RISKY BUSINESS:

FRAUD

NAVIGATING THE FRAUD MINEFIELD IN REAL ESTATE!

NOVEMBER - 2026 * PROTECT CONSUMERS * PROTECT YOURSELF

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Stewart Title

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THE REALITY TO REVIEW…

- ***Review All Fraud Statistics and Information***
- ***Wire Fraud***
- ***Title / Deed Fraud***
  - ***Identity Theft***



The Fraudsters have gotten nearly perfect!

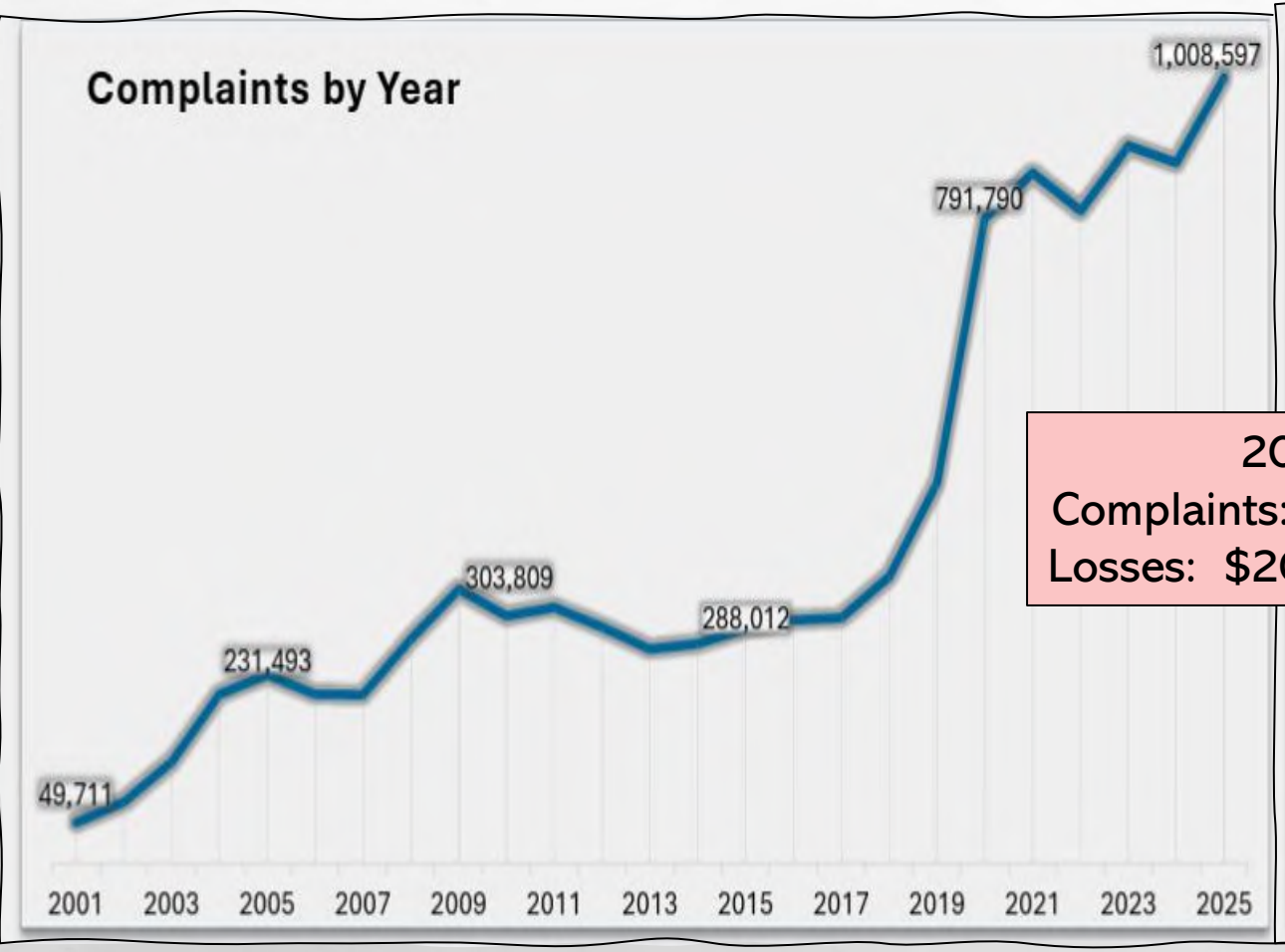
$20.8 BILLION
IN 2025

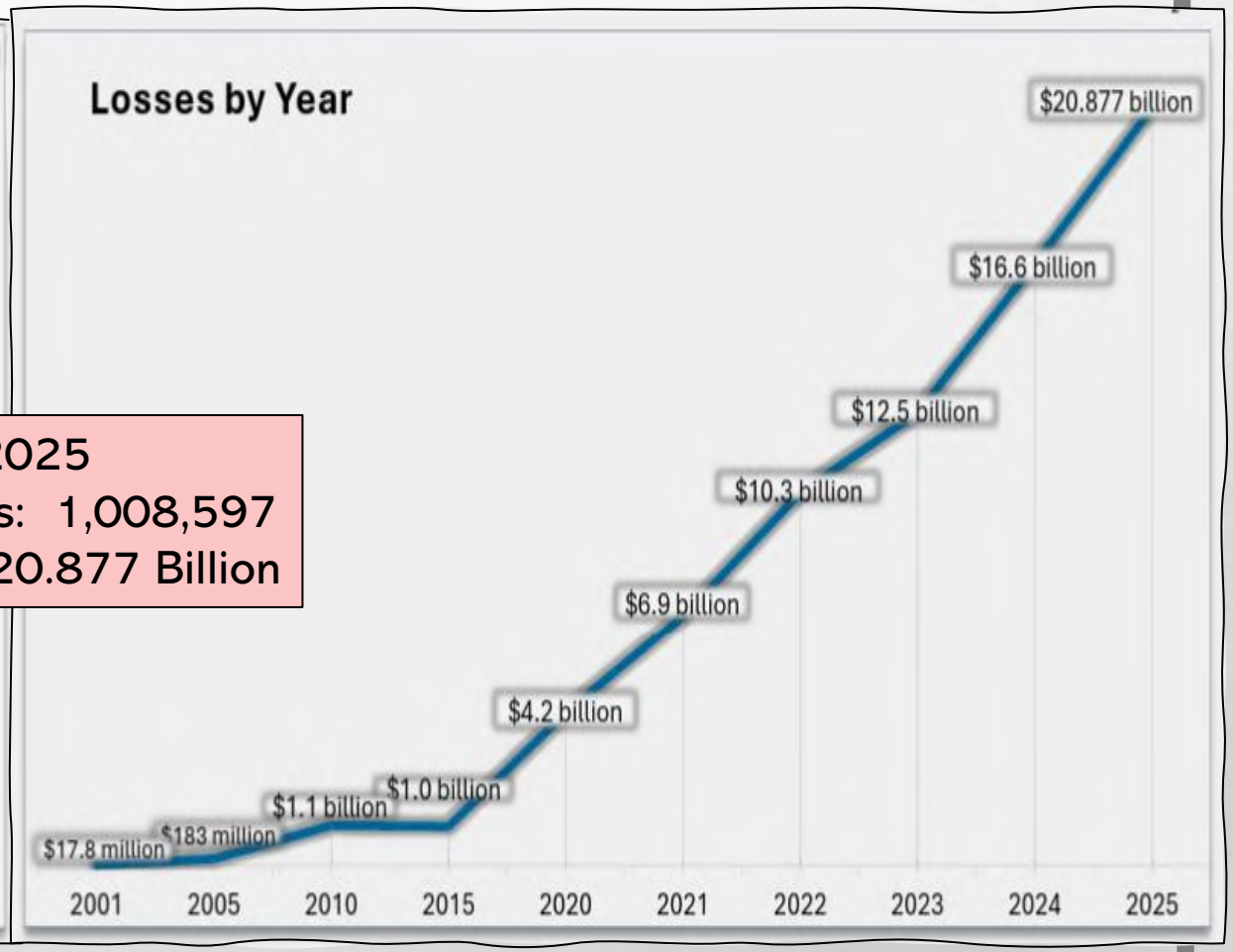
- 3000 COMPLAINTS A DAY
- REAL ESTATE IS THE TOP FRAUD TARGET
- ARIZONA REMAINS AMONG THE HIGHEST-LOSS STATE

Source: FBI IC3 – 2025
https://www.ic3.gov/

ALL FRAUD BY THE NUMBERS RECAP...

