

Wayne County has hundreds of deed, mortgage fraud cases. What to know, *Kayleigh Lickliter, (June 28, 2024)*

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Wayne County has hundreds of deed, mortgage fraud cases. What to know



As a Wayne County task force investigates hundreds of mortgage and deed fraud complaints, leaders are ramping up efforts to educate residents.

Wayne County Commission Chair Alisha Bell, D-Detroit, convened a Thursday town hall in partnership with Wayne County Register of Deeds Bernard Youngblood, a 36th District Court judge and others to share ways for county residents to protect themselves and their homes.

Deed fraud is a crime-of-convenience, Youngblood told a crowd of about 80 people who gathered for the event at Greater Burnette Baptist Church on Detroit's east side.

"All you need is a pen and paper," he said. "You don't even need to leave your house."

Youngblood said 2,300 fraud cases have been opened since 2005 when he started the Mortgage and Deed Fraud Unit, which has resulted in 347 convictions. The county's task force, Youngblood said, was among the first in the country. So far, only 390 "stolen" homes have been returned to the rightful owner as a result of the unit's investigations. Youngblood told BridgeDetroit there are currently around 400 open fraud complaints.



Deed fraud isn't just a Detroit issue, added Youngblood, noting it is a major concern to law enforcement agencies and register of deeds offices across the country.

Youngblood said he recently met with U.S. Sen. Gary Peters, D-Bloomfield Township, to discuss what options Congress has to address the problem at the federal level.

The county has supported efforts to [amend state legislation](#) aiming to increase the classification and punishment for submitting a fraudulent record to register of deeds offices. Until it's passed, submitting fraudulent documents to the register of deeds isn't illegal. The state House has approved the legislation, which awaits a Senate vote after lawmakers return from summer recess in the fall.

Bell said existing law also makes it difficult for someone to identify whether they've been a victim of fraud.

"The way it is now, you wouldn't know until you tried to sell your house that someone else stole it," Bell said.

The register of deeds office touted its notification program, [Fraud Guard](#), which alerts property owners when any new information is recorded for their property, allowing residents to respond immediately in the event someone attempts to file a fraudulent deed.

Earlier this year, Zina Thomas, a [former employee of United Community Housing Coalition](#), was charged with conspiracy to commit wire fraud, money laundering, and aggravated identity fraud after she allegedly conspired with others to steal 30 homes from the rightful owners. The deeds were filled out and falsely notarized by Thomas and others, which meant the register of deeds was required to process the deeds as normal, according to U.S. Attorney Dawn Ison.

Youngblood told the crowd Thursday that notaries are often the "gatekeepers" of fraud.

As long as the deed is filled out, the register of deeds is required by state law to process it, Youngblood said. On each deed submitted, his office looks for specific details to determine whether a deed meets requirements for processing, such as the name of the buyer and seller, otherwise known as "grantor/grantee," the property address, signatures of both parties and notarization.

But, the register of deeds doesn't notify the assessor's office when there's a transfer of ownership, leaving room for vulnerability. The assessor's office will usually "catch up" after the property is sold. But Youngblood said the responsibility is ultimately on the property owner to notify the assessor.

Residents were advised Thursday to speak with a probate attorney if they have concerns about the legitimacy of a deed, or need help navigating a deed matter.

Documentation is a "major issue" said 36th District Judge Shawn Jacques, who noted Thursday that the court frequently sees issues arise in cases where someone is acquiring ownership of a home after a parent passes away. This issue, Jacques said, can be resolved by investing in a reputable lawyer.

“Don’t take all that money and buy the house and then get cheap on the documents to make sure you can keep it,” said Jacques, who added that spending a couple hundred dollars on a lawyer can save hundreds of thousands in the long run.

Another option that eases the headache of transferring a property from a deceased loved one’s name is a “ladybird deed,” according to Youngblood’s office. This deed option allows someone to maintain ownership while they’re alive and automatically transfers the property to the estate holder after they’ve passed. While it may work for some families, it’s helpful to consult an attorney before assuming, Jacques said.

Several attendees asked questions about the process of acquiring property from a deceased relative. Andrea Bradley-Baskin, general counsel for the 36th District Court, said it’s best to consult a probate attorney due to the unique circumstances involved in each case.

Ways to get help:

Anyone can search for a probate attorney in their area using the State Bar of Michigan’s online search tool. Bradley-Baskin said the court would also consider posting a list of qualified probate attorneys online and in county offices, including the courthouse.

Individuals who are concerned their property has been defrauded can call the fraud hotline at (313) 224-5869.