



Office of Housing Counseling

Real Estate Wire Fraud

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

September 22, 2022

Questions?

- Participants are in listen only mode
- Chat
 - Submit any technical issues via the Chat box
 - Send the message to the Host
- Q&A
 - Submit any content related questions via the Q&A box
 - Send to Host, Presenter and Panelists

The screenshot displays two overlapping windows from a 'Question and Answer' application. The background window is a chat interface titled 'Chat' with a dropdown arrow on the left. At the bottom, a 'To:' dropdown menu is set to 'ICF Host' and is highlighted with a red box. To its right, the text '(Direct Message)' is shown in red. Below these is a text input field labeled 'Type message here...'. The foreground window is titled 'Question and Answer' and contains a 'Welcome to Q&A' message: 'Questions you ask will show up here. Only host and panelists will be able to see all questions.' Below the welcome message is a large text input field labeled 'Type your question here...' which is also highlighted with a red box. At the bottom of this window, there is a checkbox labeled 'Send anonymously', a 'Cancel' button, and a 'Send' button.

Materials

- The PowerPoint has been posted for this session. We will provide the link in the Chat box.
- Webinar materials are posted on the HUD Exchange in the [Webinar Archive](#) 7-14 days after the live webinar
 - Find by date or by topic

Housing Counseling Webinar Archives

Page Description

This page contains links to the archived versions of previously recorded webinars presented by the Office of Housing Counseling. In order to listen to the archived webinar, you will need call the 800 # listed and enter the access code. Any course materials, including the PowerPoint Presentations are also posted. You should have the presentations available when you listen to the webinar. If you have any questions regarding the webinars archived on this site, please contact [Virginia Holman](#).

Training Archive – Audio Replay and Transcript:

- Audio replay numbers are only available for 12 months after the date of the webinar
- Transcripts are available for webinars from February 2016 going forward

Get Credit for Training Sessions

If you have attended or completed any of the training sessions below, select the "Get Credit" button on the training page in order to get credit and add the course to your transcript. You must have a HUD Exchange account in order to get credit for training sessions.

Need a HUD Exchange Account?

[Register Now ▶](#)

Want to view webinars by topic?

The Office of Housing Counseling has a new page where webinars are organized by topic instead of date.

[Filter by Topic](#)

Click on the title to view webinar materials, and get credit for viewing the webinar.

Webinar Title and Link	Description	Date
Fringe Benefit Costs	This webinar discussed the Office of Management and Budget's (OMB's) cost principles related to fringe benefits and how to properly document and calculate fringe benefits.	February 15, 2022
Training NOFO Grant Execution	This webinar was recommended for all grantees awarded funding under the 2021 Housing Counseling Training NOFO (TNOFO).	February 8, 2022

Webinar Certificate

- Webinar attendance will be marked following the live webinar.
- Once attendance is marked you can print a Webinar Certificate by logging into your account and going to your [Learning Transcript](#).
- Select the Course Name and click “Print Certificate”. *Not all HUD Exchange training offer Webinar Certificates.*

Housing Counseling Webinar: 9902 Form and Toolkit - Revision Highlights, Tips, and Tools

Close Record

Print Certificate

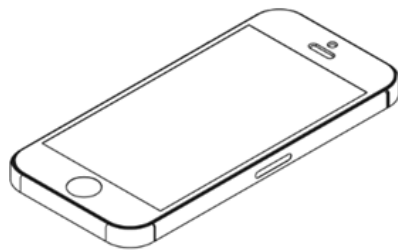
Progress: Completed Status: Enrolled Required: Yes Duration: 1 hour

— Activities

Class Sessions

Feedback and Polling

- There will be questions provided in Mentimeter throughout this presentation.
- When prompted by the icon to the right, please respond to questions at www.menti.com using your computer or smart phone.



1

Grab your phone

www.menti.com

2

Go to www.menti.com



3

Enter the code and vote!