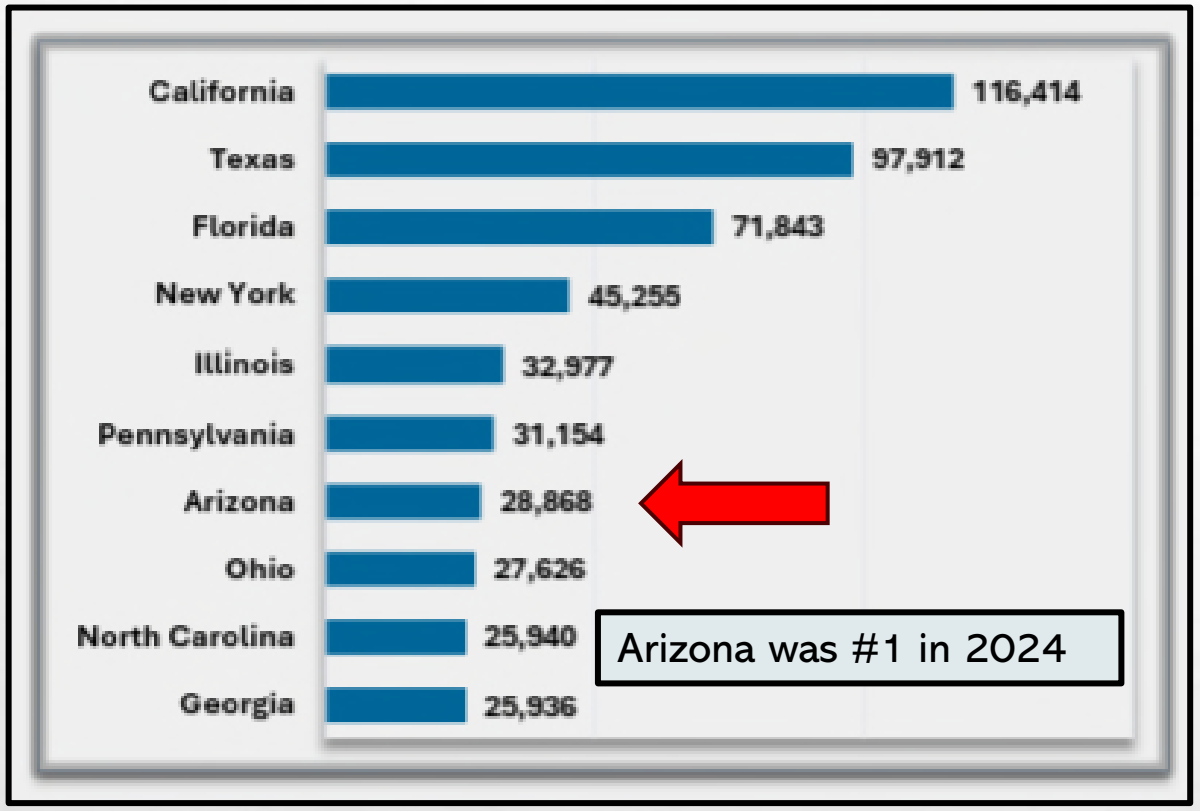
"IC3" is the FBI's Internet Crime Complaint Center
A Quarter Century of Cybercrime Reporting

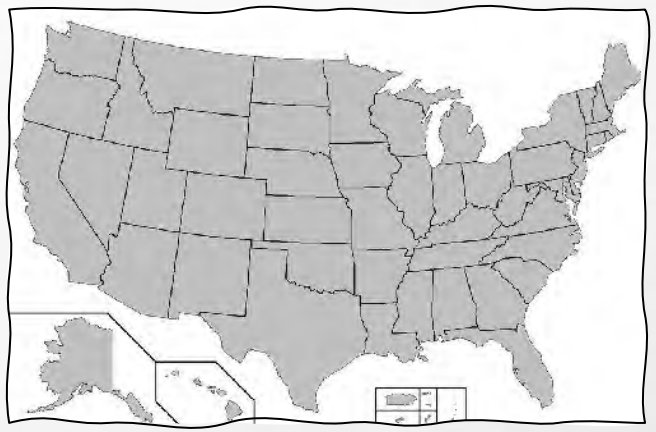




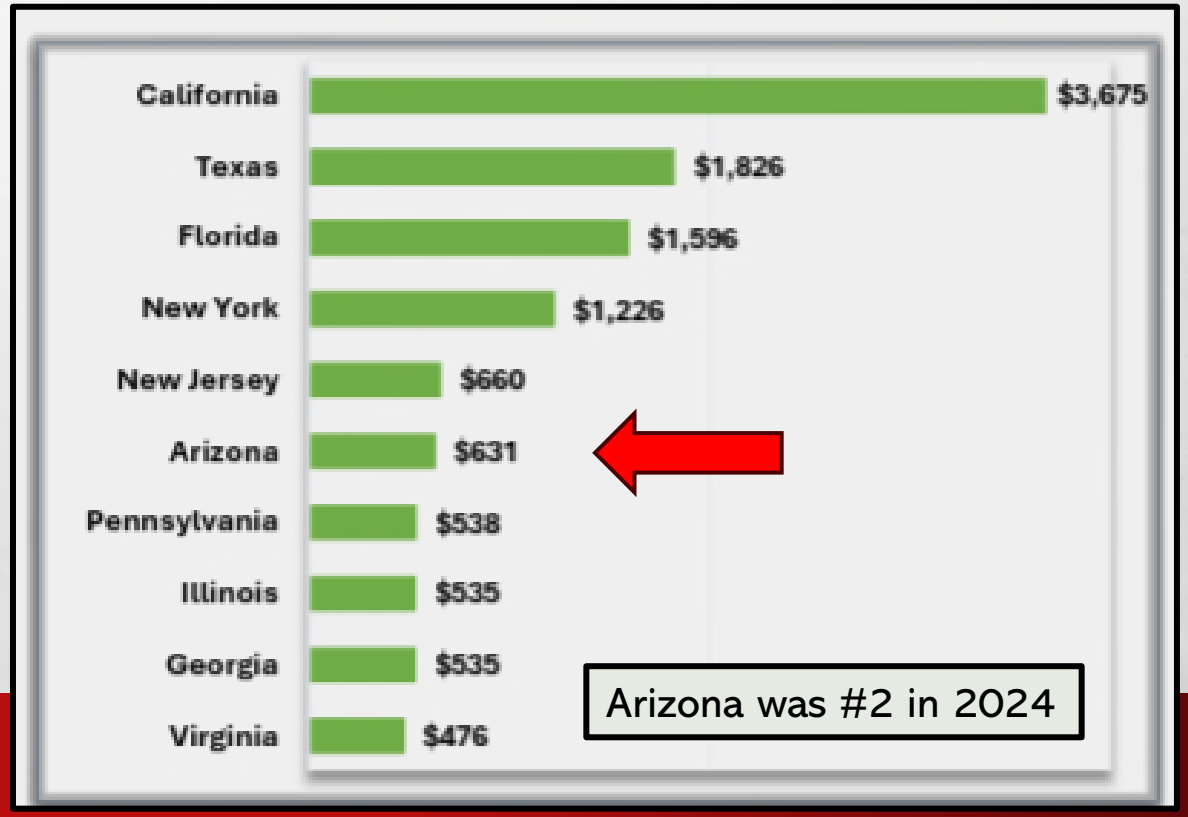
2025
Complaints: 1,008,597
Losses: $20.877 Billion

