

**STATE OF MICHIGAN**  
**COURT OF APPEALS**

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KHALIL E. BEY,

Plaintiff/Counter-Defendant-  
Appellant,

v

CITIMORTGAGE, INC.,

Defendant/Counter-Plaintiff-  
Appellee.

UNPUBLISHED  
June 4, 2013

No. 309539  
Wayne Circuit Court  
LC No. 11-010297-CH

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Before: STEPHENS, P.J., and SAWYER and METER, JJ.

PER CURIAM.

Plaintiff Khalil Bey, proceeding in propria persona, appeals as of right from a circuit court order granting defendant's motion for summary disposition with respect to plaintiff's claims and defendant's counterclaims pursuant to MCR 2.116(C)(10),<sup>1</sup> and quieting title to disputed property in favor of defendant. We affirm.

Summary disposition may be granted under MCR 2.116(C)(10) when "there is no genuine issue of material fact, and the moving party is entitled to judgment . . . as a matter of law." This Court reviews a trial court's decision on a motion for summary disposition de novo. *Maiden v Rozwood*, 461 Mich 109, 118; 597 NW2d 817 (1999)

Plaintiff contends that defendant was not entitled to judgment in its favor because he was a bona fide purchaser of the disputed property for value. The significance of a person's status as a good-faith purchaser of property for value typically arises where a later-in-time conveyance is

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<sup>1</sup> Defendant's motion was brought pursuant to MCR 2.116(C)(7), (8), and (10). Although the trial court did not specify the particular subrule on which it relied to grant summary disposition, it did not rely on defendant's (C)(7) basis for the motion (*res judicata*), and it considered evidence outside the pleadings when granting the motion, thereby indicating that it was not granted under subrule (C)(8) (which limits review to the pleadings alone). Therefore, the motion is properly considered as having been granted under MCR 2.116(C)(10). *Steward v Panek*, 251 Mich App 546, 554-555; 652 NW2d 232 (2002).

recorded before an earlier one. See, e.g., *Richards v Tibaldi*, 272 Mich App 522, 538-539; 726 NW2d 770 (2006). In that situation, a good-faith purchaser for value is offered some protection by MCL 565.29, which states:

Every conveyance of real estate within the state hereafter made, which shall *not* be recorded as provided in this chapter, shall be void as against any subsequent purchaser in good faith and for a valuable consideration, of the same real estate or any portion thereof, *whose conveyance shall be first duly recorded*. The fact that such first recorded conveyance is in the form or contains the terms of a deed of quit-claim and release shall not affect the question of good faith of such subsequent purchaser, or be of itself notice to him of any unrecorded conveyance of the same real estate or any part thereof. [Emphasis added.]

The present case, however, does not involve any unrecorded conveyances or delays in recording.

Moreover, plaintiff misunderstands what is meant by a good-faith purchaser. “A good faith purchaser is one who purchases without notice of a defect in the vendor’s title. Notice can be actual or constructive.” *Johnson Family Ltd Partnership v White Pine Wireless, LLC*, 281 Mich App 364, 393; 761 NW2d 353 (2008) (citation omitted). As explained in *Schepke v Dep’t of Natural Resources*, 186 Mich App 532, 535; 464 NW2d 713 (1990):

Notice is whatever is sufficient to direct attention of the purchaser of realty to prior rights or equities of a third party and to enable him to ascertain their nature by inquiry. Notice need only be of the possibility of the rights of another, not positive knowledge of those rights. Notice must be of such facts that would lead any honest man, using ordinary caution, to make further inquiries in the possible rights of another in the property.

“A person is placed on constructive notice of all facts, including recitals and references to other instruments, that are set forth in the chain of title through which the person claims, not just those facts attributable to his or her immediate grantor.” 1 Cameron, Michigan Real Property Law (3d ed), § 11.24, p 400.

Defendant acquired the real property pursuant to a sheriff’s deed, which was recorded on June 22, 2010. Plaintiff, who acquired his purported interest in the property in June 2011, contends that he was a good-faith purchaser because he examined the title of his grantor, which provided a warranty deed. In support of his claim of interest in the property, plaintiff submitted documentation showing a series of conveyances by warranty deed beginning with a warranty deed from The YL Group to Elite Managements Trust, dated March 10, 2011. However, plaintiff failed to submit any evidence showing a valid transfer of defendant’s fee title interest in the property to The YL Group. The documents on which plaintiff relied to show that The YL Group had acquired title from defendant were an unsigned “UCC Financing Statement” and an unsigned amended financing statement, which are not valid documents of conveyance. Because these documents do not establish a conveyance of defendant’s property interest to The YL Group and provided notice that would have led any person, using ordinary caution, to make further inquiries concerning the rights of defendant and the purported rights of The YL Group stemming

from a UCC Financing Statement, there is no merit to plaintiff's contention that he was a good-faith purchaser of the property without notice of defects in his vendor's title.

Accordingly, the trial court did not err in granting defendant's motion for summary disposition.

Affirmed.

/s/ Cynthia Diane Stephens

/s/ David H. Sawyer

/s/ Patrick M. Meter