



Behind the Deal: Defending Against Real Estate Fraud

Questions?

To interact with us during the webinar, please use the Zoom **Q&A** feature

Welcome!

Please make yourself comfortable, the session will start shortly.



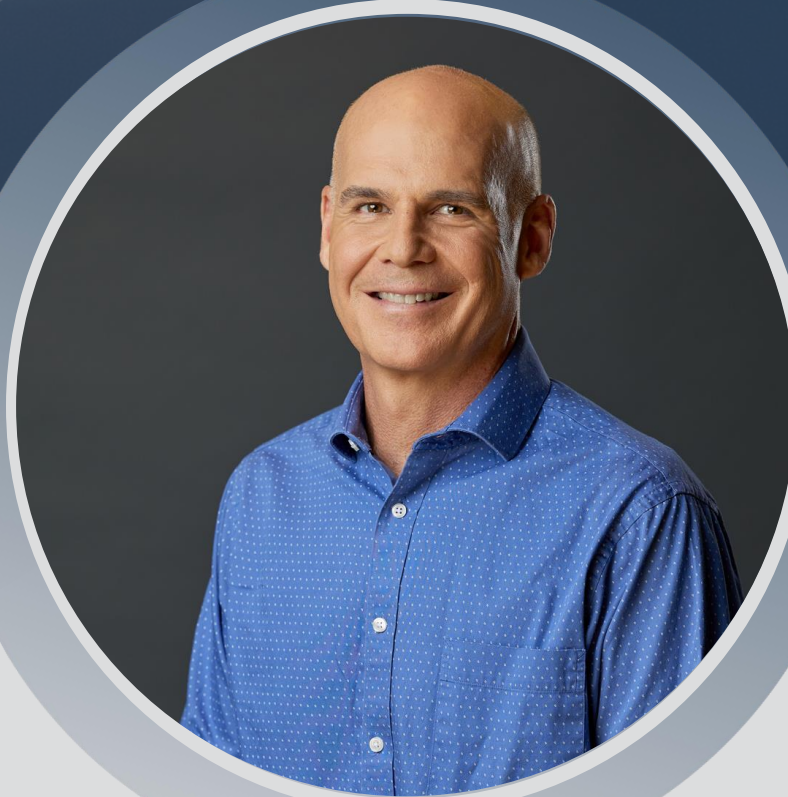
INTRODUCTION



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PRESENTERS



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Agenda

- Title insurance and how it protects against fraud
- Importance of ID verification
- Tips on how to prevent real estate fraud
- The rise of wire fraud schemes
- Real-life claim stories
- Q&A

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Fraud Coverage

How Title Insurance Protects



At FCT, we see fraud every day and in 2024 alone, almost **\$275 million** of suspicious fraud was identified.

Types of Fraud

Identity Theft/
Impersonation

False
Mortgages

Forgery

How Title Insurance Protects

Expert
Underwriting

Duty to
Defend

Post Policy
Date Coverage

Protects lenders against...

- Fraud & Forgery
- Financial Loss
- Legal costs (Duty to Defend)
- Reputational Impact
- Wasted Time & Effort

Protects owners against...

- Fraud & Forgery
- Financial Loss
- Legal costs (Duty to Defend)
- Wasted Time & Effort
- Inability to Move Forward

Why do both?