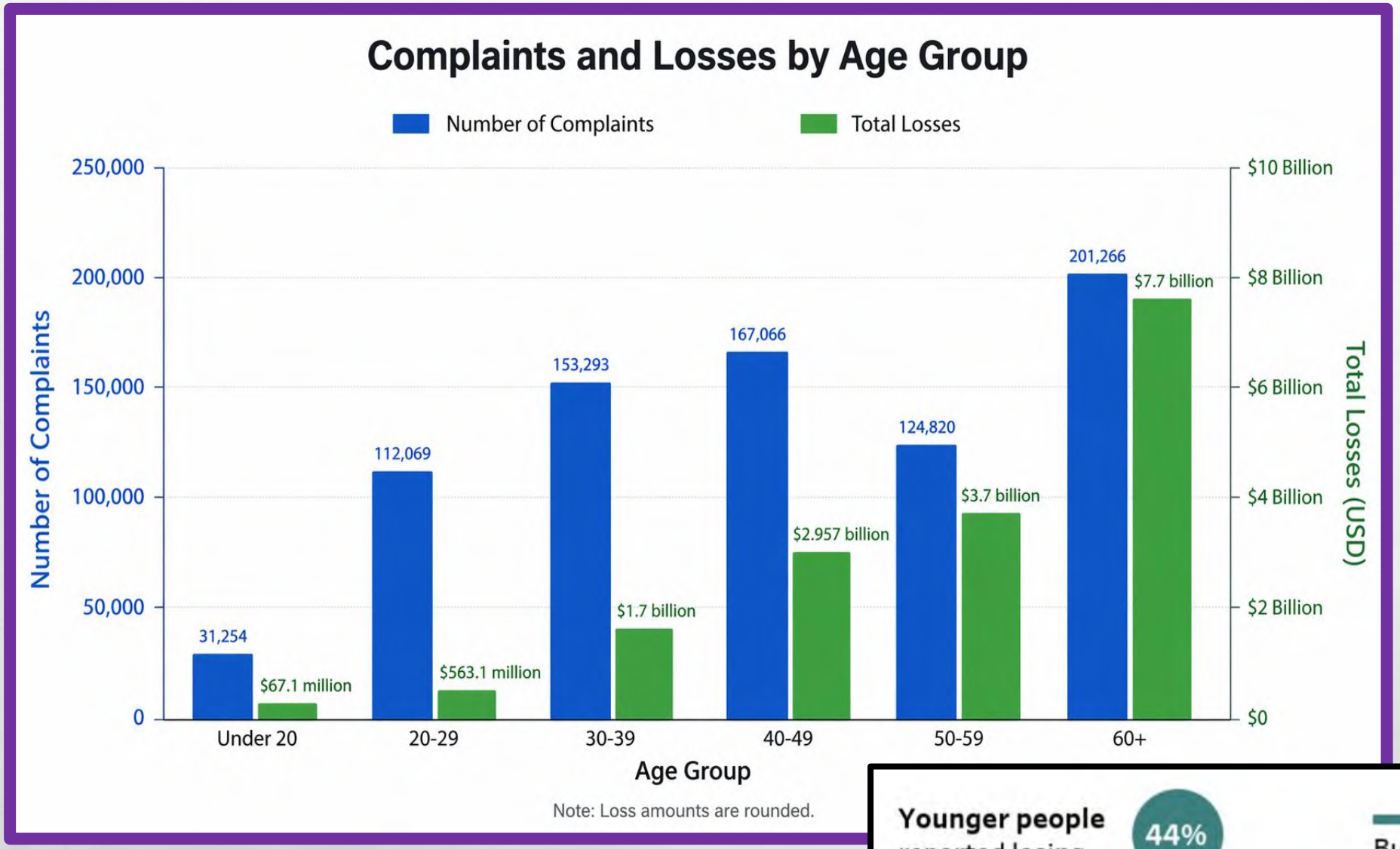
Average 3000 complaints a day
2025 losses reported to IC3 surpassed the $20 billion mark





Top 10 States
2025 – by # of Complaints
&
By $$ Lost (in Millions)





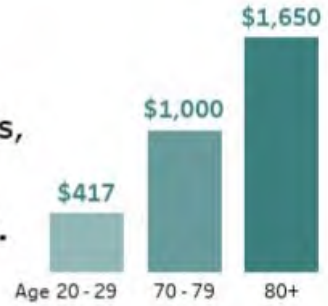
AGE TARGETS OVERVIEW

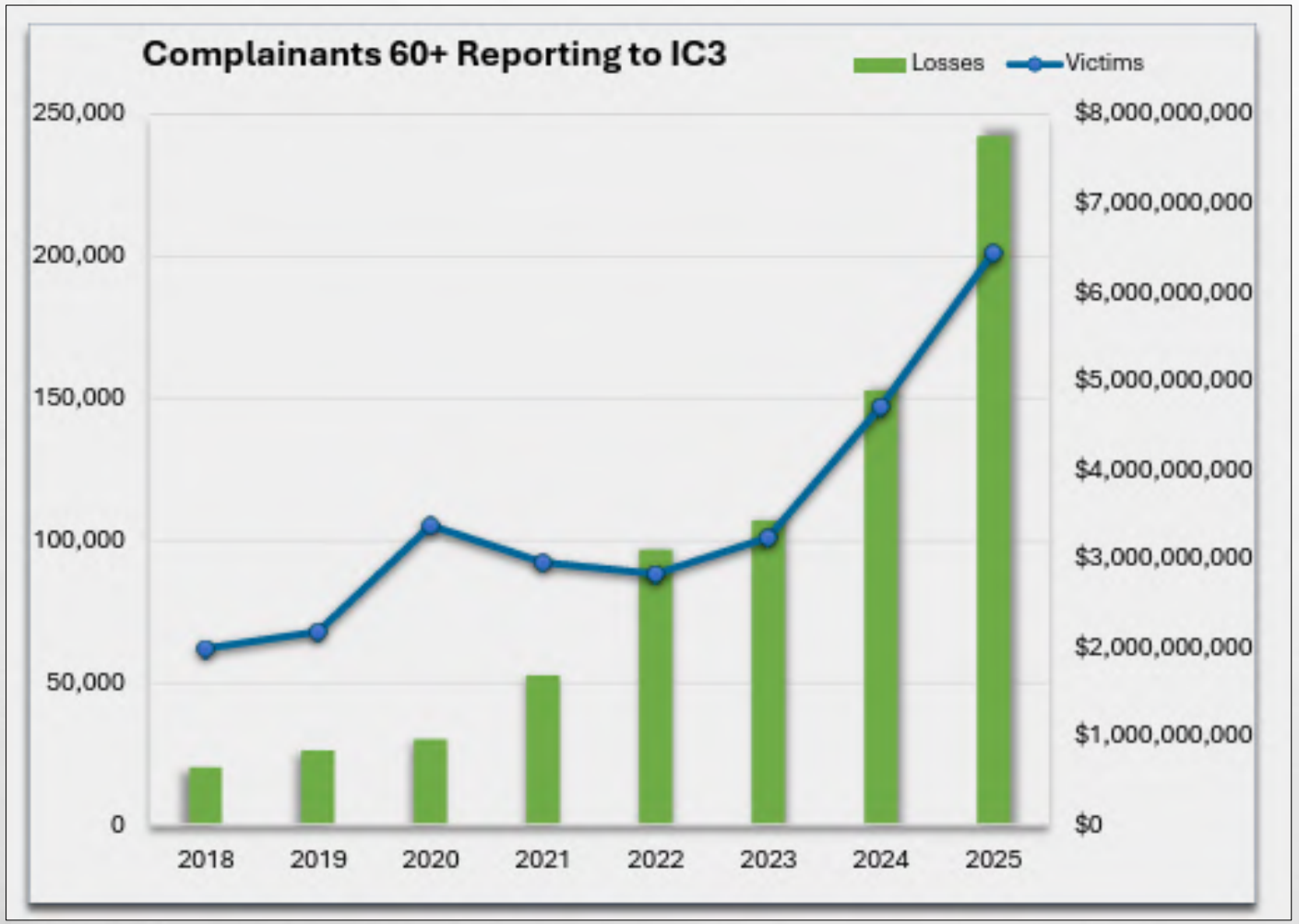
Younger people reported losing money to fraud **more often than older people.**

44%
Age 20-29

24%
Age 70-79

But when people aged 70+ had a loss, **the median loss was much higher.**





Highlights

201,266 Complaints

37% FROM 2024

$7.748 Billion in Losses

59% FROM 2024

$38,500 Average Loss

12,444 Complainants Lost > $100K



Overview of Complaints Reporting for Team 60+

Complainants 17 Years Old or Younger

Recent trends indicate a serious rise in cybercrimes targeting minors (17 years old or younger), driven by sextortion, cyberbullying, and online grooming.

The FBI is actively investigating a violent online group known as "764," which coerces children into engaging in self-harm, animal cruelty, and suicidal acts on live stream, sometimes leading to the death of the victim.

In 2025, IC3 referred more than 5,700 submissions involving minors to NCMEC.

