

TWO MI COUNTIES FILE CLASS ACTION SUIT AGAINST MERS AND BANKS FOR BEING TAX CHEATS

Two MI County Registers of Deeds—Curtis Hertel of Ingham (Lansing's county) and Nancy Hutchins of Branch—have filed a class action suit against MERS, seeking the taxes the banks should have been paying to counties and the state every time they transfer property, plus penalties.

Plaintiffs are seeking money and punitive damages, tax penalties, costs, and attorney fees in the return of unpaid taxes, interest and penalties to Plaintiffs as class representatives of the 83 counties of the State of Michigan.

In addition to MERS, BoA, Chase, Wells Fargo, and Citi, the suit cites parts of the state's biggest foreclosure mills, eTITLE, 1st Choice Title, and Attorney's Title and Fannie Mae. The suit argues that the defendants had a duty to record the real value of property transferred in the state, and by failing to do so, they cheated counties out of the taxes on those property transfers.

Defendants, as grantors, makers, executors, issuers and deliverers of deeds or instruments conveying an interest in real property under MCL 207.507, had a DUTY to declare the true value of the property and full consideration given/received on the face of each and every property transfer documents in Exhibit 2, as well as all those other similar filings made by Defendants; or in the alternative Defendants had a DUTY to attach an

affidavit to the deeds and instruments stating the true value of the property. Defendants had these same DUTIES with regard to all those other deeds and instruments filed by them in all 83 counties of the State of Michigan over the last 15 years.

Defendants made, executed, issued and/or delivered for recording with the Registers of Deeds in all 83 counties in Michigan, assignments and other real property transfer documents transferring all or part of an interest in real property without stating the actual and true value of the property on the face of the instrument; and without alternatively attaching an affidavit stating the true value of the property interest being transferred. MCL 207.504/MCL207.525(2).

As a direct consequence of Defendants' failure to properly make, execute, issue, and/or deliver real property transfer deeds, assignments, and other documents recorded in the 83 counties of the State of Michigan transferring property and security interests, neither County nor State Real Estate Transfer Taxes have been paid on thousands of real property transfers filed by/for Defendants across the counties of the State of Michigan as required by law.

When Hutchins filed a similar suit covering just Branch County—a rural county with a population of 45,000—in August, she estimated the county had lost \$100,000 in the last 5-10 years. Even in Ingham County alone, with its population of over 250,000, that number is going to be much higher. Add in the state taxes, and the money will start to add up.

But the principle will be even more important: the banks have been cheating counties and states with this MERS scheme. It's time they finally

paid taxes like the rest of us.