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Wire Fraud in 2025: Insights, Trends, and Strategies

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An Evolving Cybercrime Landscape

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Cybercrime 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.

Select findings from the 2023 FBI Internet Crime Report

The U.S. continued to lead all countries in cybercrime in 2023

Total victims

522K
United States

288K
United Kingdom

28K
All others globally

Select findings from the 2023 FBI Internet Crime Report

Top cybercrime types by loss

$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.

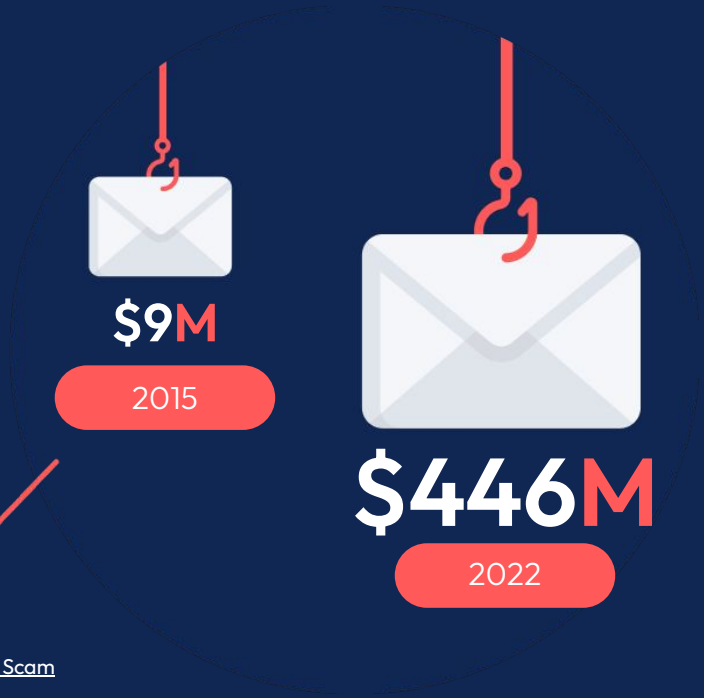
Select findings from the 2023 FBI Internet Crime Report

BEC in Real Estate has increased by 50x in less than a decade.

How BEC works:

1. Open source data
2. Social engineering
3. Account takeover
4. Attack email
5. Funds transfer

BEC in RE losses increased by 50x over this period.

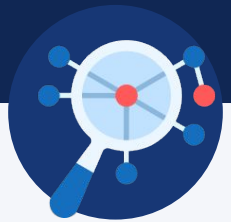


Select findings from the FBI PSA June 9, 2023: Business Email Compromise: The $50 Billion Scam

Why is wire fraud such a big problem in real estate?

Data on property listings is publicly available via MLS and county records.

Transactions involve large sums of money. The U.S. median existing home sale price is $387,600.



Typically up to 10 different parties are involved in and sharing information about the closing.

The Consumer and Legal Perspectives

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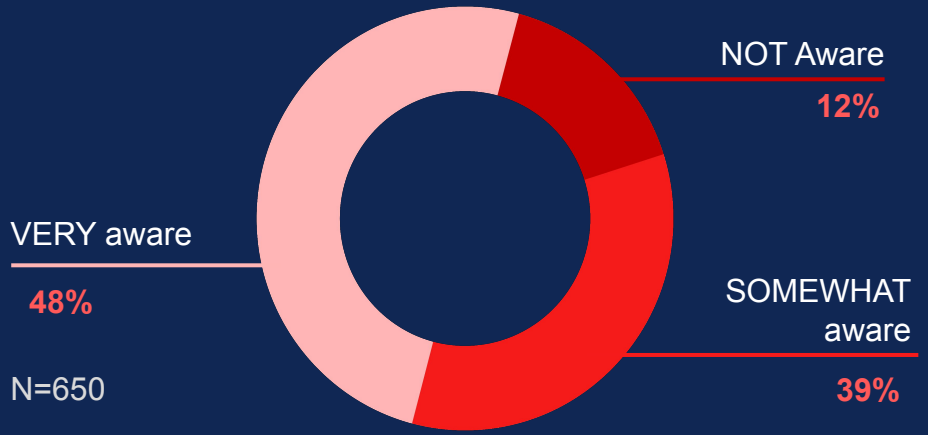
Consumers are inadequately aware of the risks.

Q: How aware were you of the risks of wire fraud before closing?