Highlights

13,168 Complaints

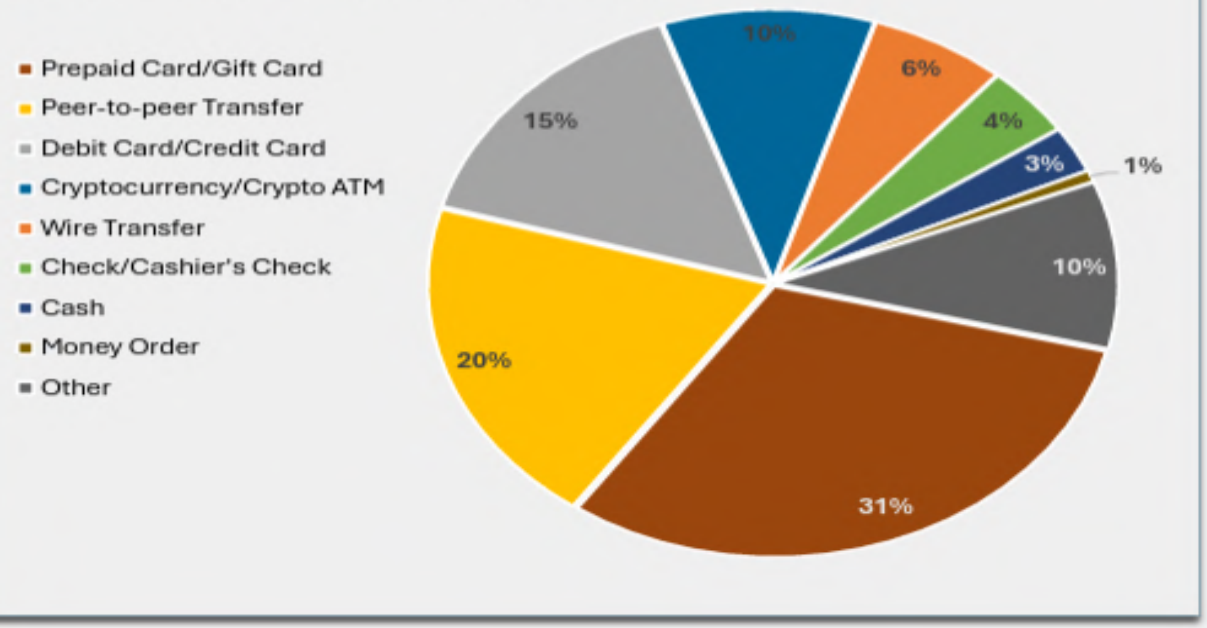
$12,988,892 Losses

$986 Average Loss

Read More: IC3 - Violent Online Networks Target Vulnerable and Underage Populations Across the United States and Around the Globe

16

Transaction Types Reported by 17 and Younger



No one is immune…







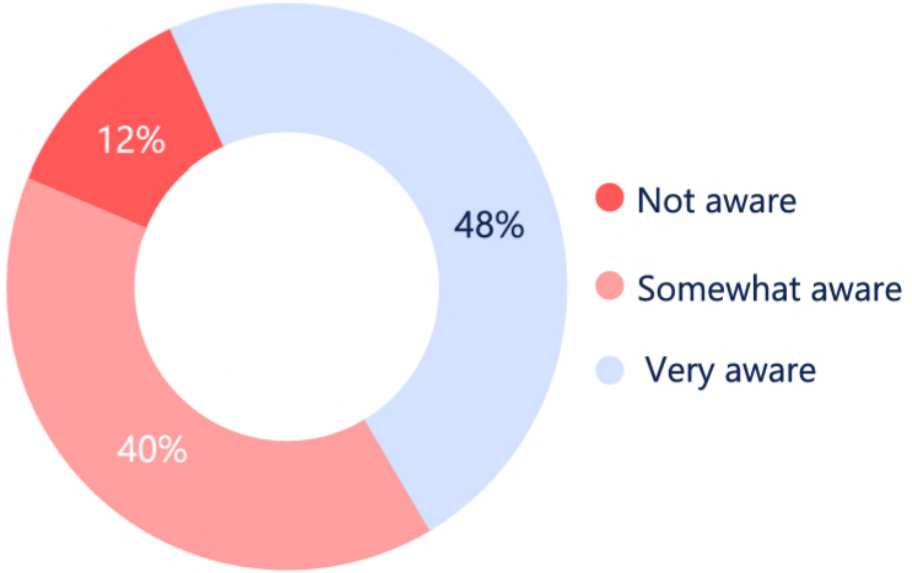
Wire Fraud

- Fake Emails
- Spoofed Identities
- Last-minute push
- Billions lost annually

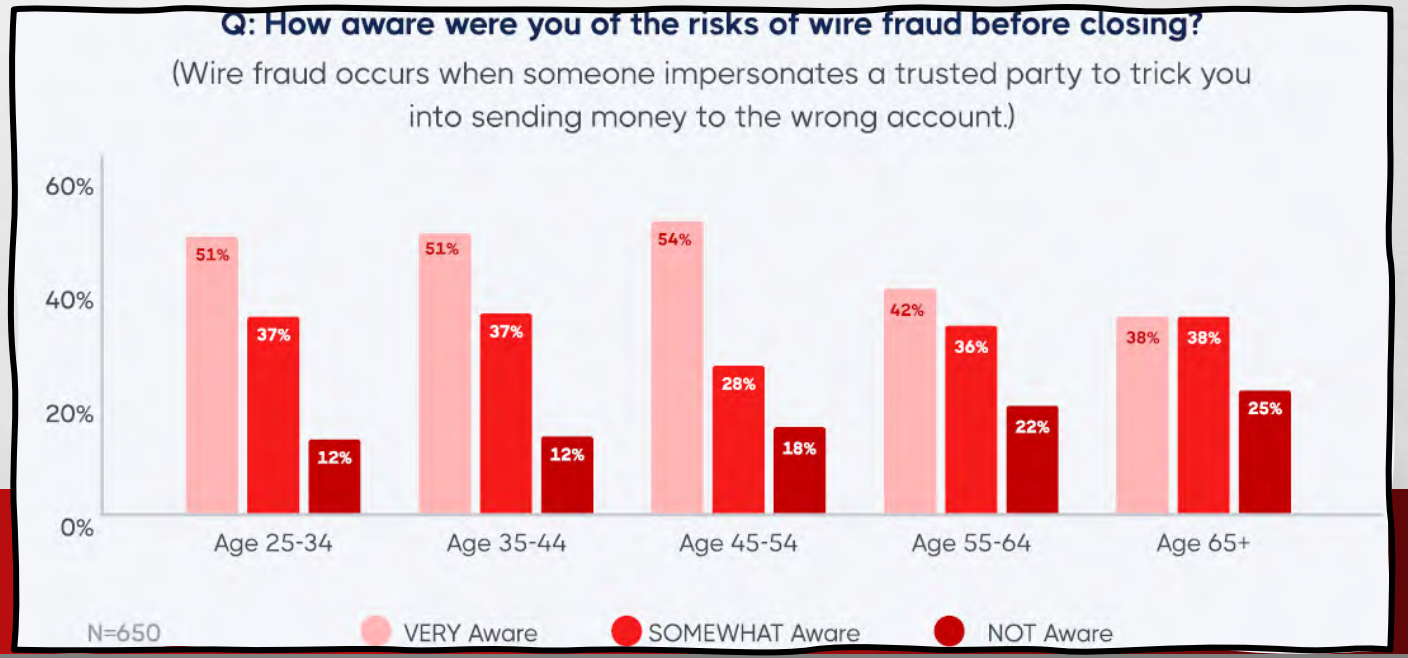
52%

of all consumers are "not aware" or only "somewhat aware" of the risks of wire fraud.

Q: How aware were you of the risks of wire fraud before closing on your property? Wire fraud occurs when someone impersonates a trusted party to trick you into sending money to the wrong account.



