



By Marian Goetzinger, Pine Knoll Shores Realty

Don't be a cyber victim

At the risk of betraying my age, I remember one of my college professors telling my class that we would live to see a “technological highway.” He proceeded to tell us that in our lifetime we would carry a computer in our pockets with access to all the information in the world. He explained that these tiny computers would replace encyclopedias, cameras, telephones and who knew what more. Leaving the classroom that day I don't think I was the only student snickering at the absurdity of what our professor had told us. We simply could not put our minds around what he had described, and yet everything he described and much more has come true. What Professor Little did not tell us is that with all that new convenience and information at our fingertips would come risks that we could not even imagine.

I could write many articles about all the different scams, frauds and traps to which we are now vulnerable as a result of technology, but I will limit this article to avoiding fraud in real estate practice, specifically wire transfer fraud.

When I started practicing real estate over 20 years ago, all buyers came to closing with a certified check for the purchase. If they were paying cash, it was for the full amount. If there was a loan, the balance was paid by certified funds from the buyer. Once technology made wire transfers easy, closing attorneys began using that method, and we all thought that was great. Buyers and attorneys, or closing coordinators for the attorney, simply exchanged wire transfer information from the banks and money was instantly moved. Safe and simple, or so we thought.

More and more, homebuyers and sellers and the realtors and attorneys who serve them are falling victim to wire fraud, in which criminals access emails, learn of a pending transaction and then send phony wiring instructions to unsuspecting victims. Unfortunately, we, the public, must become vigilant and careful if we are using the internet. This wonderful new tool that was designed to make our lives simple and safe can often make us vulnerable and in danger.

Being the victim of wire fraud can be devastating. The funds are almost always irretrievable once sent. Aside from making off with money, criminals may also steal personal information for later use. It may be easier to impersonate you online than in person.

About this time a little over a year ago, I wrote about being involved in a transaction where wire fraud occurred. Yes, right here in little, safe Pine Knoll Shores. I represented a Pine Knoll Shores property owner. A different agent represented the buyers. Two days before the closing was to take place, I called the closing attorney to see if the funds had been received. When she said no, I called the buyers' agent to remind her that her clients should go ahead and wire the funds in order for the attorney to prepare the settlement statement if we were to close on time. When she called her clients, they informed her they had wired the funds exactly as she had instructed them in the email they received from her. A red flag went up for that agent, who immediately called the attorney to see if there was anything we could do. Realtors don't send wiring instructions. We leave that to the attorneys. We all realized instantly that the buyers' agent had been hacked.

So here's how that happens: the criminal hacks into real estate agents' emails and hovers there watching. He learns when and where the closing will be and the amount of money to be transferred. He now has the agent's name and email address as well as the attorney's. He waits until the day before the money would be legitimately transferred and sends an email from an email address that he has created that looks *almost* identical to the real estate agent's email address. He sends a note to the buyer giving the wiring instructions, mentions the attorney and uses the same words and nuances he has seen the agent use as he hovered around her emails.

When I reported this story a year ago the situation had not been resolved, but eventually there was a happy ending. Because the two agents involved had been on top of things, and because the attorney involved immediately jumped in to help,

the funds, which had been wired to a fraudulent account, were frozen and the buyer was able to get them back. I was not privy to all the behind-the-scenes work that located and retrieved the funds, but I do know that the FBI was involved. Wire fraud is a federal crime. I also know that our clients were very lucky and that it is very rare to recover such funds. Closing was delayed by a few weeks, but it did close and we were all left with no scars and a very interesting story to tell. We also learned to be somewhat skeptical and learn all we can about wire fraud to protect our clients and ourselves.

So how can you protect yourself from wire fraud? Be sure you clearly understand the wiring instructions for your transaction and be sure the information is coming from a verifiable source. This is not like buying a dress where you hang on to the receipt in case you need to return it. Remember, the money is almost never recovered in wire fraud cases. If you get an email with wiring instructions from anyone other than your closing attorney, don't reply. Call the police and the closing attorney immediately to report the email. Don't be embarrassed thinking, “What if this is for real? I'll look stupid.” If it is for real, no harm done, but if it isn't, think how much it would have cost you if you had complied.

If you receive an email that looks the least bit suspicious, call the police. If it relates to a real estate transaction, call your attorney or your realtor to verify the message is from one of them; do not call the number on the suspicious email. Call the number on their business card or the number you have used in the past. Cyber criminals are smart and very devious. Be smarter than they are. They will run away when their potential victim starts asking questions and find a less savvy victim. If it smells, looks or sound suspicious, call the police.

I'm really not so old and this new technology changes daily (or maybe hourly), so don't feel silly, stupid or embarrassed if you feel unsafe. Stop, think it through and ask somebody. If you think you might be a potential cyber victim, call the police. If you can't figure out how to use the contraption, do what I do—call your teenage grandson.

FROM THE DESK OF THE EDITOR

Have You Heard . . . ?

New Medicare cards are on the way. The Department of Health and Human Services will be issuing new Medicare cards between April 2018 and April 2019. Medicare recipients will be issued unique Medicare numbers, which will be used only for Medicare coverage, and Social Security numbers will no longer appear on the new cards—a change that will help to protect recipients' identities.

Helpful information about your new Medicare card:

- Make sure your mailing address is up to date. If your address needs to be updated, contact Social Security at ssa.gov/myaccount or 800-772-1213. TTY users can call 800-325-0778.
- Beware of anyone who contacts you about your new Medicare card. No government employee will ever ask you to give personal or private information to get your new Medicare card.
- Understand that mailing everyone a new card will take some time. Your card might arrive at a different time than your friend's or neighbor's.

Great Backyard Bird Count results. The 21st annual Great Backyard Bird Count, sponsored by the Cornell Lab of Ornithology and the National Audubon Society, was held February 16-19—and Pine Knoll Shores residents participated.

Robert and Amry Cox counted birds at Ramsey Park as part of the Pine Knoll Association's 50th Anniversary events. Their counts: 4 mallard ducks, 1 titmouse, 2 blue herons, 8 unidentified small birds, 1 crested cormorant and 1 seagull.

Barbara Milhaven observed birds while seated at her kitchen table and reported spotting the normal daily variety of species, including blue jays, cardinals, doves, chickadees, mockingbirds, brown thrashers, woodpeckers, wood thrushes, hummingbirds, a painted bunting, assorted ducks, the neighborhood turkey, egrets, pelicans, herons and a hawk. Interestingly, Barbara did not spot a single seagull.