**Time for
Mentimeter!**



Presenters

- **Johanna Barrero**, Technical Assistance Provider, ICF
- **Chris Morton**, Senior Vice President of Public Affairs and Chief Advocacy Officer, American Land Title Association (ALTA)

Agenda

- HUD Welcome
- Understanding and avoiding wire fraud
- Educating housing counseling clients
- Q&A



Jerrold H. Mayer

Director

Office of Outreach and Capacity Building

HUD Office of Housing Counseling



What is Wire Fraud?

Protect Your Money When Buying a House

Chris Morton

Senior Vice President of Public Affairs
and Chief Advocacy Officer, ALTA

Protect Your Money from Wire Fraud Schemes When Buying a Home



American Land
Title Association

Protect your property rights

homeclosing101.org

Wire Fraud is not a matter of if, **but when**



6,000
businesses are
targeted each month

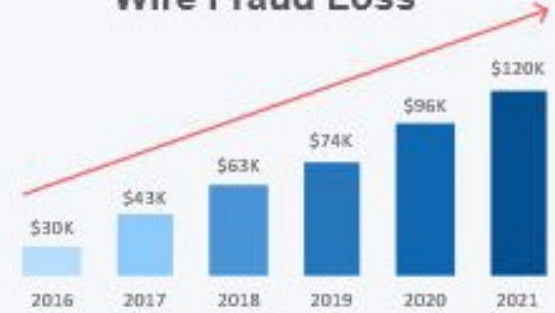
US Secret Service



A cyber crime is
reported every
37 Seconds

2021 IC3 Reports

+300%
Average
Wire Fraud Loss



FBI 2014 - 2021 IC3 Reports



A ransomware attack
is estimated to occur every

11 Seconds

Cybercrime Magazinet



1 in 3

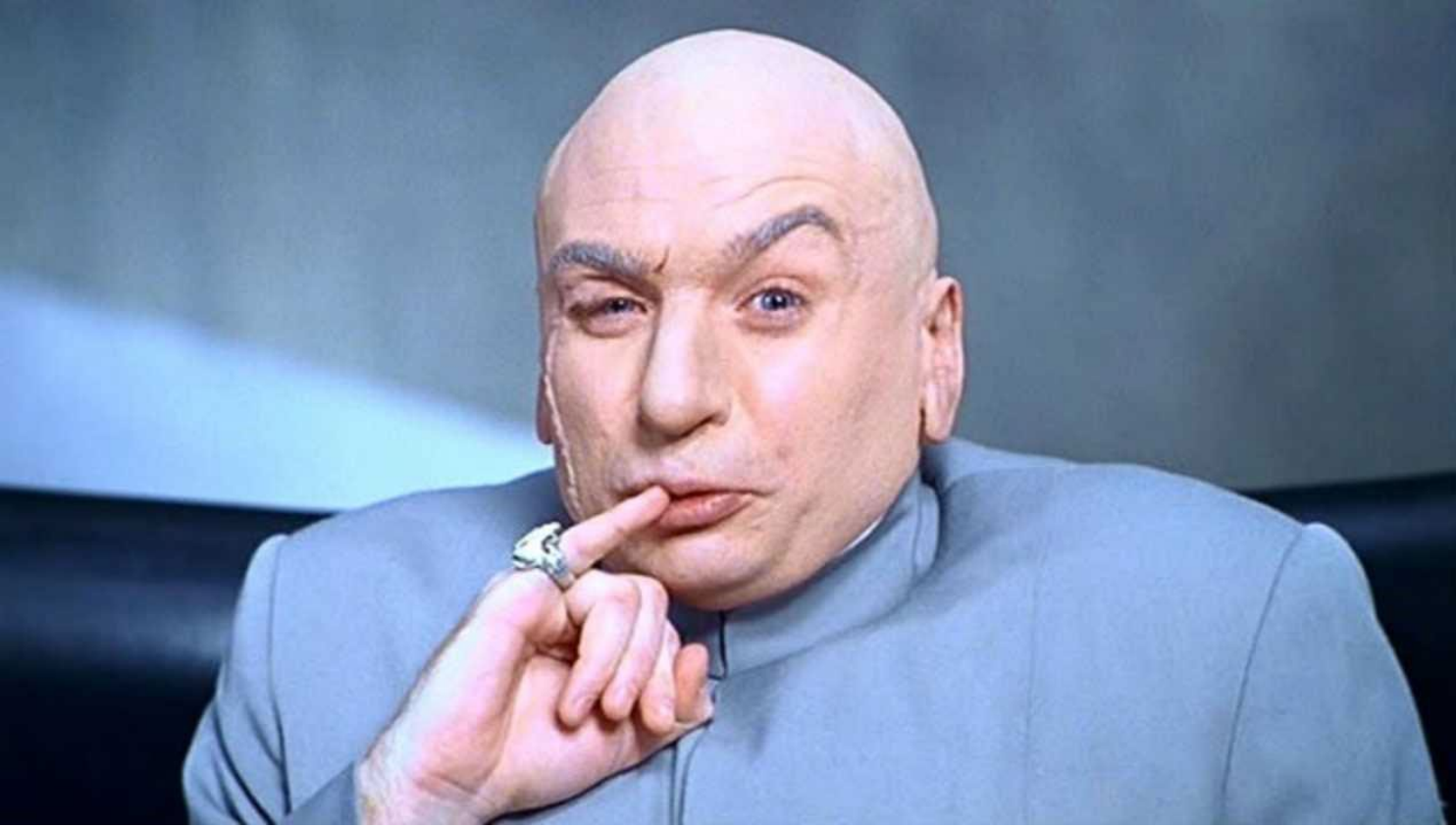
Transactions are targeted

ALTA 2021 Wire Fraud Survey



American Land
Title Association

Protect your property rights



Why Should You Care?

- **\$6.9B in Total Losses from Internet Crime**
- **Email Compromise Made Up \$2.4 Billion in Losses**
- **Real Estate/Rental Losses Were \$350 Million**

Greed

Phishing emails often dangle a financial reward of some kind if you click a link or enter your login information. If an email offers you something that seems too good to be true, it probably is.