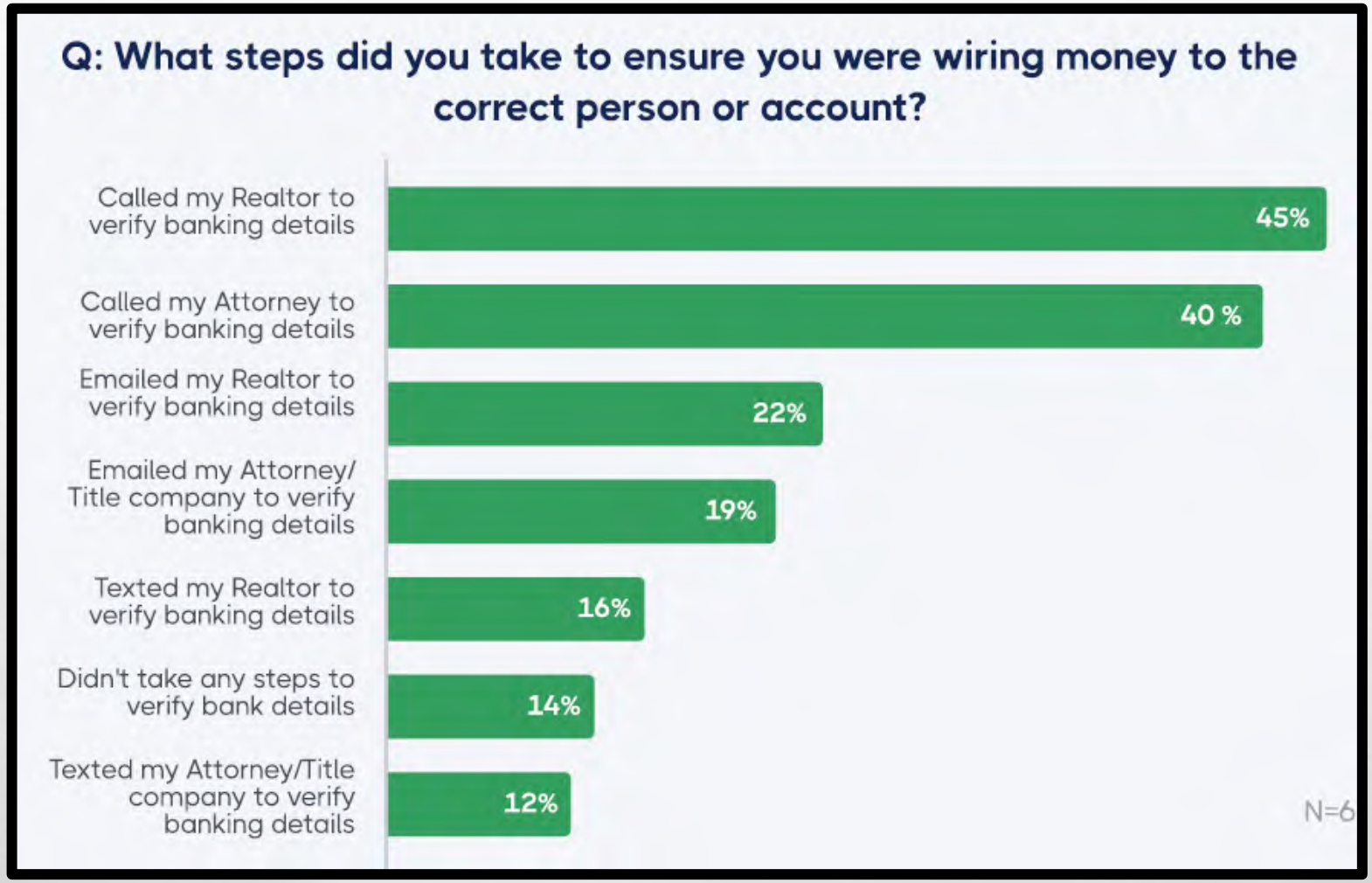
52% Not or only Somewhat Aware



AWARENESS FOR THE CONSUMER



Q: What steps did you take to ensure you were wiring money to the correct person or account?





A TITLE COMPANY AND ESCROW OFFICER ARE THE ONLY PARTIES TO DELIVER INSTRUCTIONS SECURELY

From: carrie safranek <contrctacio@corgospelgirona.com>
Sent: Saturday, March 8, 2026 12:16:54 PM
To: *********@hotmail.com <*********@hotmail.com>
Subject: Fwd : 2547990: 123** Indian Creek Drive closing statement

#1 Hack – FAKE EMAILS
That look REAL

Please see attached closing statement for review. Please note we need the home warranty and selling agent commission instructions. Please let me know if you have any questions or need any changes made. Thank you!

Thank you,
Carrie Safranek
Branch Manager / Certified Escrow Officer
Stewart Title
1725 W. State Route 89A, Suite 1
Sedona, AZ 86336
M (800) 712-9177 / F (928) 204-0606
stewart.com/Sedona | carrie.safranek@stewart.com

THIS IS A FAKE PHONE NUMBER

This is the Escrow Officer's REAL Email

They even included the wire fraud notice!

Be aware! Online banking fraud is on the rise. If you receive an email containing WIRE TRANSFER INSTRUCTIONS call your escrow officer immediately to verify the information prior to sending funds. Use a phone number that you have previously been provided, NOT the phone number in the email. Also note that our wiring instructions will NEVER change without us notifying you or your broker IN WRITING, not by email, unless secured by encryption. This email message is for the sole use of the intended recipient(s) and may contain confidential information. Any unauthorized review, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply email and destroy all copies of the original message.
Be aware! Online banking fraud is on the rise. If you receive an email containing WIRE TRANSFER INSTRUCTIONS call your escrow officer immediately, at a KNOWN NUMBER, to verify the information prior to sending funds.

Samples of Fake Email

Caution: This email originated outside of our organization, do not click links or open attachments unless you recognize the sender.

Good morning,

Congratulations on your upcoming closing.

We are cleared to close, it is important that you wire the closing funds to the closing account today in order to avoid a delay in closing. We have been experiencing delays recently, with wired funds occasionally taking days to hit our closing account. It is in our policy to have funds available for disbursement at the time of closing, so we advise you to have the funds sent as soon as today solely to save time and avoid closing delays. I hope this will be convenient enough for you, cash to close will not be going into the earnest money account so reconfirm with me before you proceed to wire upon receipt of this mail, I will send you the wire instructions for the closing trust account upon receipt of your reply, please confirm the receipt of this mail by replying to this email, so I can attach the trust account instructions to take care of the transaction, If there is anything else you need please let me know!

Please note: You will need a valid photo ID or any form of ID at closing, (passport, credit card, SS Card, etc)

Your prompt attention to this matter will be greatly appreciated and we look forward to working towards a successful closing.

Getting the Verbiage Perfected...

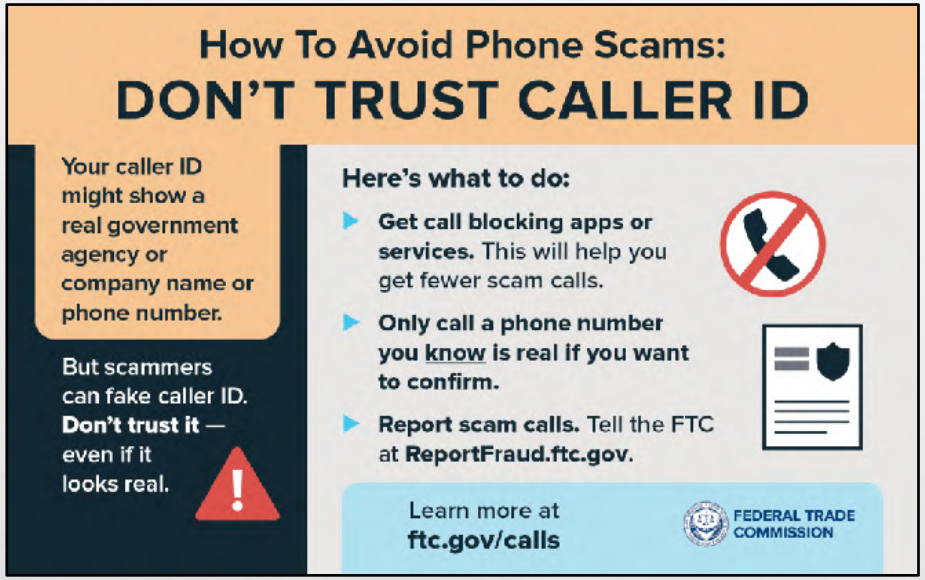
- **Double check sender's email address for slight, easily missed mistakes.**
  - Melissafanelli@steward.com
    melissa.Fanelli@stewart1.co
    me1issa.Fanelli@stewart.closings
    melissa.Fanelli@stewart.biz



- Urgent wire requests
- Last-minute changes
- Slight email differences
- Pressure to act quickly
- Refusal to verify by phone or in person – fake escrow person insists they are tied up or phones are down

Fraud Emails

Example – Elderly Couple







Our Trusted Partner!!

- Sends our wire instructions securely
- Collects wire instructions securely
- Secure Payoff Collection
- Verifies Identity
- Verifies Entities
- Insures funds up to $5 MIL- no cost
- Insurance above $5 MIL available for minimal fee





https://youtu.be/BWmuDrKvJhw?si=OO1vdSCCoRVET7mm

https://marketing.certifid.com/fraud-recovery-testimonials



TITLE FRAUD

What is it?