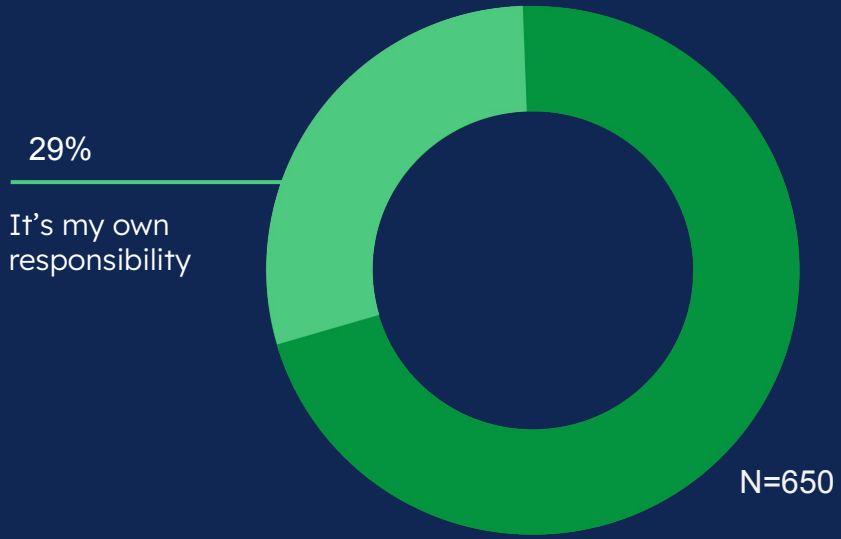


52% of all consumers are “not” or only “somewhat” aware of the risks of wire fraud.

CertifID 2025 State of Wire Fraud report, from an online survey of 1,500 individuals in the U.S. who had recently bought or sold a property.

They expect real estate professionals to protect them.

Q: Who do you think should have educated you about wire fraud?



71% or 2 in 3 consumers, believe it's someone else's responsibility to educate them on wire fraud.

Consumers are highly vulnerable.

1 in 4 are targeted with fraudulent communications.

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

3x Greater rate of becoming a victim among first-time homeowners, compared to more experienced buyers/sellers.

2025 State of Wire Fraud

www.certifid.com/sowf

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Key Threats | How to Prevent

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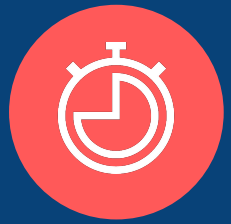
Multiple parties in the real estate transaction are targeted.



Buyer cash-to-close theft

Median value: $68,413

Phishing attacks
Spoofed emails
Social engineering
Realtor impersonation
Title agent impersonation

Seller net proceeds theft

Median value: $172,080

Open source records
Identity theft
Social engineering
Seller impersonation
Owner impersonation

Mortgage payoff fraud

Median value: $275,927

Compromised systems
Lender impersonation
Lender callbacks
Payoff fraud
Cash-out refinances

Buyer Funds Theft:

+40%

in buyer cash to close (CTC) incidents reported to CertifID in 2024, compared to last year.

All buyer CTC fraud type incidents reported into CertifID FRS (Fraud Recovery Services) from 1/1/23 to 12/31/24.

BUYER CASH TO CLOSE

$2.7M Wire Fraud Attempt

Couple in Florida were buying a retirement home.

They wired funds to a fraudulent account using instructions from a spoofed email.

The title company jumped into action immediately to contact CertifID who engaged federal law enforcement.

Protecting Buyer CTC Funds

Client communication

Secure bank details

Fraud recovery

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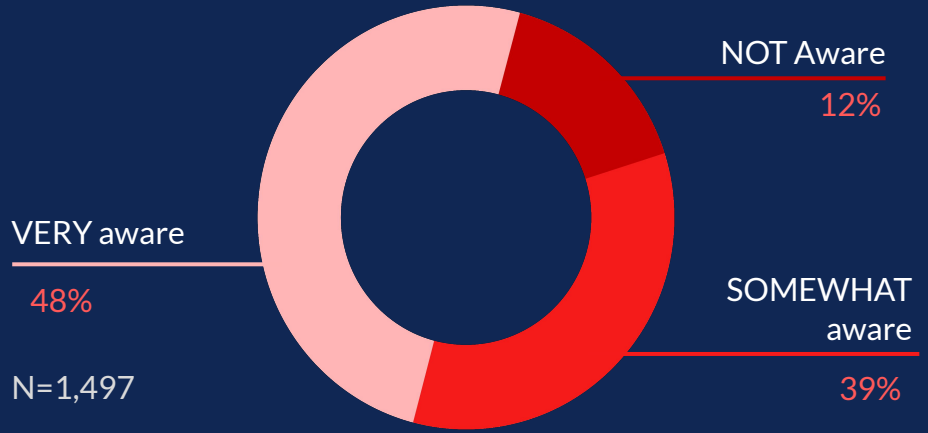
Client communication

Q: How aware were you of the risks of wire fraud before closing?