Urgency

If an email provides a strict deadline for performing an action -- be suspicious. Phishing emails will try to fluster recipients by creating a sense of urgency.



Curiosity

People are naturally curious, and phishers take advantage of this by sending emails that promise to show us something exciting or forbidden.



Fear

Scaring recipients is a common tactic in phishing emails. Emails that threaten you with negative consequences or punishment should be treated with suspicion.



American Land
Title Association

Protect your property rights

homeclosing101.org

Example of Fraudulent Email

Thu, Jun 24, 2021 at 11:37 AM

Hey Jane Smith,

Your closing disclosure has been finalized and we're clear to close, you need to have the cash to close wire to our trust account to avoid a closing delay. Let me know if you can take care of it so I can forward you the necessary instructions.

Let me know if there are any questions or concerns.

Joe Attorney

Example of Fraudulent Email, Cont'd

Thu, Jun 24, 2021 at 3:04 PM

Hi Joe Attorney,

We are ready to wire the closing cost. Could you send the instructions and amount we need to wire?

Thank you!

Jane Smith

Thu, Jun 24, 2021 at 3:46 PM

Subject: Re: Loan# XXXXXXXXXXXXXXXXXXXXXXXX

See attached wiring instructions, your cash to close final amount is \$57,102.02 . Any excess funds will be refunded to you in the form of a cashier's check at closing. You can proceed with the wire transfer. Also when will the wire be sent so I can watch for it?

Let me know if there are any questions or concerns.

