

HOME TITLE FRAUD: WHAT TO KNOW

By: Mirkin & Gordon, P.C.

Lately, there have been advertisements in various media by service providers offering to protect you from home title fraud. While this could be helpful, in most cases, these providers only monitor and alert you of potential activity involving your title, but do not intercede on your behalf. In some instances, scammers can pose as these types of businesses too, so it is important to do research before signing up.

This will help you understand what home title fraud is, how to avoid it and protect yourself.

What is home title fraud? Home title fraud occurs when someone obtains the title of your property – usually by stealing your identity – to change ownership from your name to theirs. This person can then secure loans using your equity as collateral. Often the real homeowner is unaware of the scam until the lender starts to send letters indicating they intend to foreclose on the home.



How often does this occur?

While once considered rare, home title fraud is now seen as one of the fast-growing cybercrime schemes in the country. The FBI reported in 2017 that in the real estate and rental industry, more than 9,600 victims lost over \$56 million.

How does home title fraud happen? Home title fraud usually is a result of identity theft. Many transaction and document requests are done online, which increases the chances of criminals stealing information. Older people are the most common targets because they typically have more equity in their homes and may not be as online-savvy. Other targets include

people who own second homes, vacation homes, and investment properties who may not pay as much attention to those properties and may miss notices or bills (property bills, foreclosure notices, or past-due notices). Other tactics include what's known as "phishing e-mails" that ask a homeowner for personal information so they can obtain their home title. These phishing e-mails are attempts to get recipients to divulge sensitive information (usernames, passwords, social security numbers, etc.)

How to protect yourself.

- Check your credit report to identify any financial activity that may have occurred in your name to determine if you have been a victim of identity theft.
- Pay attention to incoming bills such as the tax bill, water bill, mortgage bill, etc. Not receiving an expected bill can be a sign of home title fraud or possible identity theft.
- Check your home information with your county's deed office every so often to make sure nothing has changed.

What if I think I am already a victim of home title fraud? If you think you are already a victim; you can add a one-year fraud alert to your credit report, file an identity theft report with your local police department and add a seven-year fraud victim alert to your credit report.

The New York State Attorney General's office has also established a "Protect Our Homes" Program where victims can report complaints.

Attorneys from the Fund's legal services program are also available to assist you if you think you are a victim of identity theft, including home title fraud.

