



Ministry of Lands, Housing & Urban Development

Land Owners' Tutorials series : no 1

1. Informality based frauds

- a) Disposessions and evictions of customary owners of ancestral lands held under customary tenure by grantees from District Land Boards who claim ownership by acquiring, holding and parading paper-certificates of title
- b) Unverifiable land transactions based on cash-payments with untraceable faceless purchasers or vendor who after the discovery of the fraudulent registration of the land cannot be traced, made accountable and called upon to refund the purchase price of the land.
- c) Holding onto unregistered land transactions documents for far too long (over one or even twenty years) without processing registration giving room to the vendor or his or her successor to sell and transfer the land to another person.
- d) Vendor taking the purchase-money in cash upon selling and transferring the land and later turns around to deny the transaction and to claim fraud by the purchaser, often using technicalities including denial of his or her own signature.
- e) Failure of the purchaser to undertake due diligence e.g. by search of the information about ownership, description of the land and Incumbrance appearing on the Register Book, and by inspection of the land before paying the purchase money to the vendor.
- f) Where a persons enters the land of the other held under customary tenure and occupies and uses the land with the verbal permission of the customary owner, stays on the land of the other for 12 years or more, and then takes advantage of the fact of having stayed on the other's land for 12 years to lay claim to the ownership of the land under his or her occupation and use.

2. Constructive fraud

- a) Where fraudsters take advantage of widows and orphans and other vulnerable groups to take undue advantage of them to enter into distress sales or outright defraud
- b) Where the registered owner offers to sell the land at a stated amount say Shs. 100M. on condition that when the estates agent or lawyer gets a purchaser the estate agent is free to demand to be paid over and above the amount demanded by the registered owner, say Shs 400M and to give the registered owner only the shs. 100M demanded, out of the shs. 400M.

3. Fraud based on irresponsible landownership

- a) Whenever the registered owners does not regularly check on the status of the ownership, subdivisions and incumbrances affecting on his or her land from the Office of Titles
- b) Where the registered owner does not attach any value to his or her land, does not care to know what the current market value of his or her land irrespective of whether he or she intends to sell, lessee or mortgage his or her land.,



Ministry of Lands, Housing & Urban Development

- c) Failure to securely keep custody of the duplicate certificate of title,
- d) Carelessness in handling of duplicate certificate of title resulting in loss or handing over duplicate certificates to strangers or persons who are not regulated by any professional body who end up defrauding the registered owner and disappearing into thin air resulting in total loss of land by the registered owner.
- e) Neglect to use or to develop valuable land which left idle or underutilized
- f) Allowing any person to occupy and use land without defining, documenting and registering who that person is, what the relationship that person has with the registered owner is and the interests in the land of that person, for however short a period of time.
- g) Signing of incomplete transfer forms and handing over to the surveyor and/or Purchaser before the subdivision of the pinpointed piece of the land and before assigning to the particular subdivided piece of land being sold a specific plot number, plot size and plot shape, especially the sale of subdivided land in piecemeal without a subdivision plan
- h) Signing off of a blank transfer form which is deposited together with the duplicate certificate of title with a bank or other credit institution, as security for a mortgage
- i) Hiring out a duplicate certificate of title together with a power of attorney for some small amount of money in order for a friend to use it as collateral security for borrowing money from a bank or some small money.

4. Identity Frauds

- a) Impersonation of registered owners by fraudsters who to sell or mortgage their land
- b) Declaring of living persons to be dead and purporting to administer their estates while the registered owners are still alive.
- c) Declaration of dead persons to be living and transacting in the names of the dead as if they are still alive.
- d) Forging of identity cards of registered owners to defraud unsuspecting members of the public.