Title fraud is a real estate scam that involves illegally transferring the ownership of a property to someone else without the owner's consent. It's also known as deed fraud or property fraud. It can also be a scam of equity through a fraudulent mortgage loan on a property the borrower does not own. Lien and Foreclosure Fraud are also considered Title Fraud.

The top schemes:

- Seller/Owner Impersonation: Posing as an out of state or absentee seller to advertise and sell a property. Vacant land is NOT the only property type at risk! Residential and Commercial properties that are lien free are at risk
- Forged Deeds: Thieves can forge deeds to sell vacant real estate, such as vacant lots, rental buildings or vacation homes. Properties that are "free & clear" of any liens or mortgages and absentee owners are high target risks. Unfortunately, family members are prime *suspects* of fraud as well as victims.
- Refinance Fraud: In a fraudulent refinance scheme, a person withdraws equity from a property and encumbers the property with a new mortgage. While they don't own the property, they can use the owner's identity to steal money from it.
- Home Equity Line of Credit (HELOC) Fraud: Someone can access a property's equity through a HELOC and rack up a mountain of debt the actual owner is on the hook to pay back unless they can prove they didn't borrow the money.
- Faked Opportunities: A scammer can present a fake refinancing opportunity or foreclosure assistance to homeowners facing financial hardship. When the homeowner signs the paperwork at closing, they unknowingly give money to and/or sign away their property ownership to the scammer. The property ends up foreclosing. EX: Fake Foreclosure Assistance Programs
- For Rent Fraud: A fraudster poses as the owner/landlord of a vacant property to collect security deposits and rents on a property they do not own. We have seen this with residential and commercial properties

Title Fraud

REAL ESTATE TITLE/DEED FRAUD SNAPSHOT:

Fraud in real estate is growing at a rapid pace, putting millions of dollars at risk each year. Real estate professionals are key to preventing these scams by recognizing the red flags early and preventing fraud from impacting clients and transactions.

•Key Data:

- *IC3 2025:* Real estate fraud losses totaled over $275 million in 2025 alone.
- Advancements in technology have contributed to a 500% increase in vacant land deed fraud over the last 4 years per the FBI.
- Local Insight: Arizona experienced a 15% increase in fraudulent property filings in Maricopa County in 2025.

2021:

- *Total Fraud Cases:* ***16,200***
- *Total Losses:* ***275 million***

2022:

- *Total Fraud Cases:* ***19,800***
- *Total Losses:* ***340 million***

2023:

- *Total Fraud Cases:* ***24,500***
- *Total Losses:* ***$420 million***

2024:

* **Total Fraud Cases:** 9,359
* **Total Losses: $173.6 million**

2025:

* **Total Fraud Cases:** 12,368
* **Total Losses: $275.1 million**

1. Suspicious Red Flags

- **Seller Only Communicates via Email or Text** – Fraudsters often avoid in-person or phone interactions to hide their identity.
- **Urgency to Sell Below Market Value** – Scammers try to sell the land quickly before detection. They want to DocuSign listing paperwork quickly. They also do not object to commission fees or closing costs information.
- **Out-of-State or Foreign Seller with No Knowledge of the Property** – Be wary if the seller is unfamiliar with the land's location, history, or details.
    - ANY out of state Seller should be handled with extra vetting steps if they are not known personally
- **Requests to Skip Standard Processes** – A fraudulent seller request no title companies, attorneys, or avoids in-person meetings.
- **Demands for a Remote or Unusual Closing Process** – Offer to sign closing documents with their "own" notary where they are located or sign electronically with an electronic notarization. Fraudsters may also insist on wire transfers to unverified accounts. Out of the county fraud sellers will offer to go to a US Embassy to sign – but they won't, it will be a fake deed with forged notary acknowledgment.

RED FLAGS TO WATCH FOR!

2. Documentation & Identity Red Flags

- **Fake or Altered IDs** – Scammers may use forged identification documents that don't match official records.
- **Discrepancies in Signatures** – Compare signatures on past recorded documents with new documents and ID's presented
- **Unverified or Suspicious Power of Attorney (POA)** – Fraudsters may use forged POA documents to pose as the legal representative of the real owner. Very popular with family members attempting elder fraud.

3. Title & Ownership Issues

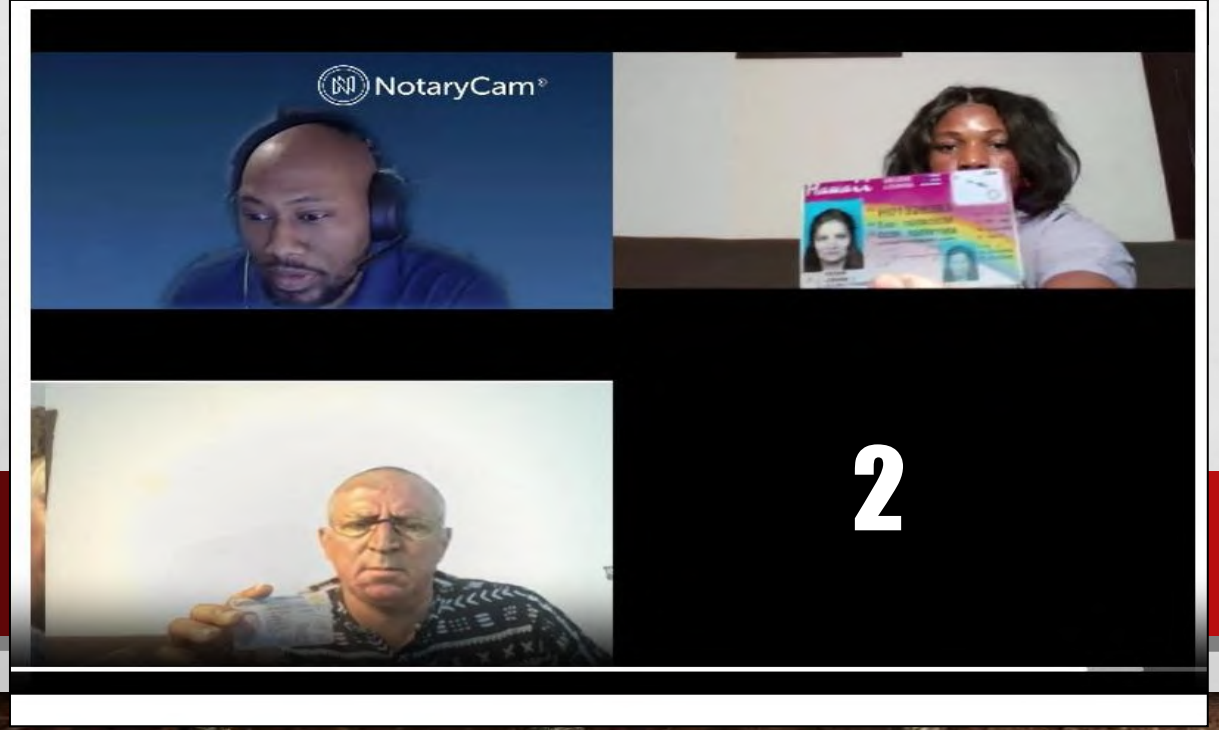
- **Recent or Sudden Ownership Changes** – If the title has changed hands multiple times in a short period, it could indicate fraud.
- **Unpaid Taxes or Liens** – Check for unexpected tax liens or unpaid bills, which may indicate an unaware or absentee owner.
- **Mailing Address Doesn't Match the Seller's Claims** – The property tax mailing address may differ from what the seller provides.

4. Financial & Transaction Red Flags

- **Requests for Funds to be Wired Internationally** – Legitimate landowners usually accept payments through traditional escrow processes.
- **Fake Bank Letters or Financial Documents** – Scammers may provide false proof of ownership or financial capacity. Fake utility bills or tax bills.

RED FLAGS TO WATCH FOR!





