

Stolen House

Reporter: Laura Sparkes

"There are people watching this story right now who's houses are being stolen and they don't even know it" It's the home stealing racket. Houses stolen from underneath the noses of clueless owners and once they're sold, the money's gone and the owners left empty handed. if you think it can't happen to you, think again.

"It was easy for her to do, as going down to the shop, or the council and putting in a form and having it signed, it was as easy as that" says Charlie. "When I first found out I thought it was a joke" tells Peter. "The sold sign was up and at the 11th hour we were made aware that the person selling the home was not the legal owner" says a Melbourne Real Estate Agent.

Here's how it works. Fraudsters hire a lawyer, pretending to have lost the land titles deeds to their home. No identification checks are made and a new deed is sent. Once they have the new deeds, they're able to sell your home. Smart thieves target homes not lived in by owners. "Please somebody answer the question how was it able to happen" says Roger Mildenhall. He is the latest victim, internet fraudsters forged documents and sold his house sold for \$485,000 while he was in South Africa.

"Everything the scammer told them was plausible in their knowledge of me and where I was so they just didn't question it." The local Real Estate Agent didn't question the transaction, nor did the WA Land Titles Office. Roger has now lost his superannuation nest egg. "Everybody seems to shrug their shoulders but at the same time say oh my gosh we haven't heard of anything like this before."

But it has happened before many times. This house, stolen and sold for half a million dollars while the owner was overseas. The sellers eventually charged with fraud. This investment home, fraudsters borrowed \$500,000 on it. The owner had to fight it out in court, the lender eventually taking the loss. And here's a thief confessing. Asum Killich persuaded 93 year old Vera Kerr to sign over the house deeds four days before she died. Her son Charlie was shocked.

"She went into mum's room she rifled through everything of mums and found the deed, we didn't know this of course, and took them and had them transferred its as easy at that." It was the Kerr family home, built by Charlie's father. "That must have been hard growing up here then having to deal with that happened" Yes and its hard coming back here knowing she's been here" says Charlie.

Asum called on Real Estate expert Neil Jenman to help her when her con was revealed. He was suspicious. "It shows the property is in your name" He persuaded Asum to admit her guilt on camera. Footage eventually used in court to find her guilty of fraud. "In the real estate industry no-one asks for identification when they go to sell a house, so how do you know the person who says they own the house is really the owner. That's the essence of where this scam unfolds" says Neil Jenman.

"The need for identifying somebody and asking for their driver licence or a 100 points check is not been ever needed, I think it will be in the future there's no question about that." "If you don't know the client, you would have to say would you mind giving us something else we can identify your signature or verify who you are and where you're from and that you are in fact the person that owns this property" tells President of the Real Estate Institute of Australia, David Airey. Neil is also calling on state land titles offices to make photo identification mandatory.

Cyber Crime expert Dr Mark Gregory from RMIT agrees. He believes authorities aren't treating the threat of houses being stolen seriously enough. "To sell a million dollar home you don't need security, but to sell \$10,000 worth of shares you do, the system is obviously broken" "We

need to increase regulation, we need to change the legislation and we need to increase security systems"

The only way to protect yourself against this fraud is to take out title insurance, only two companies offer it; First Title and Stewart Title. Between them they've paid out about \$15 million dollars in title related fraud claims in just the last five years. So for example for a house worth half a million you pay a one-off \$300 premium. Asum Killich got away with a 5 year good behaviour bond, while Charlie Kerr was left to find \$45,000 to pay his legal fees."The system has failed us because there's no guarantee on her deeds, that anyone can go in and do this, and the government believe its not a problem and it is its a big problem" concludes Charlie.