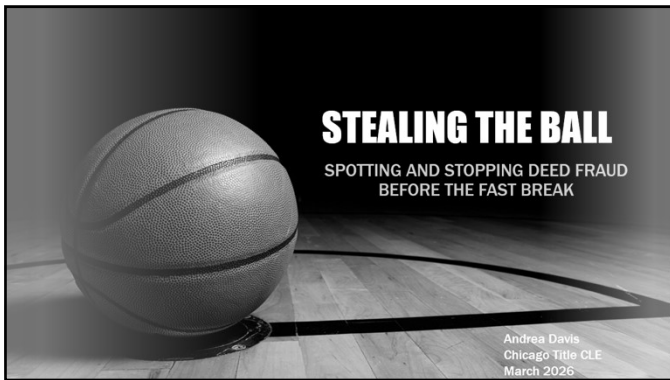
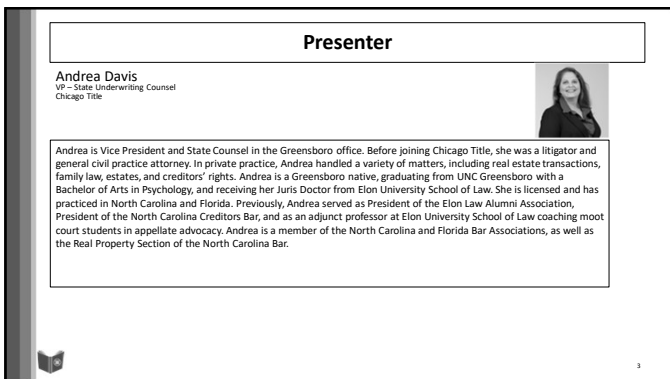




1



2



3

THE PLAYBOOK: FRAUD TYPES

Identity Theft or Impersonation:	Fraudulent Documents:	Real Conveyance – Bad Reason
<ul style="list-style-type: none"> Scammer pretending to be the owner of real property (or entity that owns property) to sell or refinance property. Wire fraud (generally is based upon identity theft/impersonation). Misuse of corporate authority or POA. 	<ul style="list-style-type: none"> Fake deeds/Deeds of Trust with real signatures. Fake deeds, fake signatures Fake notary. 	<ul style="list-style-type: none"> Foreclosure rescue scams. Elder abuse. Sovereign Citizens.



4

THE TIP OFF: WHY IT MATTERS

- According to the FBI Internet Crime Report, in one year they received 9,359 real estate fraud complaints, for losses totaling more than \$173 million dollars.
- In a 2024 report, ALTA found that fraud and forgery claims are two of the top three leading causes of loss and are five times more costly than all other claims.
- For claims on owner's policies, the average cost of fraud/forgery claims is more than \$100,000.00 (other claims average around \$30,000.00).
- For loan policy claims, the cost was almost double the cost for owners.
- In a 2025 National Association of Realtors survey of Realtor Associations in 43 states and territories, 63% of the respondents are aware of at least one deed fraud/title theft incident in their market in the past 12 months.



5

WHY IS DEED FRAUD GROWING?

- Real estate transactions can involve a lot of money changing hands.
- Closings already have a sense of urgency, and parties may not be thinking clearly.
- In many transactions, the closing attorney does not meet the buyer or the seller in person.
- E-Closings and Remote Notary makes it easier to have no involvement with the buyer/seller.
- Real estate records are public – you can get deeds off the ROD websites.

6

ON-COURT RED FLAGS: PROPERTY RED FLAGS

- Vacant or non-owner-occupied property, including short-term rentals.
- Property with recently deceased owners.
- Property with no mortgages/liens.
- Properties in Foreclosure.
- Rural property with unknown heirs/heirs' property.

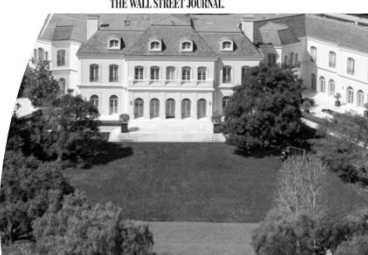
7

SPELLING MANOR LEGAL BATTLE

Blair Chertok / Getty Images

Legal issues halt potential sale of Spelling Manor

- The owner put the house on the market in 2022 and found a purchaser for \$137.5 million, however, a couple claim the house is theirs.
- The Whites claim the attorney who sold the house to the current owner used some misappropriated funds to buy Spelling Manor, funds that were legally theirs.
- The couple filed a deed for the property in June of 2024, claiming ownership of the mansion.
- The legal suit related to their deed has delayed the sale of the home.



