

SUPREME COURT OF GEORGIA

Aurora Loan Services, LLC v. Veatch

288 Ga. 808 (2011) (Ga. 2011) · No. No. S10A1725 · Decided March 18, 2011

SUMMARY

The Supreme Court of Georgia affirmed a quiet title judgment vesting fee simple title in the estate of Raymond Wesley Veatch, Jr., unencumbered by Aurora Loan Services, LLC's security deed. The court held that forged deeds are nullities that convey no title, so a bona fide purchaser or subsequent assignee cannot acquire good title through the chain arising from a forged deed. The court further held that notice of the forgery in the deed records was immaterial.

CASE DETAILS

COURT	Supreme Court of Georgia
WRITING FOR THE COURT	Hines, Justice; All Justices
JURISDICTION	Georgia
DECIDED	March 18, 2011
DOCKET	No. S10A1725
DISPOSITION	affirmed
PROCEDURAL POSTURE	Aurora appealed a superior court judgment in a quiet title action declaring that fee simple title was vested in Veatch as personal representative of the estate, free of Aurora's security deed, and striking forged deeds from the county deed records.
PRECEDENTIAL VALUE	Published Georgia Supreme Court opinion; precedential.
PARTIES	Aurora Loan Services, LLC v. John Macelray Veatch, as personal representative of the estate of Raymond Wesley Veatch, Jr., Veatch, et al.

TOPICS

quiet title title disputes deeds recording acts real estate

PRACTICE AREAS

real estate quiet title deeds recording acts remedies

QUESTIONS PRESENTED

1. Whether a forged deed is a nullity that conveys no title to the purported grantee or to subsequent purchasers and assignees.
2. Whether Aurora could acquire or enforce a security interest in the property as a bona fide purchaser for value without notice of the forgery.

HOLDINGS

1. A forged deed is a nullity and vests no title in the purported grantee; therefore, neither a bona fide purchaser for value without notice nor anyone acquiring through the forged grantee can acquire good title.
2. Whether the deed records provided notice of the forgeries was immaterial because the forged deeds were void and created no title in the chain of conveyances leading to Aurora.

KEY QUOTATIONS

"[A] forged deed is a nullity and vests no title in a grantee. [Cit.] As such, even a bona fide purchaser for value without notice of a forgery cannot acquire good title from a grantee in a forged deed, or those holding under such a grantee, because the grantee has no title to convey." (745)

FACTUAL BACKGROUND

Elsie Veatch owned the property until her death in 1974, and her sole heir, Raymond Wesley Veatch, Jr., died in 2006. After his death, two forged deeds were recorded, one purportedly executed by Elsie Veatch decades after her death and another purportedly executed by Raymond Wesley Veatch, Jr. while he was in a coma. Later deeds conveyed the property to Darryl Matthews, who granted a security deed securing a loan from First Magnus Financial Corporation; that security deed was eventually assigned to Aurora. Veatch, as personal representative of the estate, filed an affidavit identifying the earlier deeds as false and then brought a quiet title action.

PROCEDURAL HISTORY

Veatch petitioned the superior court to quiet title after discovering forged deeds purporting to convey the property through Antonio Simpson and later grantees. A Special Master concluded that Aurora was a bona fide purchaser for value, but the trial court rejected that conclusion, held that the forged deeds were nullities that conveyed no title, and entered judgment for Veatch. The Supreme Court of Georgia affirmed.

DISPOSITION

affirmed

CASES CITED

- Roop Grocery Co. v. Gentry, 195 Ga. 736, 745(1), 25 S.E.2d 705 (1943)
- Brock v. Yale Mortgage Corp., 287 Ga. 849, 852-853(2), 700 S.E.2d 583 (2010)
- Second Refuge Church, etc. v. Lollar, 282 Ga. 721, 726-727(3), 653 S.E.2d 462 (2007)

OPINION

HINES, J.

