FRAUDULENT DEEDS, CONTRACTS, & CLAIMS

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www.northcarolina.ctic.com



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Special Thanks to Andrea Davis,
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Graceland's self-described scammer takes credit for attempted foreclosure sale of Elvis' home

In April 2024, scammers started a foreclosure action on Graceland, presenting documents to the court "showing" Lisa Marie Presley had borrowed $3.8 Million before she died, using Graceland as collateral. Her daughter, Riley Keough, had to go to court to stop the foreclosure, proving the documents were false.
The documents included a *real Florida notary's forged signature*.
The scammer emailed the media when the story broke, stating "I didn't win this one. I've stole(*sic*) many identities and received monies, we don't win them all."
https://www.cnn.com/2024/06/18/economy/graceland-title-theft/index.html



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SUSPICIOUS MINDS

Is a Missouri Grandma Behind the Graceland Scam?

In May, the Memphis home of Elvis Presley was allegedly going on the auction block. Who orchestrated the ruse — and what happens now?

Last week, NBC News posted an in-depth investigative report that pointed to the scammer as possibly "a grandmother in Branson, Missouri, a con woman with a decades-long rap sheet of romance scams, forged checks and bank fraud totaling hundreds of thousands of dollars, for which she did time in state and federal prison."

According to the report, the woman had been a nursing assistant, among other jobs, but also claimed she'd been "an EMT, a hairdresser and an underwater welder" and had spent time in jail for "stealing checks and credit cards, committing fraud, running con games [and] intimidating witnesses." She "appeared to use the name Naussany to post negative reviews for people and businesses she didn't like," NBC reported, adding, "It's puzzling to consider how [she] might have graduated from small-time hustling of boyfriends and big-box stores to an attempt at multimillion-dollar fraud and the theft of one of the country's most beloved landmarks."

In early June, NBC News tracked the woman down in a trailer park in Branson, Missouri, and presented her with its findings; she claimed she had been the victim of identity theft and had "no earthly idea" what the reporter was talking about. Immediately after, according to NBC, the woman issued a "cease and desist" to the network for "any and all defamation, slander and/or libel ... Failure to comply with this *cease and desist* request, and/or return the signed assurance 'within the stipulated time' will leave me no other alternative but to pursue any and all available legal and equitable remedies available to protect my character and/or reputation and my family." (Attempts by *RS* to reach the woman were unsuccessful.)

https://www.rollingstone.com/music/music-features/elvis-presley-graceland-scam-missouri-1235043250/

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THE WALL STREET JOURNAL.



In the Holmby Hills neighborhood, Spelling Manor was built in the style of a French château. PHOTO: THE AGENCY

EXCLUSIVE U.S.

A Scammer Tried to Seize Graceland. Is This $137.5 Million L.A. Mansion Next?

The owners allege a fraudulent deed was executed at Spelling Manor, putting the property in legal limbo

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SPELLING MANOR LEGAL BATTLE

- Just like a reality show, sellers of a mansion once owned by TV produce Aaron Spelling have been thwarted by a legal battle involving a lawyer husband of one of the Real Housewives of Beverly Hills.
- The owner put the house on the market in 2022 and found a purchaser for $137.5 Million. However, a couple claim the house is theirs. The Whites claim the attorney who sold the house to the current owner used some misappropriated funds to buy the Spelling Manor, funds that were legally theirs.
- The couple filed a deed for the property in June of 2024, claiming ownership of the mansion.
- The legal suit related to their deed has delayed the sale of the home.

https://www.architecturaldigest.com/story/how-scammers-are-using-ai-to-try-to-steal-multimillion-dollar-properties



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Home » Stories » 2024 » September

Legal issues halt potential sale of Spelling Manor

https://insuranceratereporter.com/stories/664621022-legal-issues-halt-potential-sale-of-spelling-manor

Eric Schmidt, the former CEO of Google, is interested in purchasing Spelling Manor, a 120-room estate in Los Angeles listed for $137.5 million. However, the sale is currently stalled due to legal issues.