© 2024 Spelling Manor was built in the style of a French chateau. PHOTO: THE AGENCY

EXCLUSIVE U.S.

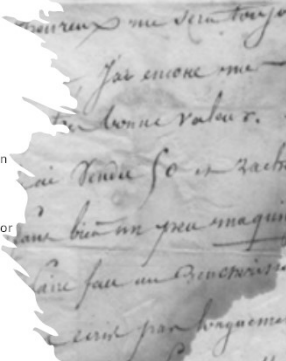
A Scammer Tried to Seize Graceland. Is This \$137.5 Million L.A. Mansion Next?

Whites allege a fraudulent deed was executed at Spelling Manor, putting the property in legal limbo


8

DOCUMENTS: TECHNICAL FOULS

- ✓ Inconsistent signatures or mismatched names.
- ✓ Missing or altered notary information, notary stamps, or dates.
- ✓ Non-US notaries when seller is in US, remote notaries when they live on the property.
- ✓ Deeds with erasures, changes, corrections or incomplete sections.
- ✓ Discrepancies in the legal description – parcel information or vague boundaries.
- ✓ Non-standard deeds that may be confusing to buyers.
- ✓ Deeds with missing signatures for ownership interests.



9



TRANSACTIONS: RED FLAGS

- Gift deeds of expensive property to unrelated third-parties.
- Property's sale price much higher or lower than market value.
- Deeds from elderly owners to a caretaker where the consideration is "taking care of them" until they die, with no reservations for life estate.
- Rapid, multiple flips – each increasing in value with no improvements.
- Estate conveyances where the heirs are unclear or there is no estate.
- Conveyance out of foreclosure for less than owed at the foreclosure.

10

CIRCUMSTANCES: RED FLAGS

```

    graph LR
      A["New corporate filings naming new corporate officers right before a transaction."] --> B["Unexpected or unusual change in addresses or names on tax bills."]
      B --> C["Sellers only communicating by email or demanding to use their own notary only."]
      C --> D["Sellers who claim to live on the property but are suddenly out of the country when it gets time to sign the documents."]
      E["Seller in a rush to close the transaction."] --> F["No one in the transaction has met or spoken with the seller: Realtor, buyer, attorneys."]
      F --> G["Everything is happening in different locations – seller in one place, documents notarized in another, especially if 'owner' is out of the country."]
  
```

11

PEOPLE: RED FLAGS

- Sellers who will only communicate by email or who demand to use their own notary.
- Sellers who claim to live on the property but are suddenly out of the country when it is time to sign the documents.
- No local relationship with seller – realtor, buyer, attorney – no one has met the seller.
- Demands proceeds to be wired immediately but is changing wire instructions or won't verify wire instructions.
- Conveyances with unusual POA or trust issues?



12

DEAD MEN DON'T SIGN DEEDS

Who inherits?

NCGS 28A-15-2(b) Title by Intestacy (CH 29) unless will probated.

- A will must be probated to pass title to real estate (NCGS 31-39).
- Duly probated will passes title (NCGS 28A-2A-13, 28A-27-17).
 - Not effective against lien creditors/purchasers for value from heirs prior to will being probated unless it is probated before the earlier of:
 - ✓ Date of approval by clerk of final account.
 - ✓ Two years from date of death (or term of action if will fraudulently suppressed, stolen, destroyed or lost).
- POA no longer effective at death of principal (NCGS 32C-1-110(a)).



13

I'M GOING TO GRACELAND



• In April 2024, scammers started a foreclosure action on Graceland, presenting documents to the court "showing" Lisa Marie Presley had borrowed \$3.8 million before she died, using Graceland as collateral.

• Her daughter, Riley Keough, had to go to court to stop the foreclosure, proving the documents were false.

• The documents included a real Florida notary's forged signature.

<https://www.enn.com/2024/06/28/economy/graceland-sie-theft/index.html>

Woman who tried to sell Elvis Presley's Graceland sentenced to over 4 years in federal prison

Updated on September 15, 2024, 1:08 PM EDT CDT/CDT

Graceland's self-described scammer takes credit for attempted foreclosure sale of Elvis' home

THE NATIONAL
Notary Bulletin

Notarization is key evidence in alleged Graceland foreclosure scam

14

OUT OF BOUNDS: DEAD MEN SIGN NO DEEDS

HAVE TO ASK, WHO HAS THE RIGHT TO SELL AND WHO HAS TO SIGN THE DEED?

