



TACIR INSIGHT

TENNESSEE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

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PROTECTING TENNESSEANS FROM REAL ESTATE FRAUD

Background

In 2024, a criminal's attempt to seize ownership of Elvis Presley's Graceland estate through forgery and fraud received national attention, but reports of real estate fraud in Tennessee had already caught the eye of state legislators. Public Chapter 941, Acts of 2024, directed the Tennessee Advisory Commission on Intergovernmental Relations to study the

- prevalence of real estate fraud in Tennessee,
- different schemes used to perpetrate real estate fraud,
- methods used by other states to combat real estate fraud, and
- best practices for local officials in registering documents related to real estate transactions.

Findings and Recommendations

The commission finds that real estate fraud is becoming a problem in Tennessee, and it makes the following recommendations to better protect property owners and reduce the risk of real estate fraud:

- Notaries are entrusted to witness document signatures and verify signers' identities—essential for preventing fraud—but Tennessee doesn't require any formal notary training. To better equip notaries to deter fraud, **the commission recommends that Tennessee require in-person notaries to complete an instructional course on notary laws, ethical requirements, and best notarial practices, including specific guidance about recognizing and preventing fraud, both when applying to become a notary and when renewing their commission.**
- Currently, notaries can rely solely upon personal familiarity to verify a signer's identity without any identifying documentation. To help deter imposters, **the commission recommends that the state require notaries to verify the identity of individuals by means of a government-issued credential.** Recording that and other information in a notary's journal can be useful when investigating fraud, so **the commission also recommends that notaries be required to maintain a journal of all notarizations performed and keep these journals for at least five years.**
- Some states also provide local officials with greater authority to combat fraud at the point when deeds are registered. **The commission recommends that the General Assembly grant counties the authority to establish processes to refer and review real estate documents that county registers of deeds have reason to suspect are fraudulent.**

For more, see the full report on our website at: <https://www.tn.gov/tacir/tacir-publications.html>.