The property owner, 594 Mapleton LLC, alleges that scammers Mirga Phipps White and Nicholas Phipps White fraudulently filed a deed on the house with Los Angeles County in June 2024. This has placed the property in legal limbo as the case moves through the courts.

Attorney Benjamin Wagner of Gibson Dunn represents 594 Mapleton LLC and describes some of the Whites' claims as "bizarre conspiracy stuff." He also mentioned that his client is frustrated by the situation. The Whites deny any wrongdoing and claim that Spelling Manor was purchased using funds stolen from them by Erika Girardi and her ex-husband Thomas Girardi. Thomas Girardi was found guilty in August 2024 of embezzling over $15 million from his law firm's clients.

Mirga Phipps White told The Wall Street Journal that their claims are factual and stated, "We're not the problem. They are the problem."

Located in Holmby Hills, Spelling Manor spans approximately 56,500 square feet and includes amenities like a bowling alley and a motor court with space for 100 cars. It was built around 1990 by Aaron and Candy Spelling. Petra Ecclestone bought it for $85 million in 2011 and renovated it before selling it to 594 Mapleton LLC for nearly $120 million in 2019.

In recent years, Nicholas Phipps White has filed lawsuits claiming ownership based on convoluted allegations involving high-profile figures like Donald Trump and Steven Mnuchin. These claims have been dismissed but continue to be appealed.

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AARP · ALTA American Land Title Association · MBA Mortgage Bankers Association · National Association of Realtors® · National Notary Association · PRIA

WHAT IS DEED FRAUD?



THE TERM "DEED FRAUD" APPLIES TO A VARIETY OF CRIMES where a criminal seeks financial gain through various schemes involving real property. Most of these schemes involve impersonating the actual owner and recording fake or forged documents in local land records. In other cases, property owners are deceived or convinced to sign documents related to their property that are not in their best interests. These crimes result in legal costs, reduction in equity or property value or even property loss. According to the FTC, fraud losses in 2023 were over $10 billion, with nearly $2.7 billion coming from impostor scams[1]. When it comes to real estate, there has been a significant uptick in Owner/Seller Impersonation Fraud. Criminals target the equity in property, so anyone can be a victim, including those in metro or rural areas. In addition to consumers, notaries and real estate professionals are impacted by these costly crimes. Our organizations are committed to providing education and offering solutions to combat these real estate scams.

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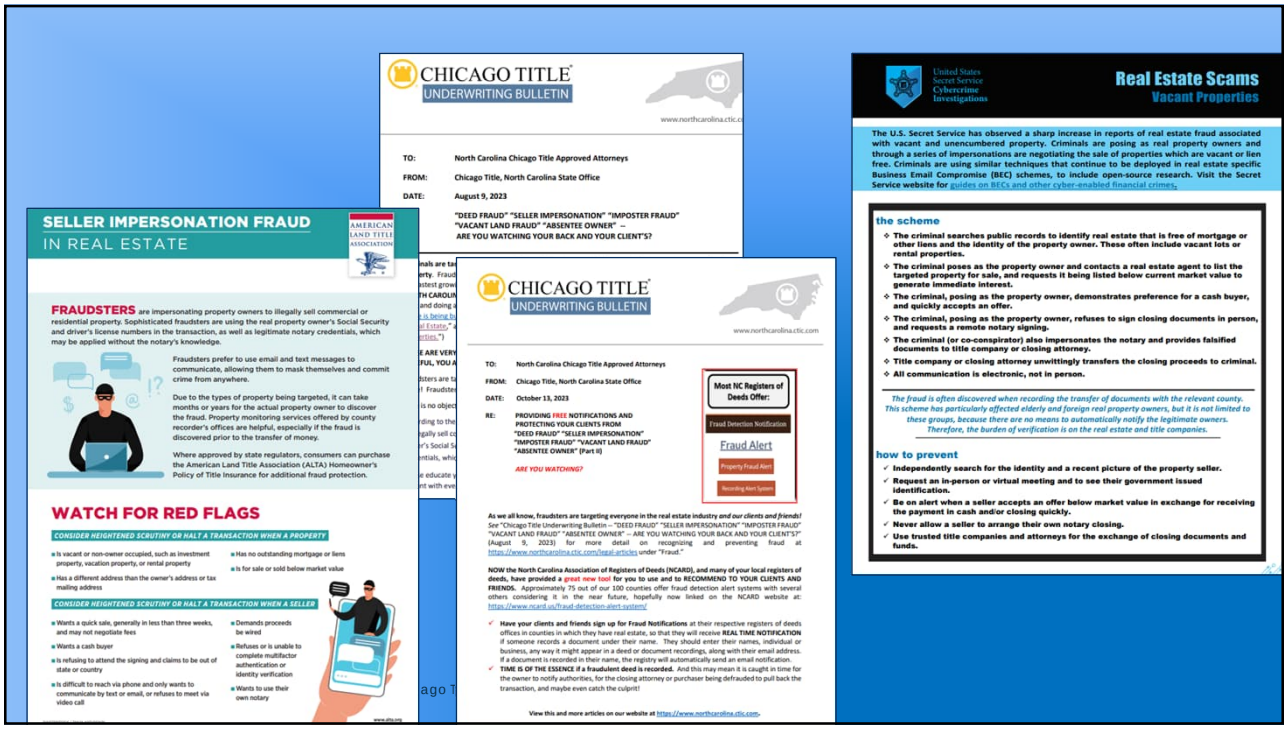