Joe Attorney

Wire Fraud in Real Life



Young Couple in California Loses \$775K in Homebuying Cyber Scam



Chicago Woman Loses \$33,000 for Down Payment Due to Wire Fraud



Texas Man Defrauded Out of \$40,000 While Trying to Close on Home

5 Things Consumers Can Do



1. Call,
don't
email

2. Be
suspicious

3. Confirm
it all by
phone

4. Verify
at once

5. Forward,
don't
reply



TOP TWO MISTAKES

1. Use of unsecured email
2. No phone calls were ever made to verify or confirm email requests



**Report all
Phishing Emails
and Wire Fraud
Attempts to the
FBI at [IC3.GOV](https://www.ic3.gov)**



American Land
Title Association

Protect your property rights

homeclosing101.org



Educating Your Clients

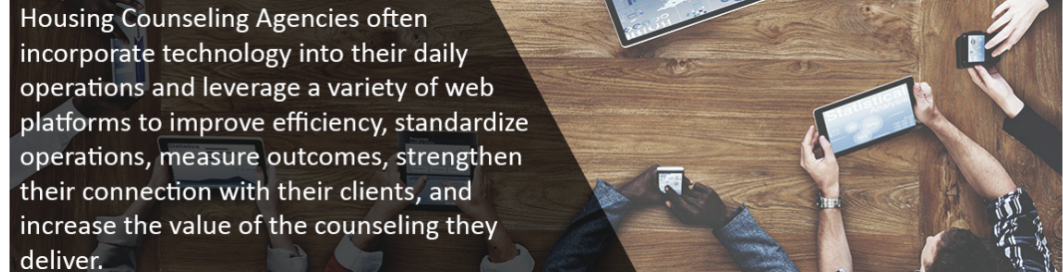
Wire Transfer Safety Best Practices

- Best Practices
 - Collect contact information for key real estate or settlement agents early on (phone numbers)
 - Confirm the process and payment instructions with trusted individuals
 - Verify any changes in contact information before moving forward with a money transfer
 - Verify any last-minute changes in payment instructions before responding
 - Avoid using phone numbers or links in an email
 - Call, don't email
 - Use secret passcodes or phrases with key real estate or settlement agents
 - Use secure information sharing systems

Wire Safety Best Practices

- Technology tips and guidance available on [HUD Exchange](#)
 - E-signatures
 - Handling personally identifying information (PII)

Housing Counseling Technology



Housing Counseling Agencies often incorporate technology into their daily operations and leverage a variety of web platforms to improve efficiency, standardize operations, measure outcomes, strengthen their connection with their clients, and increase the value of the counseling they deliver.

Disclaimer: HUD does not endorse any of the companies or systems mentioned on this page. Counselors should take on the responsibility of researching web platforms, CMSs, and advertising tools before deciding to use them at their agency. HUD also strongly encourages counselors to evaluate web security risks, proper data storage, and safeguarding Personally Identifiable Information (PII) when handling client data.

The products and services included on this page are offered at a nominal cost and are currently in use by housing counseling agencies, but should still be evaluated first for overall ease of use and effectiveness. If your agency is using a product or web platform that you feel should be included here, please contact housing.counseling@hud.gov with your suggestions.

Find by Topic

[Housing Counseling Services](#)

[Client Management Systems](#)

[Electronic Signatures](#)

[Outreach](#)

Electronic Signatures

In an increasingly virtual world, [electronic](#) and [digital](#) signatures are a valuable alternative to paper disclosures and certificates.

Electronic/digital signatures are a legal alternative to written signatures. The [Electronic Signatures in Global and National Commerce Act \(E-SIGN\) of 2000](#) established the legal framework for electronic and digital signatures. Please review your state and local requirements regarding electronic signatures and be mindful of other requirements if another HUD program is involved.

Note: It is the agency's responsibility to determine that its usage of electronic signatures complies with state and local requirements and is secure for clients. Your agency's electronic signatures and data transfer services do not protect end users from collection, transmission, or warehousing breaches and must be advised accordingly. Integration will also require access and document replication for authorized parties. Clients may not be required to use e-sign applications to access service.

