



West Virginia Offices of the Insurance Commissioner

Consumer Alert

Wire Fraud and Title Insurance

Wire fraud is one of the fastest growing cybercrimes in the country. According to the Federal Trade Commission, consumers reported losing \$1.48 billion to fraud in 2018; that's an increase of 38% over 2017. Wire fraud is any event where an individual is tricked into sending money via wire transfer to a fraudster. Wire fraud includes imposter scams, debt collection schemes and identity theft.

Real estate transactions can also be a target for wire transfer fraud. These transactions often include multiple parties, buyer, seller, real estate agents, mortgage lenders, and title, closing and settlement agents. Fraudsters can use online real estate shopping tools to seek out transactions getting ready to close, hack into an unsecure email account for one of the individuals involved in the transaction and use that information to send wire transfer details to unsuspecting buyers. When obtaining [title insurance](#), be sure you are aware of your transactions. Consumers and professionals in the industry need to be privy to these types of schemes so they don't fall victim.

The NAIC offers these tips to help keep you protected.

- At the beginning of your transaction make sure to obtain contact name, e-mail and phone numbers for your real estate agent, lender, title insurer and closing and settlement agent, if separate. Only use these numbers and email addresses when communicating with the individuals during the transaction.
- Make sure you use two-factor authentication on your own email account and encourage other individuals included in the transaction to do so as well.
- Wire instructions will come from your title/closing agent before your transaction is set to close. As a buyer, be sure to verify the wire instructions with the title/closing agent by calling them directly or discussing it in person. Email accounts can be compromised so be sure to verify the information you receive through direct communication.

- Be aware of any email or correspondence that asks you to respond IMMEDIATELY or RUSH. Title companies will not ask for a wire transfer in that way. Be VERY suspicious of any communication saying that wire transfer details have been updated.
- Always confirm receipt of the wire transfer a few hours after the wire was transmitted to ensure it successfully went through to the right parties.
- To determine if your title insurer is licensed and in good standing, check with your [West Virginia Offices of the Insurance Commissioner](#).

Becoming a victim to fraud can be a financially devastating blow to consumers and agents. Be vigilant when it comes to wire transfers; verify and reverify the information from trusted sources.

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More Information

For more information about any type of insurance, or are concerns about a call you have received, please call the West Virginia Offices of the Insurance Commissioner Consumer Services Division at 1-888-879-9842, or visit our webpage at www.wvinsurance.gov .