- NCGS § 28A-15-2(b): Title to real property of a decedent is vested in decedent's heirs at death, but the title to real property of a decedent devised under a valid will becomes vested in devisees and relates back to decedent's death.
- NCGS 28A-17-10: When real property conveyed to a personal representative for the benefit of the estate, the personal representative may sell and convey the property.
- For a will to pass ownership to property in one county, the will must be filed with the county clerk where the property is located. Includes the will and certificate of probate. (NCGS 31-39, 31-46, 28A-2A-13(b), 28A-15-2(b)).

15

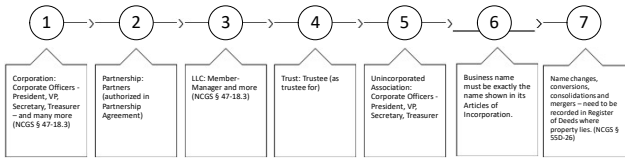
BUSINESS ENTITIES: RED FLAGS

- Recent amendments in state filings adding or deleting people with authority.
- Is the entity name correct?
- Self-dealing – is a corporate officer or partner conveying land from the business to themselves for less than market value?
- Does the notary block correctly state the capacity of the signer?
- Is that POA a corporate POA or a personal POA?
- Is this the disposition of substantially all the business entity's assets?
- Foreign executions – do you need additional verification, or an apostille?



16

BUSINESS ENTITIES: WHO SIGNS?



17

ASSUMED BUSINESS NAME ACT

NCGS 66-71.1
et seq.

Before engaging in business under an assumed name, must be registered with the NC Secretary of State. Must register every name if using more than one.

Needed for:

- ✓ Individuals: any name other than a real name of the individual.
- ✓ General partnership: any name other than a real name of each of the general partners of the partnership.
- ✓ Limited liability partnership: any name other than the name registered with the Secretary of State.
- ✓ Limited partnership: any name other than the name filed with the Secretary of State.
- ✓ LLC: any name other than the name filed with the Secretary of State.
- ✓ Corporation: any name other than the corporate name filed with the Secretary of State.
- ✓ Trusts: any name other than the name specified in the trust instrument or, if the trust instrument does not specify a name for the trust, any name other than the name of the trustee and a designation of the trust for which the trustee is acting.

18

WHAT IS A SOVEREIGN CITIZEN?

1) THAT Chianam is permanently exempt from all federal, state, and local taxes, property taxes and taxes on land for the rest of Chianam's natural lifespan without exception forever.

2) THAT Chianam is one of the People of Chianam's respective state, is an American citizen, and is not a citizen of the United States nor subject to the jurisdiction thereof, and

3) THAT all land claimed by Chianam and that Chianam be her to, regardless of the degree of conspiracy, that has been purchased with lawful consideration, claimed by Chianam, or has been or shall be given or willed to Chianam by any means is *abodial forever*.

Arose from anti-government groups, have spread through the internet, and seminars preying on people who have had financial or legal issues.

May consider the US to be a Corporation, alleging that US citizens are used as "collateral" by the corporation – two identities are created for each person, their corporate identity and the real person.

Often believe government documents using all caps for names is the corporate identity, so may use "a human being" after their name in all lower case, so JANE SMITH vs jane smith, a human being or natural person.

19

I'm not a person, I'm a free man on the land.

SOVEREIGN CITIZENS

Copyright, trademark, trade name violation

- Usage of John Alex Dies™ including all derivatives, spellings, and upper-case lower renderings of the trademark and trade name without express written consent \$ 1,000,000.00

Acceptance of Preemptions (without contract)

- Unauthorized Citations \$ 1,000,000.00
- Warnings Issued on Paper \$ 1,000,000.00
- Summons, Court Notices (without contract) \$ 1,000,000.00
- All other related items, fees, or offers \$ 1,000,000.00

- Reject all or part of the authority of federal, state, and local governments, believing our laws do not apply to them.
- Believe they are governed by "common law" or "natural rights" – can include a variety of sources.
- Often use pseudo-legal tactics to harass or intimidate others, or "paper terrorism" using the legal system.
- May engage in scams or fraud, or false claims.
- In 2023, a sovereign charged with making a false claim and retaliating against a federal employee by filing a \$20 million lien against the property owned by seven government employees to get revenge for the termination of certain benefits; he was receiving. Federal prosecutors claim he has filed nearly \$1 billion dollars of false liens against federal employees. <https://www.dailymail.com/news/uk-politics/sovereign-citizen-who-asked-why-1-6-billion-why-us-a-citizen-owns-1-billion-what-are-we-doing>


NC a hotbed for extremist group's activities, expert says

North Carolina has become a hot spot for the Sovereign Citizens movement, a growing extremist group known for challenging and opposing US President activities. An expert said that the group is spreading across the state.


