



REAL ESTATE TITLE FRAUD: RECOGNIZE IT. REPORT IT. STOP IT.

Attention Assignment Desk / Consumer Writers

RECENT VICTIM STEPS FORWARD TO ADVOCATE FOR CONSUMER AWARENESS OF REAL ESTATE TITLE FRAUD

ProtectYourTitle.com launched as consumer information resource

Toronto, June 5, 2006 – During Canada’s peak real estate season, First Canadian Title, Canada’s leading title insurer, is calling on homeowners to take a stand against real estate title fraud. Today the company announced it has enlisted the help of Susan Lawrence, a Toronto-area victim of real estate title fraud, and launched www.protectyourtitle.com to demonstrate to consumers that fraud can happen to anyone.

Lawrence, whose home was mortgaged for almost \$300,000 by fraudsters who forged her signature and walked away with the money, will be speaking publicly about her experience and the need for greater consumer vigilance.

ProtectYourTitle.com provides fraud prevention tips, case studies, Q&As with industry experts, and links to partners such as the RCMP, OPP, and PhoneBusters, an anti-fraud call centre operated by the Canada Competition Bureau.

“I had heard of real estate fraud but never thought I could be a victim,” said Lawrence. “Most people are aware that criminals use identity theft to commit credit card fraud. I never realized someone could use the same tactics to take my house. This has been devastating to me and this is why it’s important for me to tell my story.”

First Canadian Title estimates the average case of real estate fraud to be \$300,000, compared to estimates of \$1,200 by the RCMP for cases involving credit card fraud. Meanwhile, industry insiders estimate that real estate fraud costs Canadians between \$300 million and \$1.5 billion each year.

“In 2000, real estate title fraud claims accounted for only 6 per cent of total dollars paid in claims at First Canadian Title. By 2005, that number reached 33 per cent,” said Susan Leslie, First Canadian Title’s VP of Claims and Underwriting. “It’s vital for us – both as a business and as industry leader – to educate consumers about this issue so they can protect themselves.”

The initiative follows First Canadian Title’s involvement earlier this year in the Fraud Prevention Forum, a group of private and public sector firms, consumer and volunteer groups and law enforcement organizations whose mandate is to educate consumers and businesses on the effects of fraud across Canada.

Lawrence is currently involved in legal proceedings to reclaim her title to her home, which she has owned for 30 years. She said that until her title was stolen, she was not aware of all the steps she could have taken to protect herself. “It’s really important to me that people know what I went through so that they can prevent this from happening to them,” she said.

Lawrence's troubles are the latest in a string of real estate title fraud cases across Canada. The Law Society of British Columbia, after four years of investigations, recently approved \$32.5 million in payments to cover a multimillion-dollar real estate fraud case involving Vancouver lawyer Martin Wirick. The high-profile case involved transactions between 1998 and 2002 and affected hundreds of victims in the scheme. Other cases across the country include:

- A Calgary man was convicted and sentenced in a case involving the unlawful transfer of title and the mortgaging of a property for almost \$110,000. The fraud came to light when the rightful owner of the property attempted to pay property taxes and was told by the City of Calgary that he no longer owned the property.
- A Surrey, B.C. woman pleaded guilty to mortgage fraud last year after posing as the owner of a lot and taking out a \$170,000 mortgage on the property. The woman was ordered to repay the amount along with legal costs incurred by the owner, a Vancouver woman.
- A Mississauga, ON, man, who, when he tried to sell his parent's home last year, discovered that someone had fraudulently sold the home for \$400,000. The case was resolved after \$11,000 in legal fees, but the fraudster is still at large.
- A Brantford, ON, woman received a call from a mortgage collector saying she was three months behind on her mortgage payments for a home she didn't know she owned. Later that night she also discovered that two other properties had been mortgaged in her name, leaving her on the hook for more than \$400,000.

"The onus is on homeowners to prove the crime and it can be very costly – financially and emotionally – to clear your name," said Leslie. "For a one-time premium, title insurance is an effective and inexpensive way to ensure title to your property is protected. It covers legal expenses related to restoring title and is available to existing home owners even if they have owned their property for some time."

About First Canadian Title

First Canadian Title is Canada's leading provider of title insurance for residential and commercial real estate transactions and other related products and services. Established in 1991, First Canadian Title pioneered the concept of title insurance in Canada, and now issue hundreds of thousands of new policies each year. As a member of the First American Family of Companies, First Canadian Title's financial strength, stability and commitment to service excellence are second to none in the industry. Based in Oakville, Ontario, First Canadian Title employs more than 1,000 people from coast to coast. Customers include more than 15,000 lawyers and notaries nationwide, every major Canadian chartered bank and Credit Union, other lending institutions, real estate professionals, mortgage brokers, and builders. For more information about First Canadian Title, please visit www.protectyourtitle.com.

###

For more information please contact:

Alex Mangiola, Pilot PMR, 416-462-0199 ext. 21, alex@pilotpmr.com