Make this part of your regular **employee** training & sharing.

Leverage **consumer** resources such as this infographic.

52% of all consumers are "not" or only "somewhat" aware of the risks of wire fraud.

Share wire instructions securely

- Safeguard your buyers' cash-to-close
- Store and share wiring information safely
- Make sure you're covered with direct insurance
- Coming soon: digital payments

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Fraud recovery services

- Be prepared and ready to act if your client should need it.
- Your buyers and sellers don't even know these scams are "a thing."
- CertifID FRS has helped recover $80M+ in stolen funds working with the U.S. Secret Service.
- Get help at: reportafraud.org

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Seller Impersonation:

28%

of title companies experienced at least one attempt in 2023.

ALTA Critical Issues Study: Seller Impersonation Fraud, August 2024

SELLER IMPERSONATION

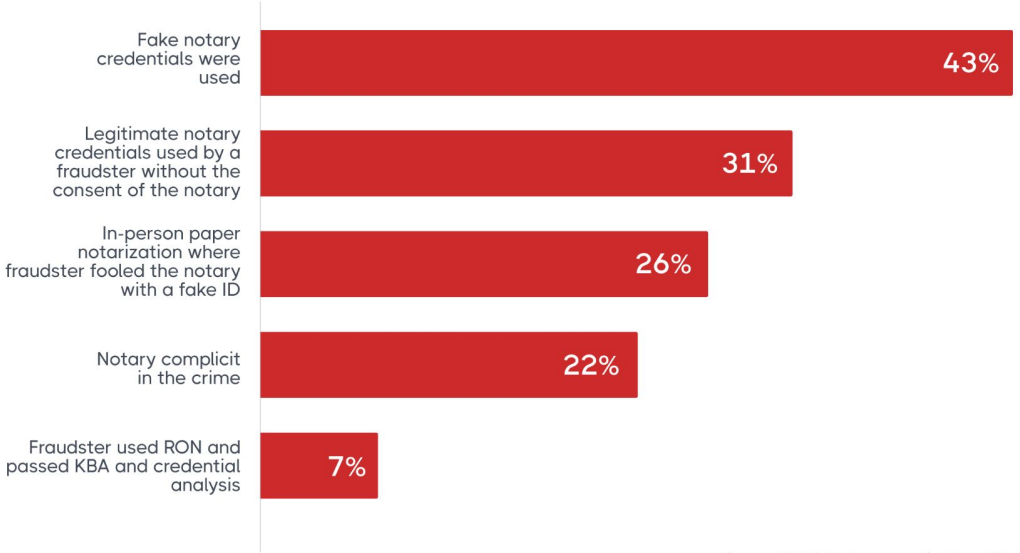
Notary fraud is on the rise

Legitimate notary credentials were exploited in **31%** of seller impersonation fraud (SIF) cases.

Online notary databases and public records are being exploited to steal credentials.

43% of companies with SIF attempts said fake notary credentials were used

Based on your experience with attempted SIF transactions, how common are the following notarization issues? Share of respondents that selected somewhat common, common, or very common.



Source: ALTA Seller Impersonation Fraud Study Report, 2024

Prevention requires identity verification

Require identity verification from every party at the start of the transaction.

Authenticate the ID and that the individual holding the ID matches that document.

certifid.com/identity-verification

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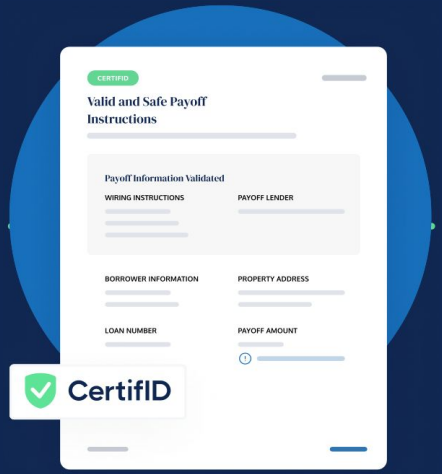
Payoff Fraud:

+22%

in payoff frauds caught by CertifID in 2024, compared to last year.