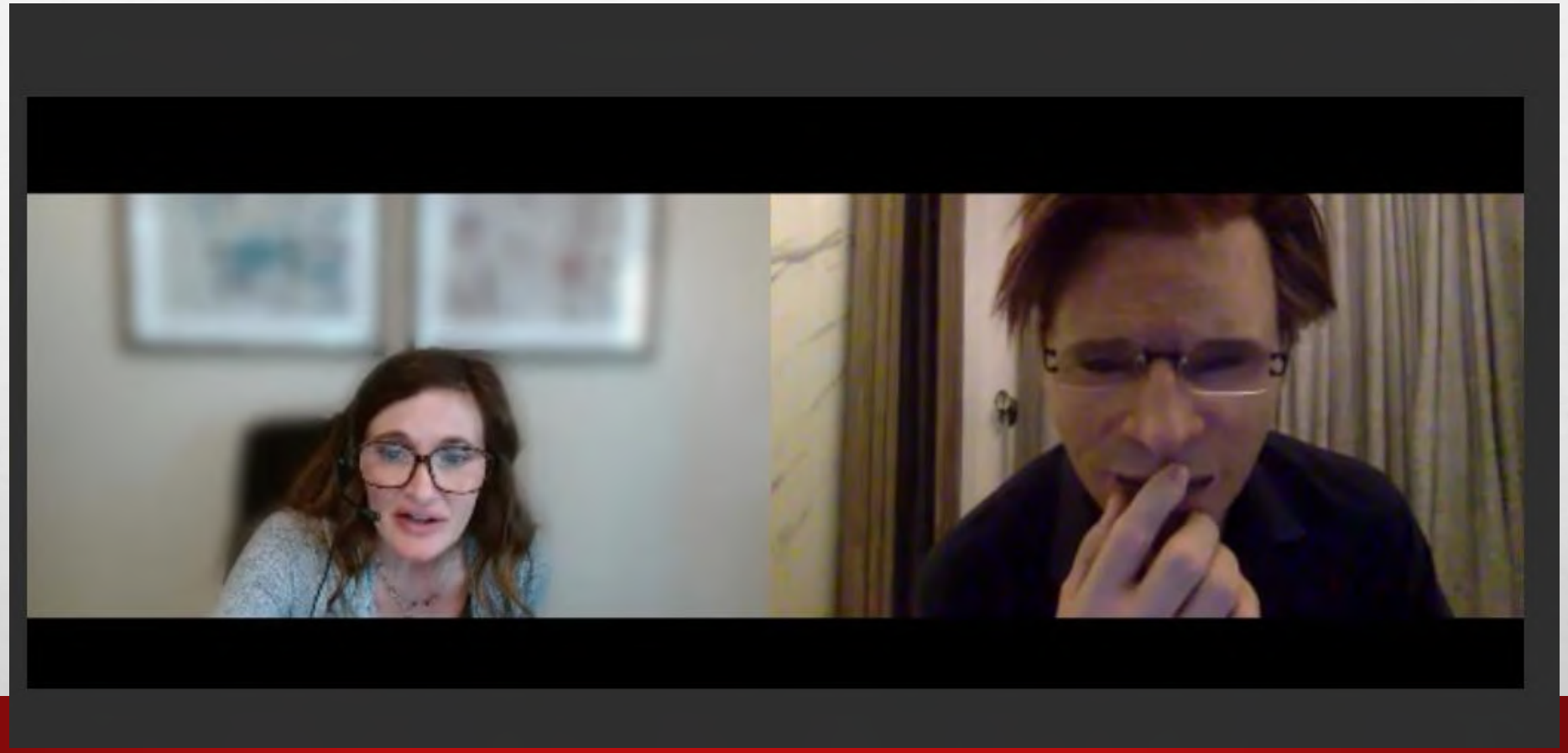
When the ID was held to the camera, the actual face of the fraudster shows!!

Whether in Person, in office or mobile notary or Remote online Notary,
WE stop fraud at the signing table!!



1..2..3...

Remote Online Notary – another story…



What to have consumers (and you) watch for!



Signs of Title/Deed Theft

Watch out for several signs that indicate Title Theft is occurring or about to occur!!



Typical signs to pay attention to include:

- The sudden appearance of unfamiliar items on client's (or yours!!) credit report, such as mortgages and lender inquires you don't recognize.
- A credit monitoring service notification of identity theft or illegal activity.
- The disappearance of customary homeowner mail, like bills and notices, or getting mail for financial products not applied for.
- No annual property tax statement or invoice received
- A possible "fake" real estate professional contacting an owner directly with an offer or discussing a closing.
- Random phone calls asking about security deposits or rent on a rental property that you don't have available
- A sign in the yard of a property NOT for sale.
- A certified letter or overnight and signature required letter from a title or escrow closing company to inform a true homeowner of an upcoming sale closing.
- Neighbor informing you of a sale or new construction on vacant land

How Real Estate Professionals and Escrow Can Prevent Vacant Land and All Property Fraud

✅ **Verify Seller Identity** – Request multiple forms of ID and compare with county records. Consider video calls to confirm identity. Ask them to "move" on the video call. With AI now, a fraudster can make their face appear on video like the photo on a legit individual's ID. If they move, it changes. It's only a matter of time before they figure out how to make it move so it looks like a real person.

✅ **Check Public Records** – Verify ownership history, tax records, and title information through county records. An out of state or out of the country mailing address on tax records is a RED FLAG! Send a certified letter or a Fed Ex to the address on public records to verify they are actually selling.

✅ **Work with a Trusted Title Company** – It is important who you and your clients work with! Fraud and identity checks are conducted throughout the escrow process to prevent and stop title theft, deed fraud, identity fraud and wire fraud along with elder abuse and forgery. Not ALL title companies have these processes in place so be aware and ask questions of your title partners!! All of us have stories of attempted fraud and fraud that has been stopped.

✅ **Insist the Title Company use In-Person or Secure Notarization** – Require notarization to be done in person or via a reputable remote online notary service.

✅ **Check that the Title Company Confirms Bank Account Details with the Seller Directly** – Before wiring funds, escrow must verify the seller's bank details through official channels. Use Secure Verification Platform such as CertifID

✅ **Educate Buyers and Other Agents** – Awareness can help prevent fraudulent transactions before they escalate. Title insurance, title alert, encourage buyers to visit the property,

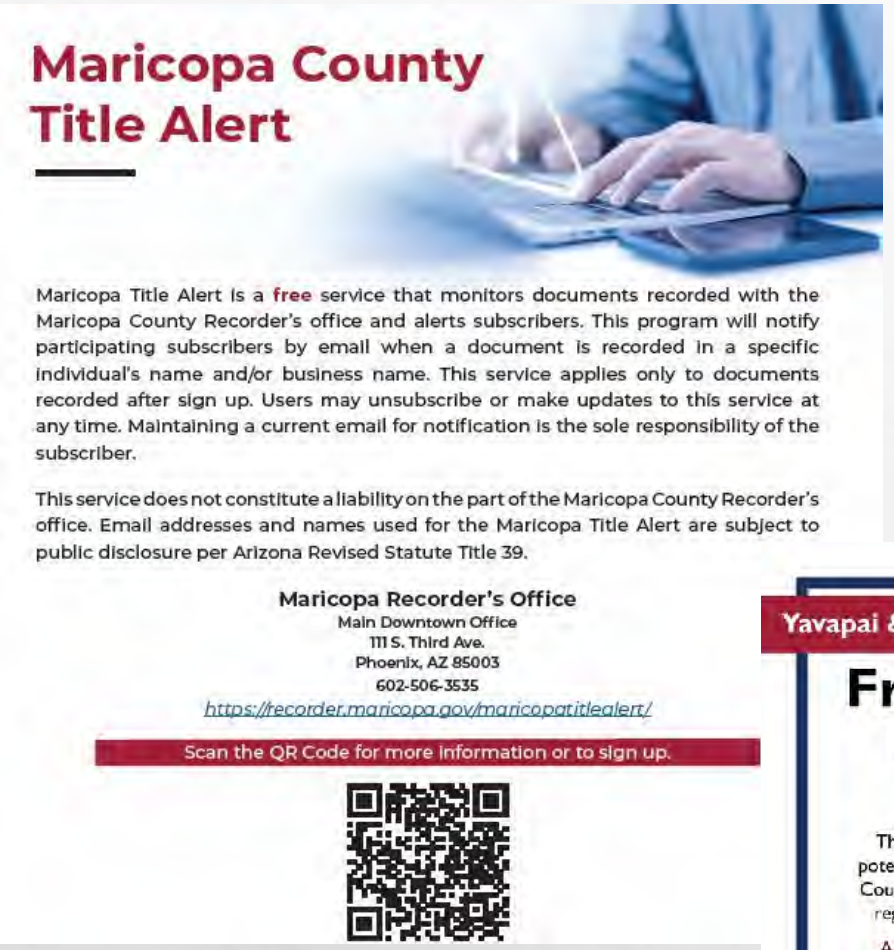
✅ **Report Suspicious Activity** – If fraud is suspected, notify local law enforcement, the FBI's **IC3** (Internet Crime Complaint Center), or the local recorder's office.