The Importance of ID Verification

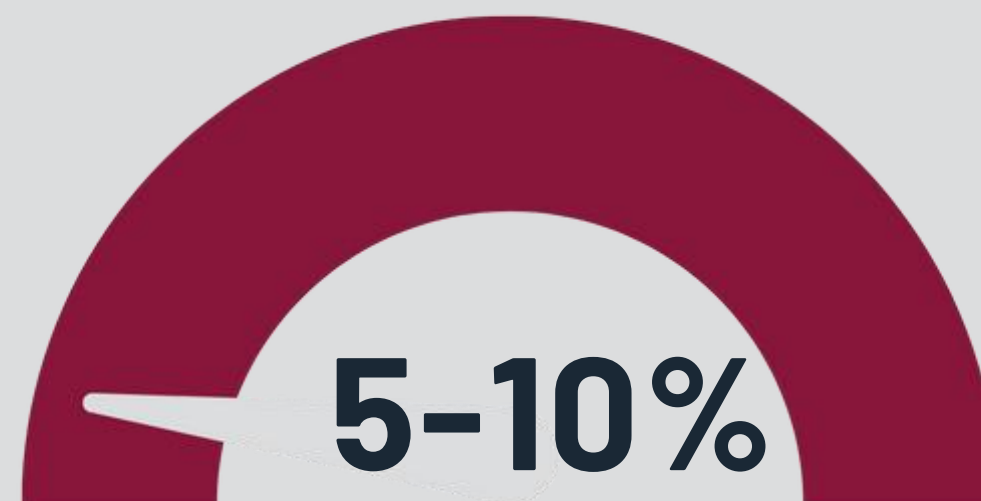
Impact of fraud

FRAUD INCIDENTS
REPORTED IN 2024

49,432

ESTIMATED
\$638 MILLION

ONLY



FRAUD INCIDENTS ARE
ACTUALLY REPORTED

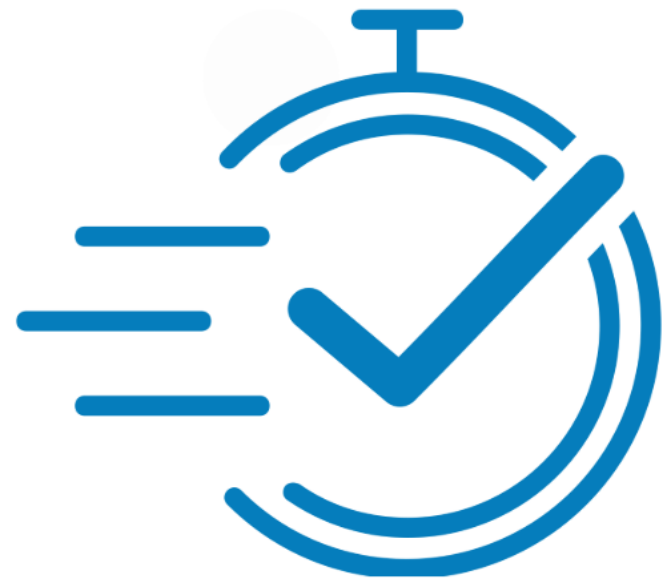
THIS MEANS
A POTENTIAL

\$12+

BILLION
LOST BY FRAUD

Why do you need Client ID Verification?

Why use FCT's Client ID Verification



1. Verify Quicker

- Get your client's ID verified during the intake process.
- Can be used on all files regardless of areas of law.



2. Easy to Use

- Verified ID retained in client's secure digital wallet on mobile device for up to 5 years – it can be reused.
- Can be used virtually or in-person.

Why use FCT's Client ID Verification



3. Safe & Secure

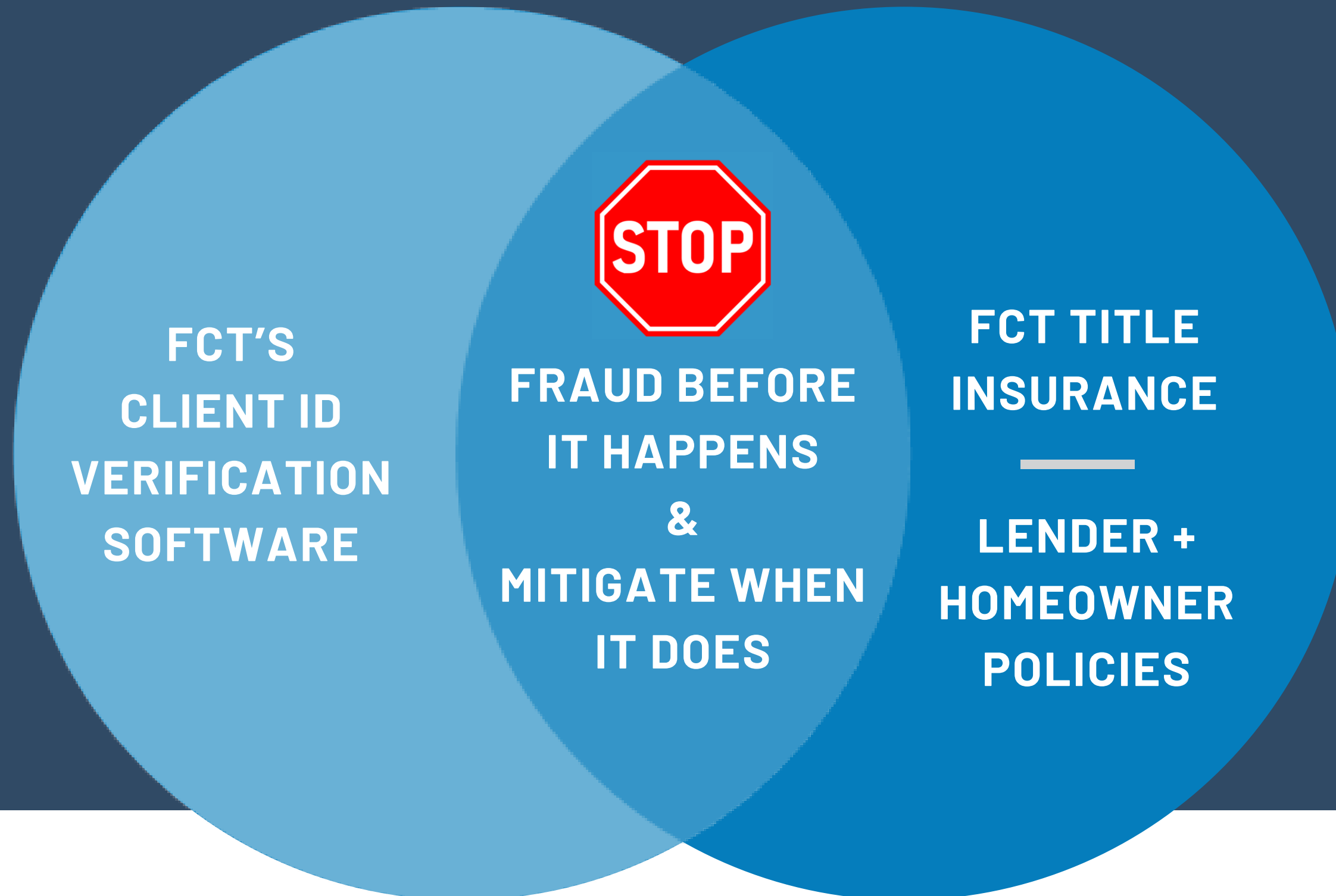
- Data is stored on client's mobile device, not outside servers
- FCT retains summary report for only 30 days so legal professionals can download
- One of the only IDV solutions that can read the passport chip – which is very hard to tamper with



