

Life Letter *mature*

How could they steal my house?

A point of pride for many Canadians is a home, free-and-clear. This could actually result in their undoing. It's no surprise that identity theft and fraud are still the fastest growing crimes globally. A recent Financial Post article reports that mortgage fraud is on the rise. Perhaps the nastiest of these frauds is a combination of identity theft and title fraud. Quite simply, thieves assume your identity, get their name on title instead, get a mortgage and run away with the money. Steps you can take to protect yourself include:

Title Insurance - Relatively new to Canada in the last 15 years or so, this insurance includes protection from title fraud. Bear in mind that, like any insurance, it doesn't become payable until after the fact.

More and more home buyers are being encouraged to purchase title insurance. It is paid for with one up-front premium and remains in effect until the house is sold. It is also available to those who purchased their homes many years ago, before the insurance was available. This type of insurance should be part of a front line of defense.

Home Equity Line of Credit (HELOC) - A relatively common method of financing a home nowadays, it may make sense to continue having a HELOC even after the mortgage debt has been re-paid. There is no cost to a HELOC if the balance owing is zero and they can often be transferred to another property you purchase at a later date.

There are several benefits to having a HELOC on your home, even if there is no

debt outstanding or if you are retired. First, it is another line of defense against mortgage fraud. It may not totally prevent a fraud from occurring, but it could be less attractive for a fraudster to try and steal your home if there is already a mortgage registered on title. Second, this financing arrangement can help you avoid a reverse mortgage. These are relatively expensive methods of accessing equity in your home and could cause problems when you are ready to downsize.

Pay Attention - Because the root of this type of mortgage fraud is identity theft, be very careful with your personal data. Be aware of what is going on around you when paying with a credit card and hide the PIN pad when entering your code. Don't blindly follow links in emails. If unexpectedly received from someone you know, check with them before you click. Don't give out personal information, especially when someone contacts you for it. Review credit card and bank statements promptly for discrepancies.

Check your home and property titles regularly, even if mortgages are paid off.

Avoid House Theft - because it's the responsible thing to do! Call today!

Shelley Bertram Fallis
Life Insurance Broker
Financial Advisor
Buckhorn, Ontario
insure_me@sympatico.ca
1-866-657-3882