

# Wire and Cyber Fraud Risks Reflected in Nationwide Mortgage Industry Survey

*Leading provider of technology solutions to prevent wire fraud and mortgage closing fraud, surveyed 48,356 attorneys and title agents nationwide.*



**Secure Insight™**

Risk Prevention through Innovation®

HAMILTON, NEW JERSEY, UNITED

STATES, August 22, 2023 /EINPresswire.com/ -- [Secure Insight](#), the leading provider of technology solutions to prevent [wire fraud](#) and mortgage closing fraud, surveyed 48,356 nationwide settlement professionals over the period August 1, 2023, through August 18, 2023. Specifically, the [survey](#) asked whether attorneys, escrow officers and title agents had experienced wire fraud

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*Andrew Liput, CEO*

incidents in the past 12 months, had been a witness to fraud in a transaction (involving other parties), carried cyber insurance coverage, and conducted cyber fraud training.

With wire fraud and cyber-attacks dominating the news, and with conflicting and sometimes erroneous reports of the nature and magnitude of these events being published, SI wanted to hear the story straight from the professionals who are conducting closings and in the best position to observe and experience wire fraud and closing fraud.

A summary of the responses reflects very interesting statistics.

- Twenty percent (20%) of the survey respondents had themselves been victims of wire fraud and attempted cyber fraud to intercept bank proceeds in the past 12 months, placing an estimated \$560 Million dollars of lender funds at risk.
- Thirty-one percent (31%) of respondents stated that they had witnessed fraud in a transaction where another party was victimized, frequently the seller or a real estate agent.
- Although only twenty-four percent (24%) of settlement agents were asked by lenders to provide evidence of cyber insurance coverage, seventy-two percent (72%) have purchased and carry coverage in the event of a loss.
- Most encouraging, the survey found that a full ninety-one percent (91%) of settlement agents conduct formal cyber fraud detection and prevention training for their employees.

SI CEO Andrew Liput observed, "These survey results reflect the significant dangers lurking in the mortgage industry with respect to the privacy of financial communications, the exposure of electronic funds transfers to potential man-in-the-middle hacking efforts, and the risk to lenders of losing all or a portion of their proceeds during the closing of a residential mortgage transaction. While the increase in cyber coverage is a positive step in offsetting losses, it is not risk management and only shifts the risk of loss to insurers who are rapidly increasing premiums and deductibles or no longer covering these risks. Education, training and adopting a risk management program through an internal process or outsourcing to a vendor remain the best bets to avoid these losses."

Secure Insight is a nationwide wire fraud and mortgage closing fraud risk management prevention company located in New Jersey. Founded in 2012, the company was the first to focus on wire fraud and vendor management risks experienced by mortgage lenders. Since 2012 it has supervised more than 20 million residential mortgage closings on behalf of lenders with zero fraud losses and maintains a database of thousands of professionals nationwide whom it monitors for fraud risk.

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