



Doma Title Insurance, Inc. Partners With Intellicheck to Offer Title Agents an ID Verification Tool to Combat Rising Real Estate Scams

August 6, 2024 at 8:10 AM EDT

MIAMI--(BUSINESS WIRE)--Aug. 6, 2024-- With real estate fraud and forgery at an all-time high, Doma Title Insurance, Inc., the nation's 8th largest title insurer, has partnered with Intellicheck, an industry leader in digital and physical identity validation solutions, to offer Doma's independent title agents and approved attorneys a tool to detect seller impersonation.

Doma is providing its agent and attorney customers with access to Intellicheck's web-based solution that validates, analyzes, matches and de-risks the identification credentials of parties involved in a real estate transaction. The powerful tool is being offered at no cost to Doma agents who are signing documents as part of a Doma-insured transaction.

"Doma agents are on the front lines of preventing fraud, and Intellicheck arms them with a tool to stop fraud before a transaction even occurs," said Emilio Fernandez, President of Doma Title Insurance, Inc. "We are proud to partner with our agents in not only reducing seller impersonation scams, but also protecting a homeowner's or property owner's most significant investment."

Intellicheck's on-demand, digital and physical identity validation solutions now scan over a third of the U.S. population every year. Intellicheck's solutions serve major ecommerce and retail commerce businesses, financial services companies, law enforcement and government agencies across North America.

"The nationwide surge in real estate scams are a serious threat to transaction security and consumer confidence. We are proud to partner with Doma Title Insurance to deliver the highest level of security that assures peace of mind for title agents and their customers with Intellicheck's industry-leading rapid, accurate identity verification technology that engages good customers with a seamless onboarding experience," said Intellicheck CEO Bryan Lewis.

A rising trend that is costing title insurance companies and homeowners billions of dollars in losses each year, seller impersonation fraud is a real estate scam in which a fraudster poses as a property owner to illegally sell – without the true property owner's knowledge or involvement – residential or commercial property. Sophisticated fraudsters often use the property owner's Social Security and driver's license numbers in the transaction. In many cases, fraudsters use email and text messages to communicate with the title agent, allowing them to mask their true identities and commit crime from a remote location.

Also called seller ID fraud, the scam is most rampant in the high-volume states of California, Florida, and Texas, but schemes have targeted property owners throughout the country, from rural areas of the south to cities in the Midwest. Scams often target elderly homeowners who own their homes free and clear, as well as vacant or non-owner occupied property, such as undeveloped land or investment property.

The surge in seller ID fraud has also resulted in higher title claims. According to a recent analysis conducted by global consulting and actuarial firm Milliman, fraud and forgery claims represent 21 percent of the total dollars spent by title insurers on claims expense and losses. The analysis, which was commissioned by the American Land Title Association, examined nearly 130,000 title claims from 2013 to 2022, finding that fraud and forgery claims were among two of the top three leading causes of loss. The study also concluded that claims of this nature are five times more costly – more than \$143,000 in total average claim costs – than all other claims.

In 2023, 30 percent of all claims paid by Doma Title Insurance involved fraud and forgery, which includes seller ID fraud claims. Only a few months into 2024, claims involving seller impersonation surpassed 2023 levels, said Chris McChesney, Doma's Chief Claims Counsel.

"Most of these claims result in a full loss of title, meaning one claim can easily cause a loss of \$500,000 or more," McChesney noted. "The vast majority of these claims are preventable using a seller ID verification tool like Intellicheck."

Doma is encouraging its agents to use Intellicheck's technology to validate the IDs of all parties involved in Doma-insured transactions. Agents simply enter the file number and the proposed signer's cell phone number into Intellicheck's platform. Intellicheck then sends a text message to the signer, prompting them to use their cell phone to take a picture of their DMV-issued ID, scan the barcode, and take a self-portrait, or "selfie." Intellicheck's system validates the ID, and that the owner is holding it. Enhanced subscriptions can also compare the individual's presented information to other records, including court records and property records. In addition, enhanced subscriptions can obtain forensic information from the applicant's device, virtual private network (VPN), cell phone carrier, and billing information.

Within seconds, the agent receives a "PASS/FAIL" report for the individual that is 99.9 percent effective, according to Intellicheck. Depending on the result, the agent can either halt the transaction and report the fraud attempt or download a PDF of a "passed" decision to their title file as proof of ID verification.

Victoria L. Williams, escrow officer and title officer at Capstone Title and Escrow Inc., a family-owned title insurance agency based in Salt Lake City, Utah, said seller ID fraud scams have become rampant in her market, leading her company to seek out the tools and education needed to mitigate losses.

"We are especially noticing fraud attempts in our market on transactions involving land that is unencumbered, and we are trying to offer resources and options to our clients when these situations arise," Williams said. "The biggest problem Intellicheck solves for our brand is reducing costs in the long term whenever we have seller impersonations of out-of-state sellers, unencumbered land and buyers who say they are unable to meet in person for a signing."

Capstone Title and Escrow used Intellicheck to successfully detect and thwart a seller impersonation attempt on a Doma-insured transaction in April 2024, Williams noted.

"While we had many red flags that we communicated to our real estate team, having the extra layer of Intellicheck stopped the fraud attempt," she said. "This solution has really helped us demonstrate our commitment to protecting property owners, as well as solidify relationships with our real estate agent customers."

About Doma Title Insurance, Inc.

Doma (NYSE: Doma) is a real estate technology company that is disrupting a century-old industry by building an instant and frictionless home closing experience for buyers and sellers. The company's underwriting division, Doma Title Insurance, Inc., has been in business for more than 60 years, helping title agents achieve the goal of true business success. The company offers products and services for all real estate transactions, operating in 49 states and the District of Columbia. Doma Title Insurance, Inc., has earned the reputation as the "underwriter next door" because its decision-makers and associates are easy to reach and their processes are quick and straightforward, including a one-hour underwriting response guarantee that is unparalleled in the industry. The company holds an A⁺ (A Prime), Unsurpassed rating by Demotech, Inc. Doma associates believe in building supportive partnerships with agents by simplifying processes, paying attention to minor details, and providing tools and education to feed their growth. Doma Title Insurance, Inc. is headquartered in Miami, Florida. www.doma.com.

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Amy Tankersley

Ph: 440.343.8531 / amy.tankersley@doma.com

Source: Doma Title Insurance, Inc.