20

Caught on camera: Deed fraud suspect shows up at Wake Co. Register of Deeds again


A woman out on bond, accused of fraudulently claiming a Wake County home as her own, showed up at the Register of Deeds again asking for new records on that same house.




Individual recorded a deed (from herself to her trust) for Dr. Adams' \$4 million house.




Adams filed suit and the judge ruled in favor of Adams, but he had to spend five months fighting about it.





In court filings, individual claimed she is a Missouri American who is a "beneficiary, secured party, and landowner" to the "entire Americas in toto" which includes the Adams property.



The judge found her liable and issued a gatekeeper order to prohibit her from taking other action against Dr. Adams' property.

Complete stranger obtains deed to \$4M Raleigh home without homeowner's knowledge

Judge rules deed filed by stranger on \$4M Raleigh home as fraud

21

This is maritime law, not land law



SOVEREIGN CITIZENS AND DEED FRAUD

- Strange documents or references to Allodial Title Documents, Land Patents, or Reversion of Trustee's Deed.
- Will often sign as a "natural person" or a "trustee of the trust of..." on documents.
- Check for references to maritime law, redemption of treasury accounts, or a trademark by their name.

The duly authenticated title / warehouse receipt, also known as a birth certificate, attached to Claim, bears an Indorsement from Claimant which claims and demands the return of all property

22

RECOGNIZING SOVEREIGN CITIZEN DOCUMENTS

Legal Authority: Universal moral/existential truths/principles, expressed in Indis (Mosaic) Orthodox Hebrew/Jewish Commercial Code, corollary to Exodus (chiefly Exodus 20:15, 16). This is the best-known Commercial process in America.

- Names spelled in all capital letters or interspersed with colons, hyphens, or other odd punctuation.
- Signatures followed by "under duress," "Sovereign Living Soul" (SLS), or a copyright symbol (©).
- References to the Bible, the Constitution of the United States, U.S. Supreme Court decisions, treaties with foreign governments, maritime law, or a Uniform Commercial Code (UCC) number (UCC-201).
- Designation of signers as freemen, free citizen, Moorish National, or diplomatic citizen.
- Brackets around zip codes, strange punctuation, odd phrasing.

Example: Smith: John or Smith:
Family of John

SMITH FOREIGN TRUST [98-1752113] ©

On and for all Public and Private records, for all courts, and for the House of Smith

John-Robert: Doe signifies a flesh-and-blood person named John-Robert of the family Doe, as opposed to a punctuation-free name, JOHN ROBERT DOE, which refers to the corporate shell of a person.

23

"I, [] THE UNDERSIGNED, HEREBY THIS INSTRUMENT, EXPATRIATE MYSELF FROM SECTION ONE OF THE FOURTEENTH AMENDMENT, FROM BEING PRIMARILY A FEDERAL AND STATE, COUNTY, MUNICIPAL CORPORATE CITIZEN AND AM NOW PRIMARILY A Wyoming Sovereign pursuant to 15 Statute at Large 249-250. (Expatriation Act). I am an American Sovereign Life not a UNITED STATES INC. CITIZEN."

Copyright, trademark, trade name violation

1. Usage of John Alex Doe™ including all derivatives, spellings, and upper-case lower- renderings of the trademark and trade name without express written consent \$ 1,000,000.00

Acceptance of Prepayments (without contract)

2. Unauthorized Citations	\$ 1,000,000.00
3. Warnings Issued on Paper	\$ 1,000,000.00
4. Sumsions, Court Notings (without contract)	\$ 1,000,000.00
5. All other related items, fees, or offers	\$ 1,000,000.00

How You Were Ticked to Agree to Be a Corporation

The process that allows the government to legally claim you as a corporation involves the creation of an artificial person (fictitious character), which is a legal name often written in all CAPITAL LETTERS, and then taking you to agree to be that artificial person or legal name. This legal name was created shortly after you were born and was recorded on a bond. This bond that recorded the date of your birth is known as a birth certificate.