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WHAT IS DEED FRAUD?

- Deed fraud is a mixture of identity theft and real estate fraud, where scammers gather publicly available information online to craft a stolen identity and forge deeds to real property or pretend to be the current property owner.
- The fraudulent property owner then sells, rents, or mortgages the real property.
- Sometimes referred to as Title Theft or Title Fraud.
- Can damage real owner's credit, put them in foreclosure, or require them to hire attorneys to fix the title problems caused by the scam.
- Scammers can use false deeds, forged wills, or other documents to *purportedly* transfer an interest in property fraudulently, using either completely false documents or altered documents.

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WHO IS MOST AT RISK FOR DEED FRAUD?

- ✓Property with out-of-state owners
- ✓Vacant or unoccupied property
- ✓Investment property or vacation homes
- ✓Property with high equity (no mortgage or liens)
- ✓Inherited property/estates property where some or all owners are deceased

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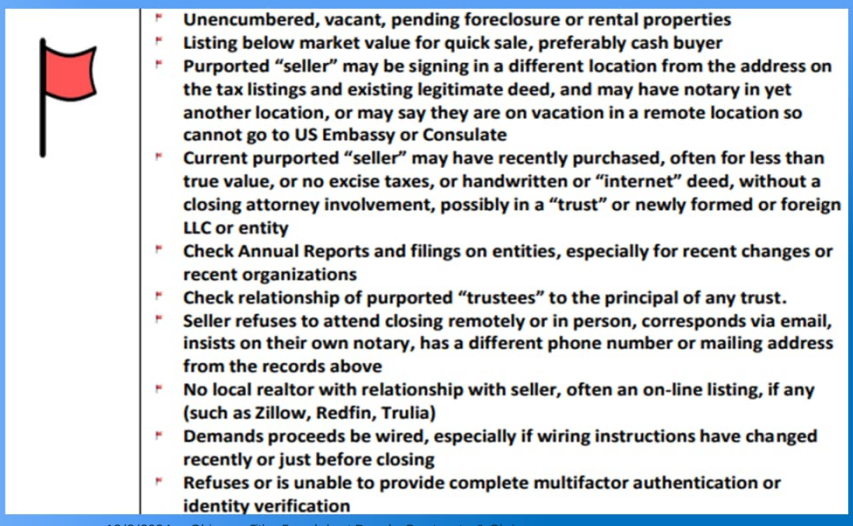
FRAUD RED FLAGS