4. More than Compliant

- Law society compliant, with added protection

PREVENT + PROTECT



Preventing real estate fraud

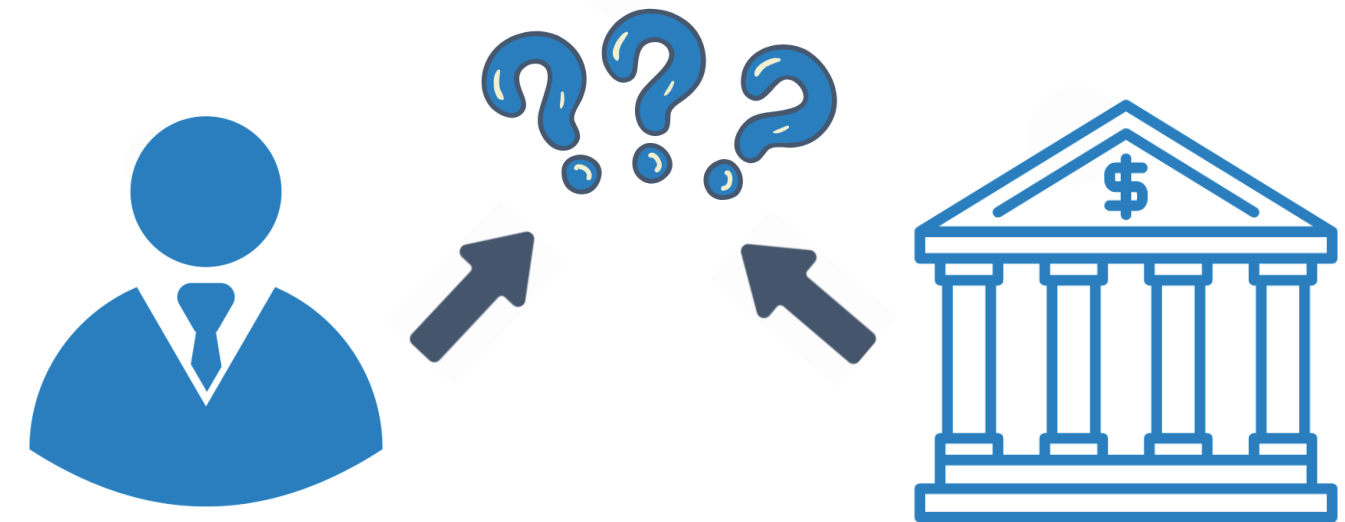
Red flags

Preventing Real Estate Fraud – red flags to watch out for!

Suspicious client behaviour



Refusal to meet in person or verify ID documents.



Use of proxies or intermediaries who seem disconnected from the transaction

Preventing Real Estate Fraud – red flags to watch out for!

Unusual requests to direct or transfer funds



Requests to direct funds to unrelated third parties.



Large sums being transferred outside Canada.

Preventing Real Estate Fraud – red flags to watch out for!

Urgency and unusual timing



Rush transactions, especially near the end of the month.

Preventing Real Estate Fraud – red flags to watch out for!

Suspicious mortgage transactions



Equity withdrawals



Transactions involving multiple quick refinances within a short period

The Rise of Wire Fraud Schemes

An untraditional, yet sophisticated fraud scheme

How fraudsters target lawyers & law firms

The Rise of Wire Fraud Schemes

Pro Prevention Tips



Recognize and scrutinize e-mails



Verify document authenticity



Independent verification



Maintain continuous vigilance

Real case studies

Claims

Sold under a stolen identity



Home invasion – identify theft edition



Accreditation information

British Columbia

- Qualifies for **1 hour** of CPD credit with the **Law Society of B.C.**
- Qualifies for **1 CE credit** with the **Society of Notaries Public of B.C.**

Ontario

- This program contains **1 hour** of **Professionalism Content**.

Rest of Canada

- Please check with your local governing body to determine qualification for credit.

The session recording and a copy of this presentation will be emailed in the next few days.

Thank you!

www.fct.ca/webinars

