

ALTA Press Release



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For Immediate Release

ALTA Urges CFPB to Warn Consumers About Wire Fraud Schemes When Purchasing a Home

Washington, D.C., April 4, 2017 — The [American Land Title Association](#) (ALTA), the national trade association of the land title insurance industry, in a letter urged the Consumer Financial Protection Bureau (CFPB) to issue an alert warning consumers about wire fraud schemes attempting to steal funds for real estate closings.

“Despite efforts by the title industry and others to educate consumers about the risk, homebuyers continue to be targeted,” said Michelle Korsmo, ALTA’s chief executive officer. “With the spring homebuying season underway, it’s vital to continue raising awareness about these schemes. The CFPB should take this opportunity to protect consumers from criminals looking to steal their money.”

The alert should provide tips on how consumers can protect themselves and questions to ask to help determine if real estate professionals have procedures in place to protect their money. ALTA has educated its members over the past few years about these wire fraud schemes, but the best defense is to inform consumers about the danger.

“Unfortunately, these criminals frequently target homebuyers prior to the title company getting involved in the transaction,” Korsmo said. “In many instances, they obtain access to unsecure email accounts used by consumers or real estate professionals. They use this access to find transaction patterns and details to make their fraudulent communications seem legitimate. The criminals will instruct the buyers to send the funds to a different account and the money vanishes in minutes.”

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About ALTA

The [American Land Title Association](#), founded in 1907, is the national trade association representing more than 6,200 title insurance companies, title and settlement agents, independent abstracters, title searchers, and real estate attorneys. With offices throughout the United States, ALTA members conduct title searches, examinations, closings, and issue title insurance that helps protect the property rights of millions of American homebuyers every year.