5. Land Value Frauds

- a) Where the Registered Owner does not know or care to know the value of his or her land but proceeds to undertake a sale anyway at less than the prevailing market rate, and later to complain that the purchase has defrauded the vendor;
- b) When a purchaser negotiates to buy a building or temporary erections on the land well knowing that the land value of the land is higher than the value the building, but negotiates at the value of the building or temporary erection to the detriment of the unknowing vendor
- c) When a purchaser negotiates to buy a land at a certain value well knowing that the timber-trees on the land have a higher value than the value the land which the purchaser pays for and proceeds to recover his or her purchase price from sale of the timber-trees



Ministry of Lands, Housing & Urban Development

- d) Where a purchaser makes part-payment to the vendor, disappears for six-plus months, or year or so, and resurfaces after the land values have more than doubled or quadrupled, and to demand with menaces or threat of imprisonment, for the vendor to accept to be paid the balance of the agreed price at the old land values then prevailing at the time of making the agreement.
- e) Where a purchaser makes part-payment, lodges a caveat and then starts behaving as if he or she is the owner of the land, whereas not.
- f) When land speculators rush to proposed infrastructural project sites to buy off poor peasants at peanuts and to demand compensation at even ten times the prevailing market values.

6. Subdivision Frauds

- a) Where the Registered Owner pays for the services of a surveyor, a lawyer or an estates agent in terms of non-cash decimal, acres or acres of land as part of a bigger piece and by signing off transfer form to that effect without any reference to the prevailing monetary market value of the land at the time of the naming of the non-cash agreement with the promise that the surveyor or lawyer or estates agent will find a purchaser for the land, which sometimes does not happen, meanwhile the lawyer or purchaser gets transfer form registered in his or her names.
- b) When the registered owner who has an acre or more of land undertakes piecemeal subdivisions and sales of different pieces of the land in different locations at different points in time without a guiding plan on how many pieces of land he or she has sold and which ones have not been sold, and how many could have been surveyed off and transferred without his or her knowledge and consent.
- c) Over-trusting the purchaser with the custody of the duplicate certificate of title by handing it over to a purchaser of part of the land to subdivide his or her piece with the promise that the purchaser will return the duplicate certificate of title on completion of registration of the subdivision and transfer
- d) Handing over the duplicate certificate of title by the registered owner to a surveyor to subdivide the land with the promise that the surveyor will return the duplicate certificate of title on completion of registration of the subdivision and transfer to purchasers, only to discover that the entire land has been subdivided and transferred to persons unknown to the registered owner.

7. Tenure based fraud

- a) Dispossession by current Registered Owners of the future generation by sale of land in perpetuity e.g. mailo, freehold or customary tenure, whose heirs become landless and therefore have tended to Courts of Law to challenge the validity of the current registered ownership
- b) Forging of national identity cards of the citizens of Uganda in order to acquire a freehold, mailo or customary certificate of ownership



Ministry of Lands, Housing & Urban Development

- c) Misleading the Registrar of titles to register a transferee on the false declaration that the transferee is a Ugandan citizen resulting in the fraudulent deprivation of a Ugandan citizen of the perpetuity in land
- d) Where the former vendor who has been paid the full purchase price for sale of freehold or mailo land misleads the purchaser to pay the annual ground rent for the land as if it were a leasehold interest in land.
- e) Insecurity of tree tenure – invasion of private natural forests and private plantation forests in the guise the forest produce are “*eloma bon*” which can be freely gathered by any body, as if the forest is not part of the land on which it has grown and therefore belongs to no body or authority, and as if the forest produce from such a forest has no monetary value; the invaders are charcoal burners and sellers, firewood gatherers and dealers and timber-tree cutters and timber dealers who lay to waste forests and steal high value timber-trees from communally and privately owned natural and plantation forests growing on private land without paying any penny to the community or private landowner.

8. Succession Frauds

- a) Where members of the family of the deceased start disposing of the estate of the deceased secretly and without obtaining the consent of all the family members and without the authority of the Family Court.
- b) Where the registered administrator or executor of the estate of a deceased person assumes the ownership of the trust property upon registration and to fraudulently dispose of such property and pocket the proceeds to the detriment of the needy orphans and widows who end up being evicted by the purchasers of such land, ending up in destitution, becoming beggars, school dropouts and street-kids .
- c) Collusion by beneficiaries to obtain forged letters of administration upon which one group of the family of the deceased get registered with the view to selling the estate of the deceased to an unsuspecting purchaser, subsequently for another group of the family to turn around to “successfully” challenge the authenticity of the letters of administration so as to recover the land from the unknowing purchaser.

Sale of entitlements out of the distribution of the estates of deceased persons by the older beneficiaries who tend to fraudulently prey on the younger beneficiaries' entitlements.

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