Some benefits to utilizing electronic signatures may include:

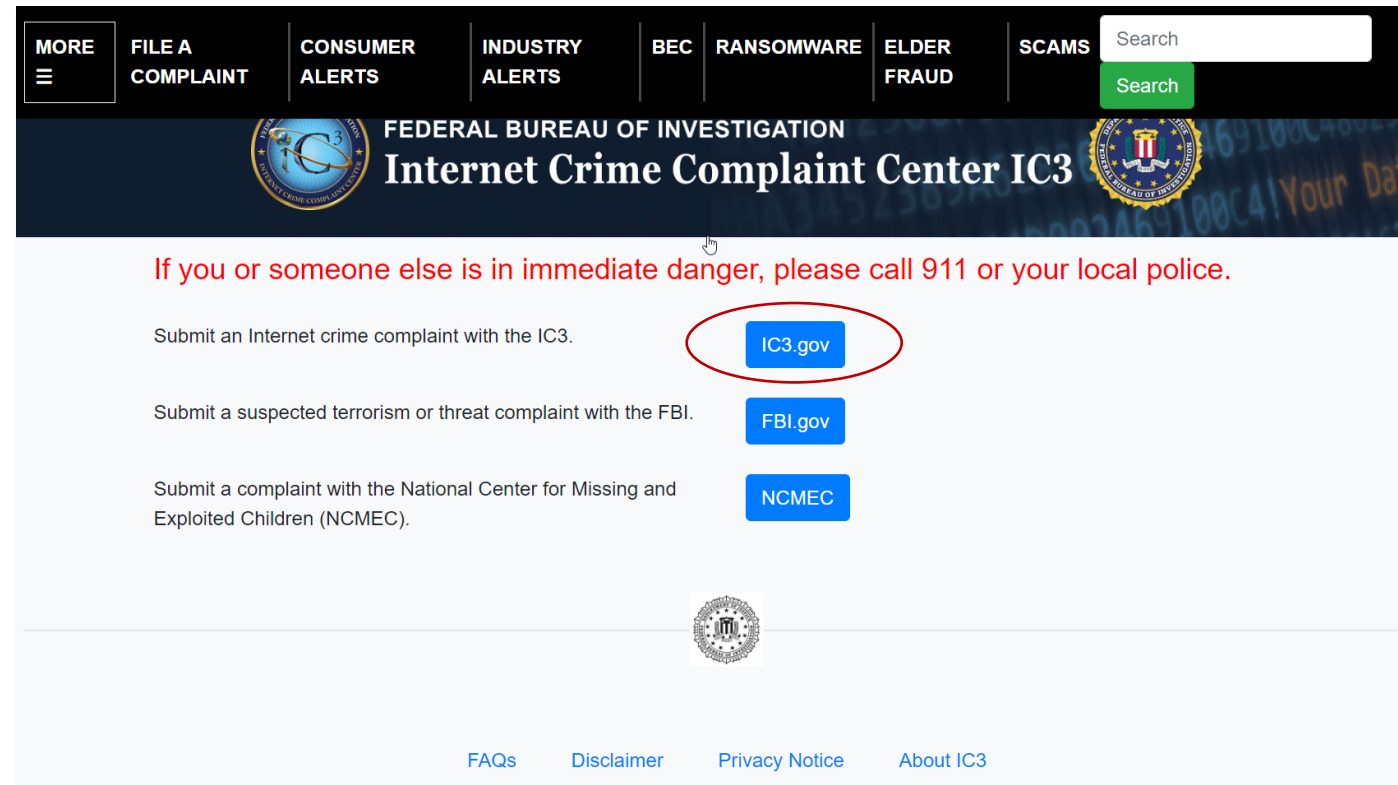
- **Increased efficiency (savings in time and cost):** Obtaining paper signatures involves time associated with signing, shipping, faxing, scanning, and filing. This process not only demands time from agency staff, but also from clients and can slow down the processes for obtaining signatures on important documents.
- **Remote access and client convenience:** Clients are increasingly used to online communications, and electronic signatures save clients the time of finding a copier, scanner, or going to the post office.