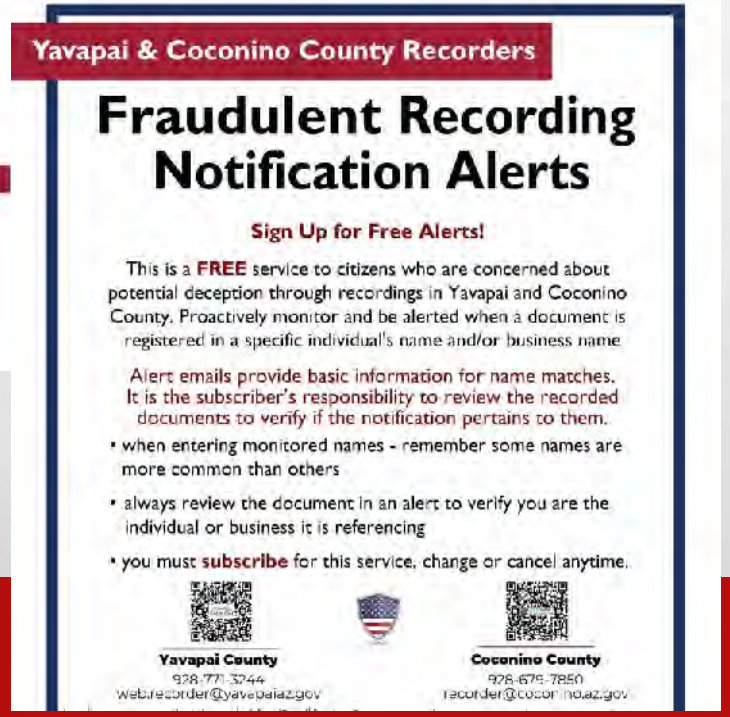
✅ **Stay Up to Date –** Sign up for Title Alert, attend fraud classes, read warnings about the most recent schemes & scams

✅ **Call Your CLIENTS!** – This is a great opportunity to connect with your clients about an important topic to protect them, especially clients with vacant land or free & clear property.

✅ **TRUST your Feeling!** If something feels "off", STOP, dig deeper and do the extra detective work needed for the consumer's protection and for yours!

What Can WE Do??





- Notifies you within 24 hours of something being recorded in county records
- Several AZ counties have the same service
- No limit to how many names a subscriber can monitor under their account
  - Add your LLC or Trust or business name
  - If you are a family member's caretaker, you can add their property address

Here is the big Hurdle… a document was already recorded when someone receives the email notification. BUT it is much easier to undo a fraudulent transaction in the first 24 hours rather than months or years down the road.

- *Advise consumers to always consult a licensed professional:* If not personally known, verify that they are who they say they are.
- *Keep personal information secure:* Never give personal or financial information to someone you don't trust. If you use an online lender, make sure sensitive information is only submitted through a secure portal. Use a private Wi-Fi network or an Ethernet connection – don't submit sensitive documentation over public Wi-Fi.
- *Avoid upfront fees*: Be cautious to pay money upfront especially if that person seems to be pressuring you.
- Be wary of last-minute changes: If you're in the process of buying a home, making a large investment or financial decision and you receive news of a last-minute change, take the time to verify that it's real. Don't act hastily or out of emotion.
- Avoid off-market transactions: It is never a good idea to engage in off-market transactions, no matter how good the deal is.
- Never conduct a real estate transaction or "deed" outside of a title company or attorney. If buying a property, the title company has several processes in place to combat fraudulent sellers, to prevent you from being the victim of buying a property that fake seller doesn't own.
- Get Title Insurance on all real estate transactions!
- Check your credit frequently.
- Change your PASSWORDS for all online sites frequently!! Thieves target email first so change your password weekly to avoid email scams.
  - Use msecure or similar apps to track passwords. 20 or more characters with symbols & numbers (you can even use a space) "Ilovef0otball 5@SunDevil"
- Freeze credit reports or subscribe to credit monitoring services
- Google your name and property address periodically.
- Look up your property address on the county treasurer and assessor sites
- Sign up for TITLE ALERT with county entities
- Stay up to date on scams – talk about fraud and scams with friends and family! Scammers may pose as real estate agents or lenders to perform fraudulent transactions or steal your identity. Reverse Mortgages are a hot topic for scammers targeting victims over 60!
- Keep track of all bills and homeowner mail
  - Property tax bills or tax statements – sent once a year in September!
  - Utility bills for both primary residence and vacant or rental properties – if bills stop or are missing, that could be a sign someone is tampering with your home title or ownership

County Recorder's offices Offering: Title Alert!!
https://recorder.maricopa.gov/

https://www.azfamily.com/video/2022/05/22/criminals-using-deed-fraud-identity-theft-steal-arizona-homes/

WHAT ELSE CAN YOU DO??

What are WE are doing… It is important WHO you work with!!

1. *Vacant land and Free & Clear letter – A letter is sent to the seller, using the address from the assessor's site. We use Fed Ex or certified mail. Seller must call us back to confirm they are actually selling a property.*
2. *We verify all information with the county tax and assessor's site*
3. *We use only "vetted" and approved notaries to sign sellers and buyers outside of our office*
4. *Sellers must show 2 forms of ID. We have a machine, in office, to run the ID's to prove they are not counterfeit.*
5. *ITIN and SSN government match check*
6. *Sellers must pass our secure portal, CertifID Identity Match, process which uses links to credit bureaus, financial institutions, IRS and other entities to pose questions that confirm identity.*
7. *Sellers must use CertifID wire verification process to confirm instructions for proceeds disbursement.*
8. *We have numerous verbal conversations with sellers and buyers throughout a closing transaction. We may also ask to Face Time clients or do our signing of closing documents in person or on camera.*
9. *We extensively search county records, court records, bankruptcy and tax records.*
10. *We may ask the seller to provide copies of utility bills, HOA statements, copies of closing documents when they purchased the property*
11. *"Detective" work – search engines provide cross verification for phone numbers, addresses and email addresses*
12. *Confirm the real estate agents "know" their clients*
13. *Follow our "Best Practices" check list to confirm identity and protect our customers*
14. *Trust your "senses" … if it doesn't feel right, we take even more precaution.*



Our Fraud Prevention System with a notice of a failed ID match

Hello

Our team has detected fraud. **We do not recommend moving forward with this recipient.** Follow your company's protocol for a high risk situation, or review our guide.

Identity Details:

RECIPIENT NAME	FILE NUMBER
Tere ios	2517850

To view more information, log in to the portal.

View Verification Details

If you have any questions, please reach out to our team at support@certifid.com.

Thank you,
The CertifID Team

If you are unable to see the button above, you may also use this link:

https://portal.certifid.com

CERTIFID

Introducing the Seller Verification Tool for

Vacant Land and Homes

Prevent Fraud Before You List
Stewart Title of Alaska, in partnership with NotaryCam®, is committed to stopping seller impersonation fraud. Our new Seller Verify tool enables real estate agents to confirm a seller's identity before listing – saving time, money, and hassle.

Why Use Seller Verify?
Seller Verify helps you stop fraud before it happens by confirming seller identity upfront. The process is quick and easy, combining ID verification with knowledge-based authentication to ensure legitimacy. Plus, at only $20 per session, it's an affordable way to gain peace of mind and protect your transactions.

How It Works:

1. Create an account at stewart.com/sellerverify
2. Schedule a verification session for your seller
3. Receive a detailed report after completion

What if the seller fails the questions?
NotaryCam will upgrade to biometric two-factor ID verification – at no extra cost if completed in the same session.

Start Protecting Your Listings Today!

Visit stewart.com/sellerverify to get started.

**Ensure your listings are legitimate –
Verify before you list.**

FRAUD ALERT

The Take-Aways...

The only answer: prevention

Recovery is a safety net. Prevention is the strategy. When you prevent fraud from occurring in the first place, you protect both the funds and your reputation. You eliminate the anxiety your clients feel. You avoid the operational chaos of a recovery effort. You never have to explain to a client why their life savings ended up in a criminal's account. Prevention is not just better than recovery; it is the only approach that fully protects your business and your clients.

WE CAN PROTECT OUR FAMILIES AND FRIENDS BY EDUCATING THEM!!

1. We can educate consumers.
2. We can train employees.
3. We can implement processes to verify all parties in a transaction.
4. We can invest in technology to make it harder for bad actors.
5. We can utilize tools like insurance and recovery services to add further protection.

We didn't even talk about these...

Scan the QR code with your phone camera to get started

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THANK YOU!!!

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