



State of Wire Fraud in the Title Industry

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Today's
ALTA Insights
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Today's speakers:



Matt O'Neill
Founder & Partner of
5OH Consulting



Stephen Dougherty
Financial Fraud
Investigator at U.S.
Secret Service



Tom Cronkright
CEO of Sun Title &
Executive Chairman of
CertifID

Cybercrime is on the rise.

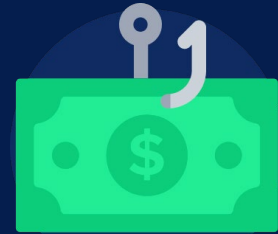
28
seconds

In 2023, a cyber crime was reported once every 28 seconds.



\$ 12.5B
losses

Total cyber crime losses in 2023 reached \$12.5B.



Reported losses into the FBI reached another all-time high in 2023.



BEC has become #2 in cyber crime loss type.



\$4.6B

Investment



\$2.9B

BEC



\$0.9B

Tech Support

Business Email Compromise (BEC) at \$2.9B represented 23% of all reported cyber crime losses.



Real estate is still a top vertical for cybercrime.

BEC Losses



17% of all losses in real estate

BEC Victims



10% of all victims in real estate



Everyone in the real estate transaction is targeted.



Buyers

\$72k median loss

28% of recoveries

- Phishing attacks
- Spoofed emails
- Social engineering
- Realtor impersonation
- Title agent impersonation



Sellers

\$70k median loss

18% of recoveries

- Open source records
- Identity theft
- Social engineering
- Seller impersonation



Title & Law Firms

\$257k median loss

54% of recoveries

- Compromised systems
- Lender impersonation
- Lender callbacks
- Fraudulent payoff instructions



A lot's at stake for businesses and consumers.



28%

of title agents had a customer fall victim to wire fraud in 2022.



17%

of title agents transferred money to an incorrect account due to fraud in 2022.

And, this happened more than once for 49% of above companies.

Multiple instances of incorrect transfers due to fraud were more common for larger agents (56% for companies with over 250 closing per month).



Consumers are the most vulnerable.



Nearly **1 in 4** receive suspicious communications.



More than **1 in 10** become targets of fraud.



More than **1 in 20** become victims.



What resources can we lean on for help?



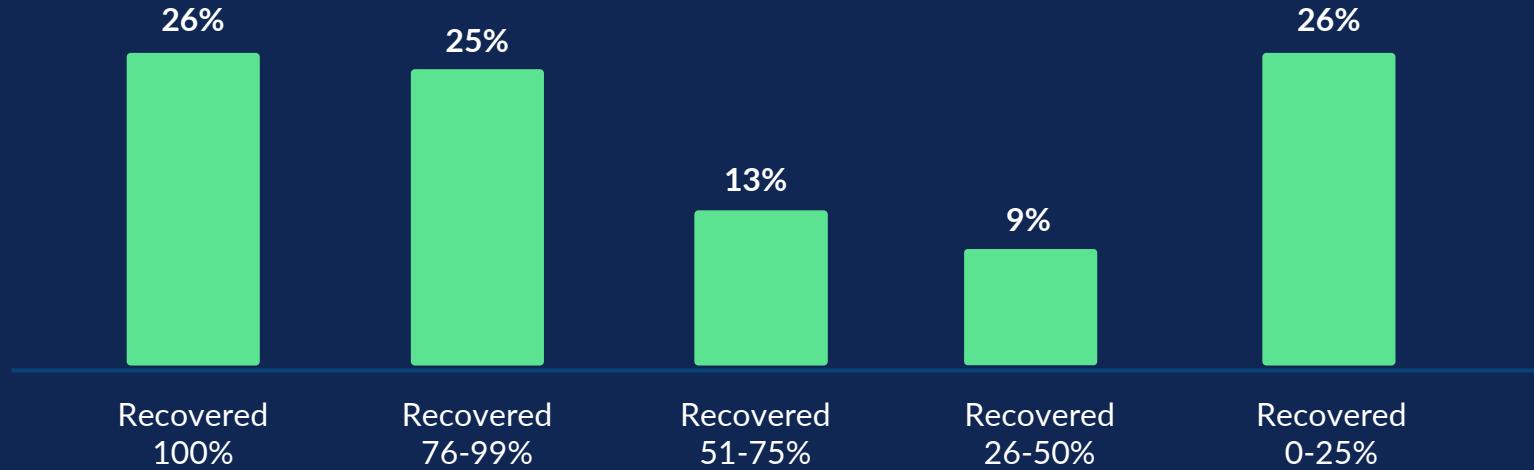
- How government agencies work together
- Cybercrime investigation at USSS
- Founding and mission of GIOC
(Global Investigative Operations Center)
- Why is information sharing and inter-group collaboration important?



Matt O'Neill

Founder & Partner of
5OH Consulting

Funds recovery is not always possible.



26% of companies were able to recover all diverted funds in 2022, compared to 17% in 2021.



What resources can we lean on for help?



- Real estate sector activity
- Latest trends and threat vectors
- Recent case examples



Stephen Dougherty
Financial Fraud
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For the full reports:



www.certifid.com/sowf



<https://www.alta.org/business-operations/research-initiatives-and-resources/critical-issue-studies/cybercrime-study>