- Unencumbered, vacant, pending foreclosure or rental properties
- Listing below market value for quick sale, preferably cash buyer
- Purported "seller" may be signing in a different location from the address on the tax listings and existing legitimate deed, and may have notary in yet another location, or may say they are on vacation in a remote location so cannot go to US Embassy or Consulate
- Current purported "seller" may have recently purchased, often for less than true value, or no excise taxes, or handwritten or "internet" deed, without a closing attorney involvement, possibly in a "trust" or newly formed or foreign LLC or entity
- Check Annual Reports and filings on entities, especially for recent changes or recent organizations
- Check relationship of purported "trustees" to the principal of any trust.
- Seller refuses to attend closing remotely or in person, corresponds via email, insists on their own notary, has a different phone number or mailing address from the records above
- No local realtor with relationship with seller, often an on-line listing, if any (such as Zillow, Redfin, Trulia)
- Demands proceeds be wired, especially if wiring instructions have changed recently or just before closing
- Refuses or is unable to provide complete multifactor authentication or identity verification

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HELP PREVENT DEED FRAUD

- ✓ Does the transaction make sense?
  - ➢ Quitclaim deeds to unrelated third parties for no consideration? Multiple recent transactions from individual investor?
  - ➢ Multiple deeds – same property – what is the reason?
  - ➢ Is transaction for dramatically below market value?
- ✓ Do the parties make sense?
  - ➢ Powers of Attorney to unrelated parties to transaction, non-attorneys, or a relative selling property to pay personal debts?
  - ➢ Have corporate entities or owners changed recently?
  - ➢ Trusts with unrelated, non-bank trustees?
  - ➢ Do the parties (or documents) include sovereign citizen language or names, multiple strange punctuation marks?
- ✓ Does the notary look suspicious?

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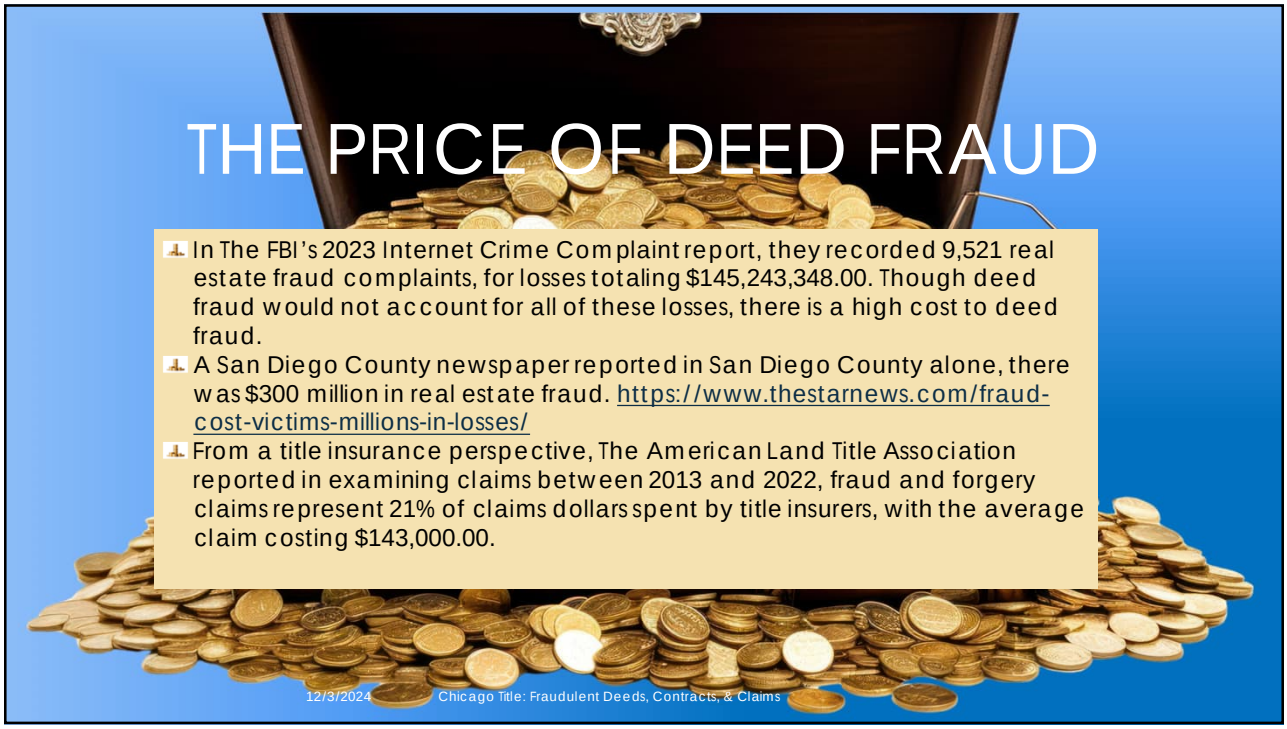