A birth certificate can be used as a certificate of debt which is why it is recorded on a bond. The dictionary.org defines bond as: "A contract by specialty to pay a certain sum of money, being a deed or instrument under seal, by which the maker or obligor promises, and thereby binds himself, his heirs, executors, and administrators, to pay a designated sum of money to another, usually with a clause to the effect that upon performance of a certain condition (as to pay another and smaller sum) the obligation shall be void." This is why, when you agree to be a legal fiction, the government has the legal right to take money from you. Be aware that legal is not the same as lawful.

Why Your Legal Name Is Written in All Capital Letters

Your legal name, which is used by the government to identify you (a body of water or liquid), is written in all CAPITAL LETTERS because it is a piece of liquidated capital. In other words, it has been securitized and turned into a financial instrument. Hence, the phrase "liquidated capital".

To liquidate something is to sell it off entirely, or sell it to pay off a debt. It is called liquidated capital because you, the man or woman who has been securitized, were born in the words of your mother which was mostly made of water (liquid). You are also mostly made of water because you are mostly made of water/liquid and have been securitized, you are considered liquidated capital.

24

NC REMOTE ELECTRONIC NOTARIZATION

NC RENA statute (NCGS § 10B-134.9) requires the notary do the following:

- ✓ Inform the signer that NC law requires the recording of the notarization.
- ✓ Confirm remote signer does not appear to be incompetent, lacking in understanding of nature/consequences of transaction, or acting under duress or undue influence.
- ✓ Verify the identity of the signer per credential analysis, third-party, or personal knowledge.
- ✓ Ask the signer if they would like an attorney to participate in the notarization and allow an attorney to do so if requested.
- ✓ Require the signer to verbally verify what documents are being signed or describe the general nature of the transaction.
- ✓ Verify the signer's physical location, by geolocation or self-attestation.



28

NOTARY TECH DOES NOT REPLACE COMMON SENSE



- A Florida notary sued by a foreign property owner whose home was sold used the notary's video journal, showing that she proceeded with the notarization even though the ID image and text were not legible for the notary.
- Notaries must still properly identify the principal signing.
- Notaries must still ask the right questions and determine if they are comfortable that the principal is competent to understand the nature of what they are signing.
- Notaries must not use "known to me" identification if the person is not known to them.

from Notary by North Carolina Notary Public Education Fund

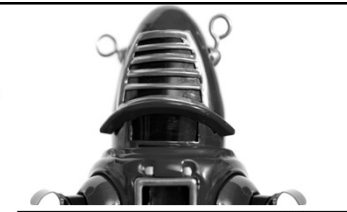
North Carolina Town Mayor Pleads Guilty to Notary Fraud

<https://www.notary.org/article-north-carolina-town-mayor-pleads-guilty-to-notary-fraud>

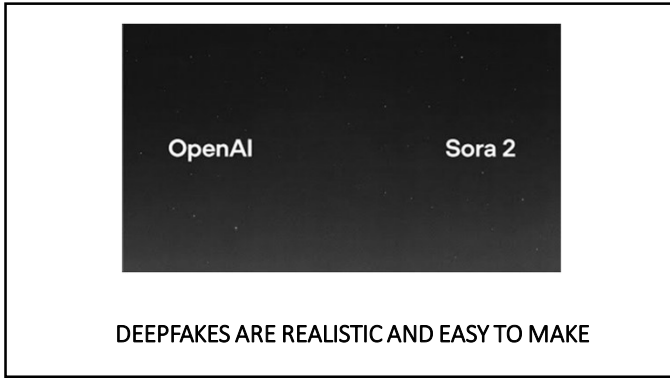
29

AI AND DEED FRAUD

- AI-related scams are estimated to reach \$40 billion in losses by 2027
- AI technology makes it MUCH easier to scam people – because it looks legit:
 - Pull realistic looking documents and images like notary stamps or signatures and place into new document.
 - Create fake IDs that look valid.
 - Build "bots" that harvest data off public websites to create personalized scams.
 - Voice cloning to bypass auditory security measures, and deepfake moving videos.
 - Spoofing real websites to steal data.