710 S.E.2d 744 (2011) AURORA LOAN SERVICES, LLC v. VEATCH, et al. No. S10A1725. Supreme Court of Georgia. March 18, 2011. Kimberly A. Weber, Roswell, Elizabeth A. George, Christine L. Patterson, for appellant. Robinson & Blazer, John E. Robinson, Gregory H. Blazer, Decatur, Coleman Talley, Annette K. McBrayer, Martin H. Clarke, Atlanta, Tennielle B. Bailey, Decatur, for appellees.

HINES, Justice. In this quiet title action, the trial court entered a final order ruling that fee simple title to the subject property was vested in John Macelray Veatch ("Veatch"), as personal representative of the estate of Raymond Wesley Veatch, Jr., unencumbered by the security deed held by Aurora Loan Services, LLC ("Aurora"), and striking various deeds from the deed records of Fulton County.

Aurora appeals, and for the reasons that follow, we affirm. Elsie Veatch owned the subject property until her death in 1974; her sole heir was Raymond Wesley Veatch, Jr., Veatch's father, who died on March 20, 2006.

After his death, two forged deeds were recorded in the Fulton County deed records, purporting to convey title to the property to Antonio Simpson. One forged deed was styled "Quitclaim Deed," purportedly executed on May 19, 2006 by Elsie Veatch, who had then been dead for 32 years; this purported deed was recorded on October 17, 2006.

The other purported deed was styled "Executors Deed," and was purportedly executed by Raymond Wesley Veatch, Jr., on March 15, 2006, a date on which he lay in a coma; it was recorded on November 6, 2006. After these forged deeds were executed and recorded, a warranty deed purportedly from Antonio Simpson to Darryl Matthews was recorded on November 8, 2006. Matthews then executed a security deed in favor of First Magnus Financial Corporation in connection with a loan for \$187,500.

The security deed was eventually assigned to Aurora. On September 5, 2007, after Veatch discovered activity on the property and applied for, and was granted, letters of administration of the estate of Raymond Wesley Veatch, Jr., he filed in the Fulton County land records an affidavit stating that the Executor's and Quitclaim deeds were false. He then filed in the superior court the present petition to quiet title.

OCGA § 23-3-40 et seq. The *745 trial court appointed a Special Master who concluded that Aurora was a bona fide purchaser for value. See *Roop Grocery Co. v. Gentry*, 195 Ga. 736, 745(1), 25 S.E.2d 705 (1943). However, the trial court disagreed, finding that there was record notice that the forged deeds were fraudulent, and that in any event, a forged deed is a nullity and cannot convey title.

The trial court is correct. Aurora's interest in the property is dependent upon the forged deeds made to Antonio Simpson. As the trial court noted, such a deed cannot convey title. "[A] forged deed is a nullity and vests no title in a grantee. [Cit.]

As such, even a bona fide purchaser for value without notice of a forgery cannot acquire good title from a grantee in a forged deed, or those holding under such a grantee, because the grantee has no title to convey." *Brock v. Yale Mortgage Corp.*, 287 Ga. 849, 852(2), 700 S.E.2d 583 (2010).

In that opinion, this Court specifically overruled prior precedent of this Court that extended "the bona fide purchaser for value doctrine to those acquiring title under a grantee in a forged deed." *Id.* at 853(2), 700 S.E.2d 583.

Accordingly, it is of no moment whether the deed records provided notice of the forgeries at the time Matthews executed the security deed on which Aurora bases its claim; there was simply no title held by Simpson, Matthews, First Magnus Financial Corporation, or any subsequent assignee. *Id.* Accord *Second Refuge Church, etc. v. Lollar*, 282 Ga. 721, 726-727(3), 653 S.E.2d 462 (2007).

The trial court did not err in declaring title to be vested in Veatch, as personal representative of the estate of Raymond Wesley Veatch, Jr., unencumbered by the security deed held by Aurora. Judgment affirmed. All the Justices concur.