Contact your Client Management System (CMS) vendor or other software vendors to understand your electronic signature options. Many platforms offer free or low-cost subscriptions, including the following:

- [Adobe Sign](#)
- [DocuSign](#)
- [HelloSign](#)

What can you do if it happens to you

- Contact your bank or wire-transfer company immediately
- File a complaint with the FBI's Internet Crime Complaint Center IC3
 - Provide as accurate and complete information as possible
- Save any evidence related to your complaint



Pre-Purchase Education and Counseling

- Talk to clients about wire fraud
 - Explain the closing process
 - Discuss potential risks of wire fraud
 - Share wire transfer best practices
- Assist clients who have been victims of wire fraud
 - Direct them to their financial institution to report the error as soon as possible
 - Explain how to file a complaint with the FBI's IC3
- Form partnerships and provide referrals
 - Connect with local, state or national experts
 - Share resources



Resources

ALTA RESOURCES



Protect Your Money from Wire Fraud Schemes When Buying a Home

- [Video](#)
- [Infographic](#)

PROTECT YOUR MONEY WHEN BUYING A HOME FROM WIRE FRAUD SCHEMES

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 it look like the email 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 info by email.



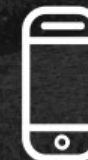
PROTECT YOUR MONEY

- **Confirm everything:** Ask your bank to confirm the name on the account before sending a wire.
- **Verify immediately:** Within four to eight hours, call the title company or real estate agent to confirm they received your money.



WHAT TO DO IF YOU'VE BEEN TARGETED

- **Immediately** call your bank and ask them to issue a recall notice for your wire
- **Report** the crime to www.IC3.gov
- **Call** your regional FBI office and police
- **Detecting** that you sent money to the wrong account within 24 hours is the best chance of recovering your money.



Resources

- ALTA
 - [Home Closing 101](#)
 - [Protect Your Money from Wire Fraud Schemes When Buying a Home – YouTube](#)
 - [Wire Fraud Infographic](#)
 - [Information Security](#)
- CFPB
 - [Mortgage Closing Scams: How to protect yourself and your closing funds](#)
 - [Buying a house: Tools and resources for homebuyers](#)
 - [What are some common types of scams?](#)
 - [Fraud and Scams Key Terms](#)
 - [How to get help if you are the victim of a scam](#)
 - [Classic warning signs of possible fraud and scams](#)
- [FBI Internet Crime Complaint Center \(IC3\)](#)
- [HUD Office of Inspector General \(OIG\) Fraud Hotline](#)

**Time for
Mentimeter!**






Questions and Answers



Housing Counseling Training Digest

- [Visit the Training Digest on the HUD Exchange](#)
- View upcoming training hosted by HUD and other partners



Housing Counseling Weekly Training Digest

View and register for upcoming Housing Counseling trainings hosted by HUD and HUD's partners.
Content current as of April 18, 2022

[Home](#) > [Programs](#) > [Housing Counseling](#) > [Training Digest](#)

Overview

The Housing Counseling Training Digest is updated weekly to reflect training sessions hosted by:


- HUD Office of Housing Counseling (OHC)
- OHC funded training partners
- Other partners that host training sessions of interest to housing counselors

Please email housing.counseling@hud.gov to notify HUD about upcoming training and events for housing counselors.

Subscribe


Receive training updates in your inbox by subscribing to the Housing Counseling Mailing List.

[Subscribe to the Mailing List](#)




Upcoming Training Calendar

View upcoming training sessions for Housing Counseling and other HUD funded programs.



Webinar Archive

View past webinars hosted by the Office of Housing Counseling and access related materials.



Online Training

Access self-paced online training modules, such as Introduction to Housing Counseling.

Office of Housing Counseling



- Find us on the [HUD Exchange Housing Counseling Page](#)
- Email us at: Housing.counseling@hud.gov
- Search for [HUD Approved Housing Counseling Agencies](#)



Office of Housing Counseling

Thank You For Attending

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