THE PRICE OF DEED FRAUD

- In The FBI's 2023 Internet Crime Complaint report, they recorded 9,521 real estate fraud complaints, for losses totaling $145,243,348.00. Though deed fraud would not account for all of these losses, there is a high cost to deed fraud.
- A San Diego County newspaper reported in San Diego County alone, there was $300 million in real estate fraud. https://www.thestarnews.com/fraud-cost-victims-millions-in-losses/
- From a title insurance perspective, The American Land Title Association reported in examining claims between 2013 and 2022, fraud and forgery claims represent 21% of claims dollars spent by title insurers, with the average claim costing $143,000.00.

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Connecticut landowner claims a $1.5 million home is being built on his vacant lot after a fraudulent sale

- Daniel Kenigsberg alleged a *fraudulent power of attorney* was used to sell undeveloped property he owned to developers. They cleared the land and built a house.
- Kenigsberg owned land in Connecticut but lived in New York. A Power of Attorney was used stating he was in South Africa, even though he has never lived or visited there.
- Dr. Kenigsberg sued the buyer/builder, who had already cleared the land and started building the house, and the attorney who did the closing. The buyer/builder sued the attorney and the real estate agent who listed the property. The Fairfield, CT police turned the matter over to the FBI. As of July, 2024, the *scammers were still unknown*.
- The parties eventually settled, and allowed the buyer/builder to sell the land, with Dr. Kenigsberg received a settlement payment. However, he lost undeveloped land in Fairfield, CT that he planned on passing onto his children.
- *https://www.cnn.com/2023/08/04/us/connecticut-million-dollar-home-land-fraud/?dicbo=v2-KC5dlS3&hpt=ob_blogfooterold*
- *https://www.ctinsider.com/connecticut/article/sky-top-terrace-fairfield-ct-real-estate-scam-19555699.php*

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WAKE COUNTY DENTIST BLINDSIDED

Complete stranger obtains deed to $4M North Carolina home without homeowner's knowledge

- Craig Adams, a local Wake County dentist, found his home, located in an exclusive gated community, had been fraudulently deeded to someone else.
- His HOA contacted him to confirm he had sold the property, as the alleged scammer had contacted the HOA to request gate access to the property.
- Dawn Mangum allegedly filed a false deed with the Wake County Register of Deeds. Mangum claims the whole thing was a mistake, she believed the property was "abandoned" and thought she could claim the house.
- Ms. Mangum has been criminally charged in the case, on charges of attempting to obtain property under false pretenses. She claims that once she learned the property was not in foreclosure, she stopped all the paperwork.
- But she again visited the Register of Deeds in November to get "title work"!

https://abc11.com/post/deed-fraud-woman-obtains-4-million-dollar-house-nc-homeowner-didnt-know-lawmaker-pushing-change/15331925/

https://abc7ny.com/post/property-fraud-investigation-complete-stranger-obtains-deed-4m-raleigh-north-carolina-home-homeowners-knowledge/15294655/

https://www.wral.com/news/local/deed-fraud-suspect-wake-co-register-again-nov-2024/

More criminal charges could be filed against woman accused of swiping deed to $4M Raleigh home

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WHAT ABOUT CONTRACTS? THE LATEST

Documents signed by "purchaser" and NOT BY OWNER!!