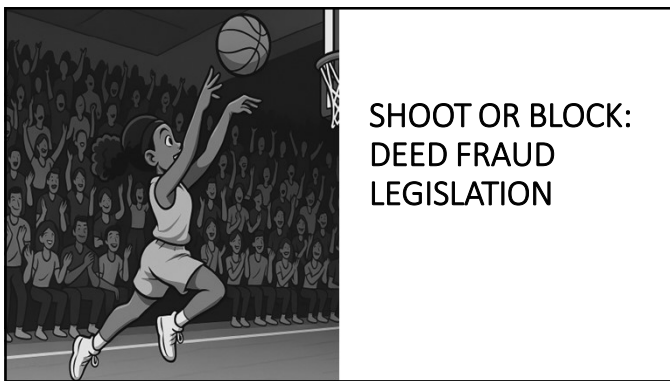
30




31



32



33



FIGHTING DEEPFAKES: VIDEO AND AUDIO

In a video call:


- ✓ Ask them to hold an ID up to their face so you can see both them and the ID.
- ✓ Ask them to stand up and sit down quickly, wiggle their head from shoulder to shoulder, etc.
 - Ask them to do something unexpected, that they would not be prepared for.
 - This may help rule out pre-recorded video and video where they have changed their face.
- ✓ If you suspect a fake phone call or video call, hang up and call them back on a known number.
- ✓ If a person will only speak by email or text, confirm their identity through a different source.

STOP AND THINK

34

THE TECHNO ASSIST: CLOSING TECH


- AI can analyze documents in a database to determine if there are misaligned fonts, altered data, or altered metadata (electronic docs).
- Predictive AI can review historical fraud data and predict the likelihood that a transaction is fraudulent – banks already do this.
- There are third-party vendors who will search Zillow or other online databases and notify users if a property address is listed.
- Check out vendors like:
 - CloseSimple: Scans for seller impersonations, wire verifications, secure portal for wire instructions and other documents.
 - Proof Defend: Flags suspicious transfers, looks for deepfakes, looks for fake signatures, documents or stolen credentials.
 - Closinglock: Digital closing platform to secure communication, digital payments, identity verification.



35

ID VERIFICATION PROGRAMS

- ✓ Check into vendors who can do identity proofing/verification, including:
 - IDVerse (LexisNexis)
 - CertifiID
 - Proof
 - Closinglock
- ✓ Some include access to state databases to confirm the ID belongs to the right person.
- ✓ Some ask questions that cross-reference information from several databases, including their credit report, called Know Your Customer (KYC).
- ✓ Some use biometric identity verification to confirm identity. This uses physical traits to confirm identity – like the iPhone face verification, or fingerprints, etc.



36

ALTA IDENTITY VERIFICATION GUIDANCE

<p>Create/Implement identity fraud prevention program designed to verify the identity of the signing parties.</p>	<p>Train staff on fraud in the real estate sector, including buyer, borrower, and seller impersonation fraud.</p>	<p>Control the selection of the signing professional who the buyer(s), borrower(s), and seller(s) will meet with to sign the documents.</p>
<p>For your notaries: Provide training and tools to: (i) validate that the government issued ID (both foreign and domestic) presented by the signer is an authentic ID, and (ii) verify that the signer presenting the ID is the person on the ID.</p>	<p>Create protocols and processes to identify and respond to suspected fraud or impersonation attempts.</p>	<p>If signer chose the notary, you should independently obtain the signer's credentials to attempt to validate the signer's ID and attempt to verify that the signer is the person on the ID.</p>

37


TEAMWORK MAKES THE DREAMWORK

- What is your office policy on fraud prevention and response?
- Do you use multi-factor authentication on all technology where available?
- Are you using encrypted emails and VPN services?
- Are you using the ALTA Best Practices Pillars?

Make a plan with your office and train on it:

- ✓ Standard of care for checking IDs and documents?
- ✓ Who has the authority to reject documents submitted to your office – and what is the process to do so?
- ✓ Are you sending a confirmation of transaction to the tax address for non-owner-occupied property?
- ✓ Use the SOS website to confirm notary information.
- ✓ Provide regular training to staff.
- ✓ Keep an audit trail.

38



CHECK THAT NOTARY

- Does the notary look suspicious?
 - Did seller/borrower choose the notary? Why?
 - Are they using a remote notary?
 - Does the remote notary comply with NC RENA standards?
 - Why are they using a remote notary?
- If third party notary, have you obtained and tried to validate IDs?
 - Is notary outside the US? Why?
 - Do you need an apostille or other verification?
 - Have you checked with your title company to see if they will accept?

