

# Have You Heard of Lender Fraud? Email Solution Helps Title Company Prevent Theft



Email Age: 2 hours 42 minutes

Pre-empt cybercrime.  
After the hook is in, before the steal.

Risk Details: All Activities

Time (UTC)	Activity	Location	Country	Network Addr.	Network	Risk
02/23/2024 21:47:35	Open	Moscow, MOV	Russian Federation	176-100-243-133	Smart Techno	Red
02/23/2024 21:20:10	Open	Buenos Aires, C	Argentina	146-70-38-103	M247 europe	Yellow
02/23/2024 21:16:19	Open	San Jose, CA	USA	65-154-226-167	Pan0001	Green
02/23/2024 21:14:30	Open	Singapore	Singapore	195-19-249-220	lomart Cloud	Yellow
02/23/2024 21:12:50	Open (N)	Ashburn, VA	USA	184-73-135-57	Amazon-Aes	Yellow
02/23/2024 21:12:20	Open	Shelton, WA	USA	216-235-102-58	Hood-Canal	Green
02/23/2024 20:49:20	Open	Shelton, WA	USA	216-235-102-58	Hood-Canal	Green
02/23/2024 20:29:44	Open	Shelton, WA	USA	216-235-102-58	Hood-Canal	Green
02/23/2024 20:14:26	Open (N)	Mountain View, CA	USA	35-243-23-173	Google	Yellow
02/23/2024 20:14:26	Open (N)	Ashburn, VA	USA	3-88-137-65	Amazon-Aes	Yellow
02/23/2024 20:14:26	Open (N)	Hilliard, OH	USA	18-224-70-228	Amazon-02	Yellow
02/23/2024 20:14:26	Open (N)	Hilliard, OH	USA	18-216-243-252	Amazon-02	Yellow
02/23/2024 20:14:26	Open (N)	Mountain View, CA	USA	35-243-23-168	Google	Yellow
02/23/2024 20:04:43	Open	Shelton, WA	USA	216-235-102-58	Hood-Canal	Green
02/23/2024 19:15:32	Open	Shelton, WA	USA	216-235-102-58	Hood-Canal	Green

Paul Hofmann WTP attends ALTA’s Large Agents Conference because he gets to hear from similar-size companies and issues they are facing. During the January event, Hofmann learned about a service that tracks outbound email and monitors for anomalies after its delivered.

Intrigued by the technology, Hofmann, owner of Washington-based Aegis Land Title Group, signed up with RPost. A day after implementing the solution, the title company detected two of their emails were opened in Russia.

"Seeing the emails were opened in Russia was an immediate red flag," Hofmann said. "Then we had to start investigating and making phone calls."

That's when things really started to get interesting.

The title company's emails were delivered to a U.S. server and then auto forwarded and opened on mobile devices in Russia. This activity triggered high-risk alerts back to Aegis' security team. A quick investigation revealed the title company was involved in a transaction with a fraudulent lender.

Aegis was working with a borrower refinancing two commercial properties. The consumer found the lender online. It turns out the lender was a fake. Despite having the appearance of a legitimate website and allegedly operating in 49 states, Aegis uncovered inconsistencies. The lender's address in South Florida was an image of a duplex apartment in the Google street view. Additionally, the main phone number was disconnected.

"I've been in the title for 30 years and haven't experienced this type of fraud," Hofmann said. "The technology is pretty simple and puts a beacon in the email. The geofencing and categorizing of emails based on the country where the emails are opened and then ranked by risk made the whole package worthwhile."

Mike Rooney, vice president of enterprise sales at RPost, said the technology pings their servers every time there's activity with an email, after it's been delivered. The solution identifies the location, network, and several other proprietary risk indicators. RPost then uses analytical AI to make risk-based decisions for customers.

"In real time, the technology can detect these anomalies and trigger high-risk alerts to customer security teams. These alerts serve as an early warning signal and prompt proactive fraud investigations, before it's too late," Rooney said.

RPost's solution also checks a nefarious network list, which is an evolving list of networks which have been associated with fraud in the real estate industry. Title companies that work with RPost participate in this list by providing information about suspicious networks.

"The solution was built for email eavesdropping and is now detecting different types of fraud impersonations, such as this case of lender fraud which had nothing to do with eavesdropping," Rooney said.

Hofmann said his company has already caught two other fraudulent transactions, which resulted in 30 phone calls.

"The phone calls we've made after getting the 'red' alerts have been great on the sales and marketing side because our customers really feel like we are actively looking out for them," he said.

Hofmann added he's seeing this type of fraud spread.

3/7/24, 3:28 PM

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"We're also seeing construction disbursement fraud with criminals sending fake invoices to title companies," he said. "Having this technology in place is key because these things are evolving fast. Title agents should also look at their passwords and auto-forward settings, and implement multi-factor authentication."



Posted by ALTA Blog at 09:00:24 AM in **Cybersecurity, General, Mortgages, Technology**