- Memoranda
- Affidavit
- Contract

Over-reaching burdensome "contracts" under H422, S.L. 2023-117

"Unfair Real Estate Agreements Act" – NCGS Ch. 93A, Article 7

Residential property, extends > 1 year, runs with the land, allows assignment without owner's consent, creates a lien, encumbrance or security interest

Recording prohibited; VOID, not constructive or actual notice, criminal and civil violation, deceptive trade practice

Attorney General action against MV Realty

https://www.ncleg.gov/BillLookUp/2023/h422

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SOVEREIGN CITIZENS

- Fraudulent liens on their own property for "sweat equity" to prevent other creditors having priority.
- Fraudulent lien satisfactions for debts
- Foreclosure scams: Identifying houses in foreclosure and recording bogus deeds, sometimes even changing the locks and moving in or renting it out to others.
- In 2015, HUD warned sovereign citizens were using fraudulent deeds to become landlords of property used in the Section 8 Housing Choice Voucher Program.
- Fraudulent UCC filings, false court documents, fraudulent mortgages, and recording a variety of creative documents with the Register of Deeds or Secretary of State.



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WHAT IS A SOVEREIGN CITIZEN?

- Arose from anti-government groups, have spread through the internet, and seminars preying on people who have had financial or legal issues.
- Often considers the US to be a Corporation, alleging that US citizens are used as "collateral" by the corporation – two identities are created for each person, their corporate identity and the real person.
- Often believe that government documents using all caps for names is the corporate identity, so may use "a human being" after their name in all lower case, so JANE SMITH vs jane smith, a human being or natural person.
- Often use fingerprints as seals, to show it is the real person.
- May try to trademark their name and body, and send fee schedules for use of their name in any public document, including charges for any "forced" giving of hair or skin samples, and any "obstruction of commerce" by law enforcement or in civil litigation.

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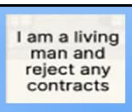



EXAMPLES:

- Missouri: Kathy McKay spent 4 years and two lawsuits fighting fake liens filed by neighbor on her house. Her neighbor was charged with filing fake liens, but she still had to spend $12,000.00 resolving the liens in court. https://fox4kc.com/news/problem-solvers/fake-lien-battle-finally-ends-in-victory-for-platte-city-woman/
- In 2023, a sovereign citizen was charged with making a false claim and retaliating against a federal employee by filing a $20 million lien against the property owned by seven government employees to get revenge for the termination of certain benefits he was receiving. Federal prosecutors claim he has filed nearly $1 billion dollars of false liens against federal employees. https://www.abqjournal.com/news/local/paper-terrorism-what-is-it-and-why-is-a-man-named-trapper-killsmany-behind-bars/article_c52b78e6-4d3a-5dc0-8f22-1f436cf1d069.html
- In 2022, a mortgage broker, a real estate agent, and a notary were charged with fraud for running a credit repair business, using their clients' identities to apply for mortgages and buy property to rent out to others. https://www.marketwatch.com/story/do-not-leave-any-paper-trail-how-a-group-of-sovereign-citizens-used-a-phony-credit-repair-business-to-amass-a-real-estate-empire-11658787280

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RECOGNIZING SOVEREIGN CITIZEN DOCUMENTS

This is maritime law, not land law

From HUD Integrity Bulletin, Spring 2015:

- ✓ Names spelled in all capital letters or interspersed with colons, hyphens, or other odd punctuation.
- ✓ Signatures followed by "under duress," "Sovereign Living Soul" (SLS), or a copyright symbol (©).
- ✓ Personal seals, stamps, or thumb prints in red ink.
- ✓ References to the Bible, the Constitution of the United States, U.S. Supreme Court decisions, treaties with foreign governments, maritime law, the Magna Carta, or a Uniform Commercial Code (UCC) number (UCC-201). The use of "allodial" titles (not used in US), land patents (non-government parties), or
- ✓ The prefix "Noble" or the suffix "Bey" or "El Bey" with their name. Designation of signer as a freeman, free citizen, Moorish national (Moors or Muurs), a natural human being, or diplomatic citizen, among others. Use of ALL CAPS for their name in one part, all lower case for name in other parts.
- ✓ Brackets around zip codes, strange punctuation in names, or other written oddities