39

THE CLOSE OUT: CLIENT EDUCATION

- Educate clients on how to prevent identity theft as part of your engagement package.
- Discuss how to make it harder for identity thieves:
 - Use Multi-Factor Authentication.
 - Don't reuse passwords – get a password vault.
 - Use encrypted email and VPN services to keep your data safe.
 - Never give out personal information on the phone to someone who has called you, or to a number a voicemail has provided.
- Talk to them about wire fraud, and what they should be on the lookout for above and beyond our email signature notices or document to sign.

40

CLIENT EDUCATION: FRAUD DETECTION SERVICES

Make sure your clients understand what the company is doing to "protect" them – they may be doing the same things your client could do for free.

Tell them to be very wary of any company or person who wants to file some sort of lien, UCC, or other contract with the Register of Deeds. What happens when they want to sell or refinance, are they going to be found? Charge you money?

Scammy vendors are building fear to encourage folks to sign up quickly, before they lose their home. Deed fraud is rising, but it is still rare.

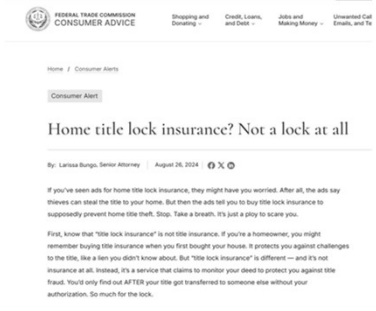
Tell them to research carefully - check the BBB, FTC scam warnings.

If they absolutely want to buy something, consider comprehensive identity theft protection that includes title monitoring, from a reputable company.

41

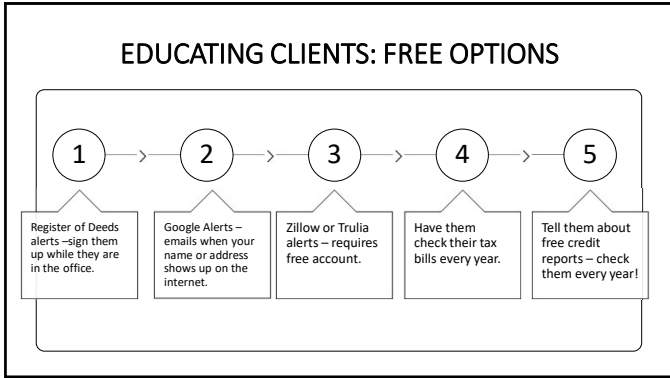
WHAT ABOUT "HOME TITLE LOCK" VENDORS?

- Online reviews are claiming these programs:
- Are ineffective.
- Include deceptive advertising.
- Don't provide promised assistance.

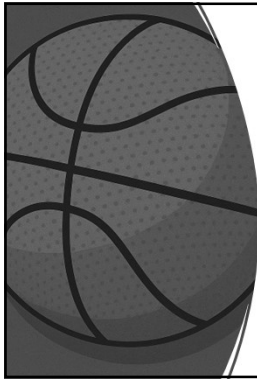


The screenshot shows a webpage from the Federal Trade Commission's Consumer Advice section. The article is titled "Home title lock insurance? Not a lock at all" and is dated August 26, 2024. The author is Larissa Bunge, Senior Attorney. The article discusses the risks of home title lock insurance, stating that it is not title insurance and does not protect against challenges to the title. It also mentions that title lock insurance is a service that claims to monitor your deed to protect you against title fraud, but it only finds out after your title has already been transferred to someone else without your authorization.

42



43



FIXING THE FOUL: STEPS AFTER FRAUD

- ✓ Call local police department.
- ✓ Report it to the Federal Trade Commission: <https://reportfraud.ftc.gov/>
- ✓ Notify Zillow, Trulia, and Realtor.com. Notify the local realtors' group and title companies.
- ✓ For identity theft, report to the FTC and get next steps here: <https://www.identitytheft.gov/>
- ✓ If someone is impersonating you, freeze your credit report: <https://ncdoj.gov/protecting-consumers/protecting-your-identity/free-security-freeze/> and contact the Internet Crime Complaint Center: <https://www.ic3.gov/>.
- ✓ Put a fraud alert on your credit report, to require creditors to take reasonable steps to verify the identity before granting credit.

44



THANK YOU

Andrea Davis, Chicago Title Insurance Co.
Email: Andrea.Davis@ctt.com

Check out our website at: <https://www.northcarolina.ctic.com/>

45