

Real estate fraud associated with vacant land and unencumbered property

Recently, our underwriters informed us of increased fraud scams involving unencumbered (free and clear) vacant land. These scams originated in Florida but have spread to Colorado, Tennessee, and, most recently, Idaho, Washington, and Oregon.

The fraudster poses as the legitimate property owner and (in most instances) connects with a local real estate agent to sell the property quickly and below market value. In addition to being vacant land, other elements of the fraud typically include:

- The actual owner's mailing address on the property tax bill is out-of-area.
- The 'seller' refuses to meet face-to-face, via phone or video call, and demands email as the only means of communication.
- Photo IDs are barely legible or digitally altered to represent a legitimate state-issued ID.
- 'Seller' obtains their own notary services rather than utilizing notary services the title company or closing agent provides.
- 'Seller' is unfamiliar with the property, including HOAs, access, easements, or similar development constraints.

How to take action...

- Verify the seller matches the person on the land deed by verifying signatures match
- Validate photo ID and confirm its authenticity
- Contact the owner using information provided by the county, or reach out to us for further information regarding ownership

Watch for these common red flags...

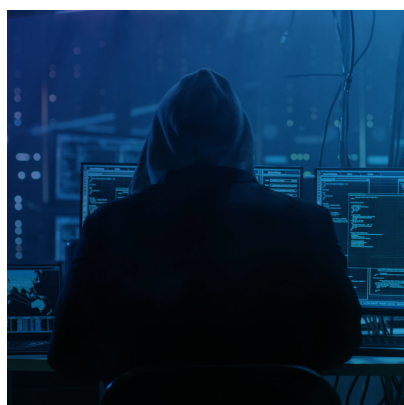
- 'Seller' is traveling and must conduct the transaction with the real estate agent and title company by email only
- 'Seller' has family emergency requiring a cash sale for substantially less than market value
- Foreign email addresses and/or phone numbers
- 'Seller' makes excuses or applies pressure on the real estate agent to close a deal, even when not returning necessary paperwork.

If you suspect a scam is occurring please contact your escrow officer as we can help you with performing due diligence to ensure no further fraudulent activity occurs.



PROTECT YOUR MONEY FROM WIRE FRAUD SCHEMES WHEN BUYING A HOME.

Every day, hackers try to steal your money by emailing fake wire instructions. Criminals will use a similar email address and steal a logo and other info to make emails look like they came from your real estate agent or title company. **You can protect yourself and your money by following these steps:**



BE VIGILANT

CALL, DON'T EMAIL.

Confirm your wiring instructions by phone using a known number before transferring funds. Don't use phone numbers or links from an email.

BE SUSPICIOUS.

It's uncommon for title companies to change wiring instructions and payment information by email. If in doubt, call us directly to confirm your information is up to date.

PROTECT YOUR MONEY

CONFIRM EVERYTHING.

Ask your bank to confirm the name on the account before sending a wire.

VERIFY IMMEDIATELY.

Within four to eight hours, call your title company or real estate agent to confirm they are in receipt of your funds.

WHAT TO DO IF YOU'VE BEEN TARGETED

IMMEDIATE ACTION.

Immediately call your bank and ask them to issue a recall notice for your wire.

REPORT.

The IC3 accepts online Internet crime complaints from either the actual victim or from a third party to the complainant at www.IC3.gov. Call your regional FBI office and police.

DETECT.

Detecting that you sent money to the wrong account within 24 hours is the best chance of recovering your funds.



This is for informational purposes and should not be considered legal advice. Information courtesy of the American Land Title Association.