I'm a citizen of the Republic, not the corporation

nformation at https://www.hud.gov/sites/documents/SOVEREIGNCITIZENSCAMSV2.PDF

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How You Were Tricked to Agree to Be a Corporation

The process that allows the government to **legally** claim you as a corporation involves the creation of an artificial person (fictitious character), which is a legal name often written in all CAPITAL LETTERS, and then tricking you to agree to be that artificial person or legal name. This legal name was created shortly after you were born and was recorded on a bond. This bond that recorded the date of your birth is known as a birth certificate.

A birth certificate can be used as a certificate of debt which is why it is recorded on a bond. TheLawDictionary.org defines **bond** as, "A contract by specialty to pay a certain sum of money; being a deed or instrument under seal, by which the maker or obligor promises, and thereto binds himself, his heirs, executors, and administrators, to pay a designated sum of money to another; usually with a clause to the effect that upon performance of a certain condition (as to pay another and smaller sum) the obligation shall be void." This is why, when you agree to be a legal fiction, the government has the **legal** right to take money from you. Be aware that **legal** is not the same as **lawful**.

Why Your Legal Name Is Written in All Capital Letters

Your legal name, which is used by the government to identify you (a body of **water** or **liquid**), is written in all **CAPITAL** LETTERS because it is a piece of **liquid**ated **capital**. In other words, it has been securitized and turned into a financial instrument. Hence, the phrase "liquidated capital".

To liquidate something is to sell it off entirely, or sell it to pay off a debt. It is called **liquidated capital** because you, the man or woman who has been securitized, were born in the womb of your mother which was mostly made of **water (liquid)**. You are also mostly made of **water**. Because you are mostly made of water/liquid and have been securitized, you are considered **liquidated capital**.

"I, [ ] THE UNDERSIGNED, HEREBY THIS INSTRUMENT, EXPATRIATE MYSELF FROM SECTION ONE OF THE FOURTEENTH AMENDMENT, FROM BEING PRIMARILY A FEDERAL AND STATE, COUNTY, MUNICIPAL CORPORATE CITIZEN AND AM NOW PRIMARILY A Wyoming Sovereign pursuant to 15 Statute at Large 249-250. (Expatriation Act). I am an American Sovereign Life not a UNITED STATES INC. CITIZEN."

"I don't live in the United States. I live in the nation of Alabama," Barber said.

. . . . I do not recognize you. I will not contract, nor will I consent to allow you to judge me. This is a kangaroo court without lawful authority, without an injured party, without a breach of contract. Void proceedings from the start without jurisdiction. This court case is now ordered to be closed, dismissed with prejudice. The complete records to be delivered to me for processing of criminal complaints and tort claims, along with impeachment proceedings against all those who violated their oath. Are there anyone here

Using a common sovereign argument, Barber, 62, insists he doesn't need tags on his car if he is "traveling" rather than "driving," because "driving" implies that he's engaged in commerce, as opposed to "traveling," which is a God-given right.

