA you can access them online; otherwise, you need to purchase them through the CBA. Most residential real estate contracts in Connecticut provide that marketability of title shall be determined in accordance with the Connecticut General Statutes and the Connecticut Standards of Title of the CBA. A special committee appointed by the CBA oversees the updating and creation of new Standards as the practice area evolves. New Standards have to be circulated among the CBA real property section before formal adoption through the bar association, while amendments just need a vote of the committee. Following are some of the Standards frequently referred to by our title underwriters in addressing agents' title questions:

I. Grantors (and the appearance of self-dealing)

- a. Standard of Title 6.5 – without record evidence of the authority of the fiduciary to convey to him/herself, a title examiner should raise a deed from a trustee to himself, for example, as a voidable transfer until validated by the Validating Act after 10 years on record with no challenge.
- b. Record evidence can consist of attaching to an affidavit to be recorded per CGS 47-12a a portion of a trust agreement or Will that indicates the fiduciary was the intended beneficiary upon the occurrence of an event and will alleviate voidability once recorded.
- c. If no such evidence is available, you need to have the conveyance authorized by a court of competent jurisdiction - Superior Court, other than where Probate Court is appropriate. Per C.G.S. 45a-175, probate courts have jurisdiction over certain fiduciary actions. In a self-dealing situation, the standards indicate Superior Court would be the appropriate way to go.

II. Grantees (and the proper identification)

- a. Standard of Title 7.1 – updated to allow a trust, rather than trustee of a trust, to hold title after a statute authorizing that was adopted.
- b. An estate as a grantee of a deed is not the proper grantee as the law does not recognize the estate as having the capacity to hold legal title to real property. The fiduciary of a probate estate, rather than the estate, is the proper grantee in a deed of conveyance. A deed granted to the “estate” may not be totally inoperative as it may create equitable rights in the purported grantee. A title searcher should note the deficiency on the search, resulting in an inquiry on how to remedy the title.
- c. Standard of Title 7.2 discusses the equitable rights created by a deed to an entity that cannot legally hold title. A fiduciary of an estate or a trustee might bring an action to cause a reformation of a deed.

III. Name Variances

- a. Standard of Title 8.1 – aids in situations such as use of middle initials, inconsistently in conveyances, as well as abbreviations, junior and senior designations by deeming title marketable in situations like those so long as no ambiguity exists in the intent of the grantee or grantor.

IV. Estates – Chapter 13 contains many standards that address situations for testate and intestate estates including, without limitation, failure to probate, after-discovered property of a decedent, succession and estate tax liens and clearance of same. Most recently, in response to recently adopted legislation regarding such liens, methods to clear liens with or without releases from the Department of Revenue Services or Probate Courts are very helpful.

V. Mechanics Liens – Standard of Title 17.1. Even though per statute if an action to foreclose a validly filed mechanics lien is not commenced within 1 year of its filing, the lien is deemed expired, this Standard requires a searcher to leave the lien on a search for 10 years under this section. As a matter of practice, if verification by the judicial website shows a lien older than 1 year is not in process of litigation it can be disregarded notwithstanding this Standard.

VI. Mortgage Releases – Chapter 18. This chapter was the recent focus of some changes as follows:

- a. 18.5 - releases of re-recorded or modified mortgages. Previously the sections on releases of re-recorded mortgages required a “stated purpose” for application to a situation. We often see re-recorded mortgages with no such statement, even if sometimes it is obvious why (For example a missing rider or dating of signatures). The revision makes it clear that if there is no discernable difference, a release of one will release the other.
- b. 18.9 – new standard re: reverse mortgages, to make it clear that release of the 1st mortgage to the lender does not constitute a release of the 2nd mortgage to HUD.
- c. 18.10 – new standard to handle the situation of a 2 town property where release of mortgage is only recorded in one of the towns. This is very helpful for properties that straddle a town line as well as condominium projects in that if a release is recorded in one town, that is deemed sufficient.

VII. Entity conveyances – Chapters 20-22 (corporations, partnerships and LLC’s) speak to due diligence that should be done when representing a buyer. As an example, this standard is the basis for requiring a review of an LLC Operating Agreement for a sale from an LLC .

VIII. Tax Collector Sales – Chapter 29 – Non-judicial tax foreclosures are ripe for constitutional problems, and not insurable at the initial acquisition from a Tax Collector. Standard of Title 29.1 sets forth the analysis of what is needed to insure a title that emanates out of such a tax foreclosure even if the statute of limitation for contesting the auction has passed based on the constitutional concerns



New England Land Title Association Annual Convention, September 18-20, 2023

The New England Land Title Association’s annual convention is quickly approaching, and the last day to obtain the reduced hotel rate is TODAY, August 16.

This year the convention will be held in Portsmouth, New Hampshire at the AC Hotel. The conference starts on Monday, September 18, 2023 with a networking reception from 6 PM to 8 PM. On Tuesday, September 19, the educational sessions feature Stewart’s own Dr. Ted Jones with an economic forecast; a presentation by Lisa Steele, COO of Mother Lode Holding Company on finding opportunities in a changing market; and a panel discussion on Alternatives to Title Insurance. The last session on Tuesday will be a mock commercial closing. The annual convention dinner will be held on Tuesday evening.

On Wednesday, the educational offerings continue with a presentation on updates to the ALTA Best Practices. This is a two-part seminar, with part two being presented at the REBA convention on November 6. At 10:30 on Wednesday, Robert Daniszewski from the

Massachusetts Office of Bar Counsel, will discuss marketing for real estate professionals. He will be joined by Wayne Stanley, the owner of Bowe Digital.

For more information, go to https://nelta.org/events/event_list.asp



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