



TEAMWORK

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An assistant escrow officer at a Las Vegas title/escrow operation opened seven loan transactions, secured by seven rental properties owned by a husband and wife. Shortly after opening the orders, the assistant learned the transaction would actually consist of one loan in the amount of \$1.6 million secured by seven properties. She phoned her administrator for advice on how to close a loan secured by seven properties.

The administrator, Rachael Mist, thought the transaction sounded strangely familiar. She had read of a similar transaction in a previous edition of Fraud Insights and recognized the tell-tale signs—private money loan, secured by multiple properties, all non-owner occupied properties. She called the title officer, Casey Spinz, to alert him of her suspicion that the borrowers might be imposters.

Casey searched for information to verify the borrowers were in fact the true property owners, while Rachael looked for previously filed documents containing the owners' signatures. In the meantime, the escrow branch received the loan package and scheduled a signing appointment for the borrowers. A manager was on-site at the escrow office to supervise the signing.



Insight

TEAMWORK (CONT.)

Luckily, Rachael found previously signed documents to match the borrowers' signature against that of the true owners. They did not match. Rachael found the telephone number for the true owners and called them. During the conversation, she confirmed her suspicions that the owners of the seven properties were not going through a loan process and were not currently in the Las Vegas area.

Together, Casey and Rachael alerted the manager stationed at the escrow branch. The borrowers were still in the office signing. The escrow office completed the signing appointment and the borrowers left without issue.



The escrow officer was made aware the people who just signed the loan documents were imposters! When learning this, the escrow officer said she felt eerie about the whole transaction. She called the lender to let them know the loan documents were signed by imposters and would be retained later for questioning by local law enforcement.

The lender thanked the title company for preventing them from making a loan to imposters posing as the owners of the seven properties.

MORAL OF THE STORY

The loan policies of title insurance issued by the Company insure against forgery. Had the administrative team of the Las Vegas title operation overlooked the tell-tale signs, the loan likely would have closed.

The borrowers realistically had no intention of making the loan payments and when the lender attempted to foreclose on their loan, the true property owners would be able to halt the process by proving they had never signed the loan documents. The administrative team at the title company prevented a potential claim.

*The names of the individuals and businesses featured in this story have been modified from the original article by FNF:
<http://fraudinsights.fnf.com/vol13iss05/article3.htm>*