

# STATE OF NEW YORK

8863

2025-2026 Regular Sessions

## IN ASSEMBLY

June 9, 2025

Introduced by M. of A. CUNNINGHAM -- read once and referred to the  
Committee on Judiciary

AN ACT to amend the real property actions and proceedings law, in  
relation to establishing a right of action for deed theft

The People of the State of New York, represented in Senate and Assem-  
bly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "deed theft: private right of action act".

3 § 2. The real property actions and proceedings law is amended by  
4 adding a new section 891 to read as follows:

5 § 891. Action for deed theft. 1. Definitions. For the purposes of this  
6 section, the following terms shall have the following meanings:

7 (a) "Bank" means any trust company, private banker, savings bank, safe  
8 deposit company, licensed lender, savings and loan association, credit  
9 union, investment company, or mutual trust company, as such terms are  
10 defined in section two of the banking law, that provides a loan for a  
11 real property.

12 (b) "Deed theft" means the act of taking, transferring or encumbering  
13 title to residential or commercial real property without the owner's  
14 approval or knowledge, or through fraudulent or deceitful means. Deed  
15 theft includes, but is not limited to actions taken by a natural person  
16 or entity whereby such person or entity:

17 (i) alters, falsifies, forges, or misrepresents any written instrument  
18 involved in the conveyance or financing of real property, such as a  
19 residential or commercial deed or title, with the intent to deceive,  
20 defraud, or unlawfully transfer or encumber the ownership rights or a  
21 portion thereof of residential or commercial property;

22 (ii) misrepresents themselves as the owner or authorized represen-  
23 tative of residential or commercial real property to induce others to  
24 rely on such false information in order to obtain ownership or  
25 possession of such real property;

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 (iii) takes, obtains, or transfers title or ownership of residential  
2 or commercial real property by fraud, misrepresentation, forgery, larceny,  
3 false pretenses, false promise, or any other fraudulent or deceptive  
4 practice; or

5 (iv) fails to disclose materially relevant information in order to  
6 induce an unfair transfer or encumbrance of the ownership rights of  
7 residential or commercial real property.

8 (c) "Deed thief" means a natural person or entity that commits deed  
9 theft.

10 2. Private right of action for victims of deed theft. (a) A person or  
11 entity that is a victim of deed theft, as defined in this section, may  
12 maintain a private right of action against any deed thief, as defined in  
13 this section, who has committed deed theft against the real property of  
14 such person or entity. In evaluating whether a deed thief has acted with  
15 the intent to deceive or engage in a substantially unfair practice, the  
16 finder of fact shall consider the relative sophistication and vulner-  
17 ability of the parties to the transaction.

18 (b) A person or entity that is a victim of deed theft, as defined in  
19 this section, may maintain an action against a bank that has negligently  
20 facilitated deed theft if such bank:

21 (i) provides a loan to a deed thief and such loan materially assists  
22 the deed thief in the commission of the deed theft; and

23 (ii) fails to conduct reasonable due diligence or complete a standard  
24 non-negligent investigation regarding the real property that is subject  
25 to the claim of deed theft.

26 (c) A person or entity that is a victim of deed theft, as defined in  
27 this section, may maintain an action against a title insurance corpo-  
28 ration that has negligently facilitated such deed theft if such title  
29 insurance corporation:

30 (i) provides title insurance coverage to a bank that provides a loan  
31 to a deed thief and such title insurance coverage assists in the commis-  
32 sion of the deed theft; and

33 (ii) fails to conduct reasonable due diligence or complete a standard  
34 non-negligent investigation of the title ownership of the real property  
35 that is subject to the claim of deed theft.

36 3. Damages and attorney fees. (a) A person or entity that is a victim  
37 of deed theft shall be entitled to recover treble damages and attorneys'  
38 fees from a person or entity that has committed deed theft pursuant to  
39 paragraph (a) of subdivision two of this section.

40 (b) A person or entity that is a victim of deed theft shall be enti-  
41 tled to recover:

42 (i) treble damages and attorneys' fees from a bank or title insurance  
43 corporation that has committed deed theft pursuant to paragraph (b) or  
44 (c) of subdivision two of this section when it is proven by a preponder-  
45 ance of the evidence that such bank or title insurance corporation know-  
46 ingly or recklessly facilitated such deed theft; or

47 (ii) damages and attorneys' fees from a bank or title insurance corpo-  
48 ration that has committed deed theft pursuant to paragraph (b) or (c) of  
49 subdivision two of this section.

50 § 3. This act shall take effect on the ninetieth day after it shall  
51 have become a law. Effective immediately, the addition, amendment and/or  
52 repeal of any rule or regulation necessary for the implementation of  
53 this act on its effective date are authorized to be made and completed  
54 on or before such effective date.