All payoff frauds caught by CertifID PayoffProtect from 1/1/23 to 12/31/24.

Prevention requires payoff verification



96% verification success rate, and no more lender call backs.

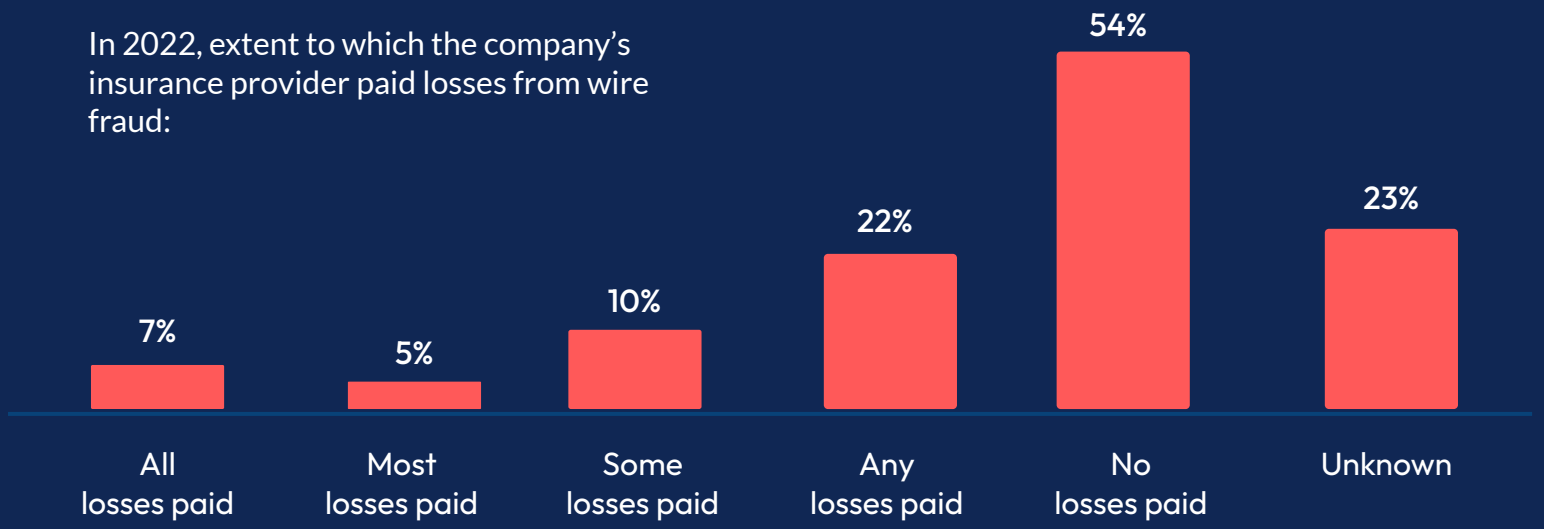
First-party insurance on every verified transaction.

$80M in payoff frauds prevented.

INSURANCE

Most policies do not cover wire fraud loss

In 2022, extent to which the company's insurance provider paid losses from wire fraud:



ALTA Critical Issues Study: Cybercrime & Wire Fraud, January 2024

Emerging Trends | How to Mitigate

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Recent developments will increase the risks.

Artificial intelligence (AI) is mainstream, fueling alarmingly more effective impersonation via text, voice, video, and social media communications — moving well beyond traditional email.

FedNow® is ramping, ushering in a new era of instant payments that significantly compress or even eliminate the recovery window for potential fraud recoveries

Criminals continue to breach systems at large corporations, such as mortgage lender Mr. Cooper and most recently AT&T and NPD, for customer data to fuel their attacks.

FBI IC3 Warning on AI-enabled Fraud

Generative AI is being used to commit financial crimes on an increasing scale.

Source: FBI IC3 PSA, December 2024

Common tactics

AI-generated text, images, audio, and video are making fraud detection more difficult.

This is increasing the likelihood of falling victim to crimes like wire fraud.

Protection tips

- Consider a “**secret word**” with trusted contacts to prevent cloning fraud
- Look for **odd distortions** in GenAI synthetic content
- **Limit your exposure** online to prevent impersonation
- **Always verify identities** directly

Final Thoughts

Protection requires a layered approach.

Education of internal and external audiences

Standard operating procedures across your business

Software tools to lower risk, enable decision making, and improve efficiency

Incident response planning and testing to mitigate impact

First party insurance to protect you from loss

Education

Procedures

Technology

Incident Response

Insurance

Questions?


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