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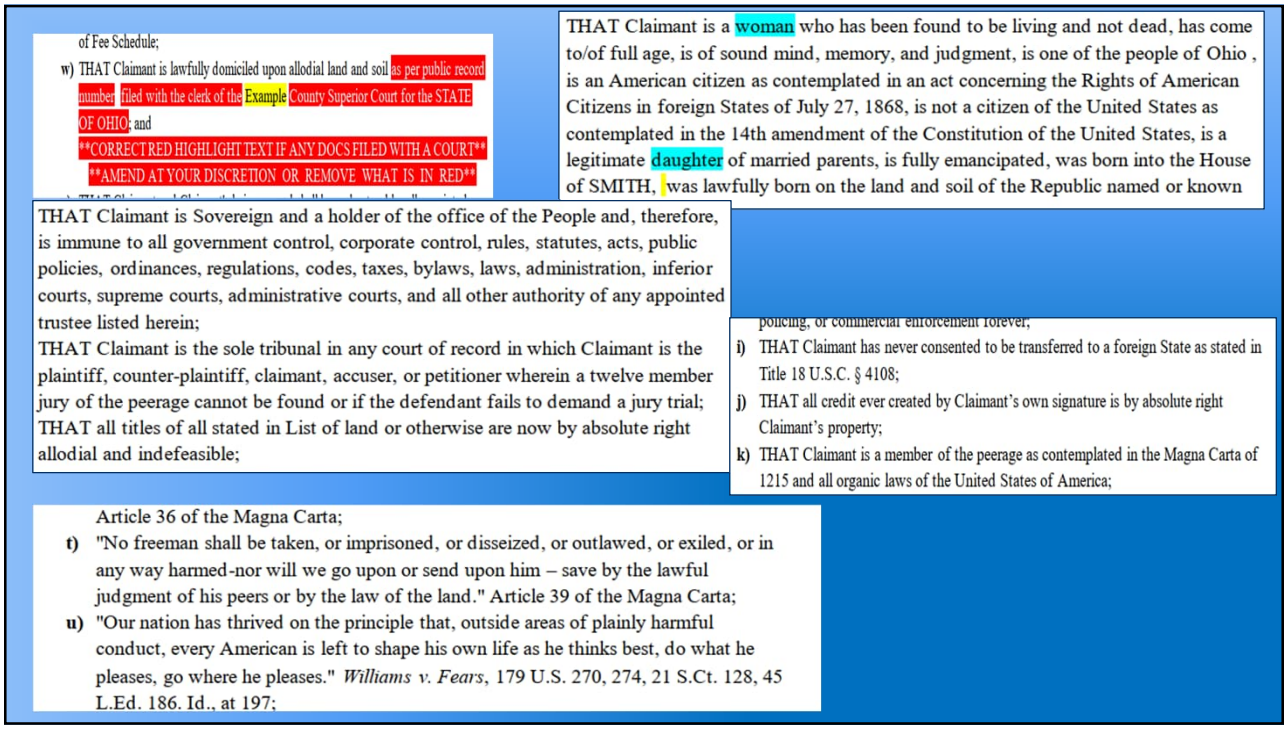

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SOVEREIGN CITIZEN RESOURCES:

- ✓ Anti-Defamation League: https://www.adl.org/sites/default/files/documents/assets/pdf/combating-hate/Sovereign-Citizen-Documentary-Identifiers.pdf
- ✓ UNC School of Government: A Quick Guide to Sovereign Citizens: https://www.adl.org/sites/default/files/documents/assets/pdf/combating-hate/Sovereign-Citizen-Documentary-Identifiers.pdf
- ✓ UNC School of Government: Surviving Your Next Sovereign Citizen: Blog Post: https://nccriminallaw.sog.unc.edu/surviving-next-sovereign-citizen/
- ✓ HUD Integrity Bulleting Spring 2015: https://www.hud.gov/sites/documents/SOVEREIGNCITIZENSCAMSV2.PDF

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WHAT DO WE DO? POTENTIAL LEGISLATION!

- Penalties – civil and criminal
- Expedited procedures for curative actions; stronger penalties
- Clearer help for law enforcement, registers, and others (adding to GS 14-118 et seq., GS 161-31, among others)
- Prerequisites to recording
  - Practical suggestions – target bad; not overburden legitimate
  - Is an attorney involved?
  - Is Grantor an owner? Did an owner sign and notarize?
  - AVOID
    - Delays in legitimate transactions
    - Forcing UPL on registers or others
    - Costs of additional record-keeping by public officials
- NO constructive notice if noncompliant (GS 47-18, GS 47-20, & others)

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THANK YOU

Check out our website at:
https://www.northcarolina.ctic.com/

Fraud Corner:

https://www.northcarolina.ctic.com/resourcepages/fraud-corner

Legal Articles – Fraud articles:

https://www.northcarolina.ctic.com/legal-articles --> “Fraud”

