Closing-Day Con: How AI Is Making Real Estate Wire Fraud Harder to Spot

Real Estate Today

By Jim Smith
Realtor®

For most homebuyers, the biggest financial transaction of their lives ends with a wire transfer. Increasingly, that is exactly what criminals are counting on.

A recent report by Homes.com warns that artificial intelligence is helping fraudsters steal closing funds by impersonating real estate agents, lenders and title professionals with an accuracy that would have been difficult to imagine just a few years ago. According to reporter Dave Hansen, scammers are using AI-generated emails, cloned voices and even deepfake video technology to convince buyers to send money to fraudulent bank accounts.

Real estate wire fraud is not new. For years, criminals have monitored email conversations among buyers, agents and title companies, then inserted themselves into the transaction with fake wiring instructions. What has changed is the sophistication of the deception.

The old warning signs are disappearing. Misspellings, awkward grammar and suspicious email addresses once tipped off vigilant consumers. Today's AI tools can mimic a professional's writing style, duplicate voicemail greetings and generate messages that look completely authentic. According to the report, fraudsters often wait until a day or two before closing, when buyers are stressed, deadlines are looming and a last-minute change seems plausible.

The financial stakes are enormous. The article cites FBI data showing billions of dollars in annual cybercrime losses and a sharp increase in reported real estate fraud complaints. Once funds are wired to a criminal-controlled account, recovery becomes increasingly difficult with each passing hour. Experts quoted in the report note that authorities have the best chance of recovering funds when the fraud is reported immediately, ideally within 24 hours.

For buyers, the lesson is simple: trust, but verify.

The single most effective defense remains surprisingly low-tech. Before wiring funds, buyers should independently verify instructions by calling the title company using a telephone number obtained from an official website or previously verified documents, not from an email or text message.

Buyers should also treat any last-minute email changing wiring instructions as a potential fraud attempt. A message may look legitimate. The voice on the phone may sound familiar. A video call may even appear authentic. But AI has made impersonation easier than ever.

The real estate industry is responding with secure communication portals, identity-verification systems and stronger cybersecurity measures. Still, the buyer remains the person who ultimately authorizes the transfer.

That means education is becoming as important as inspection reports and mortgage approvals. Consumers need to understand that cybercriminals now target real estate transactions because of the large sums involved and the predictable timing of closing.

A home purchase should end with the excitement of receiving the keys, not the heartbreak of discovering the down payment disappeared into a scammer's account. As AI continues to evolve, skepticism may become one of the most valuable tools a homebuyer can bring to transaction process.

Solar Power at Night Using Space Lasers?

One of solar energy's biggest limitations is obvious: when the sun goes down, so does production. A Virginia startup believes it has found a solution that sounds more like science fiction than utility planning.

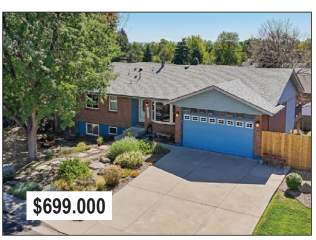
Overview Energy is developing a system that would collect solar energy in space and beam it back to Earth using infrared "power beams." The company says the technology could allow conventional solar panels to generate electricity at night and potentially produce several times more energy than today's solar farms.

The concept is not new. NASA studied space-based solar power during the 1970s energy crisis. What is new is the urgency. Explosive growth in artificial intelligence and data centers is driving demand for electricity faster than utilities can add capacity. Tech companies are searching for every possible source of round-the-clock power.

Overview hopes to demonstrate its first space-to-Earth power transmission by 2028.

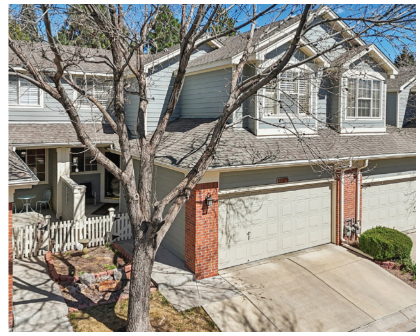
Read the rest of this article on my blog at **http://RealEstateToday.substack.com**.

Just Listed: 4-BR Green Mountain Brick Ranch



Located on a cul-de-sac of well-kept homes in Green Mountain Village, this classic ranch with walkout basement at **1576 S. Wright Ct.** has been exceptionally maintained and offers a bright, functional floorplan with abundant natural light from its south-facing rear exposure. The updated kitchen includes an eat-in dining area and opens to a large south-facing deck through a sliding glass door, creating seamless indoor-outdoor living. The main floor also offers three bedrooms. The walkout lower level features a spacious recreation room with wood-burning fireplace, a fourth bedroom, 3/4 bath, laundry and storage area, plus dual access points to the covered patio and backyard. Additional upgrades include R-60 attic insulation, air sealing, double-pane windows, a 2024 Class 4 impact-resistant roof, and a whole-house fan. Enjoy attractive, low-maintenance landscaping with drought-tolerant perennials, Dog Tuff grass, and raised garden beds. Take a narrated video tour at www.GRElistings.com, then come to the open house today and tomorrow, 11am to 1pm, or call listing agent **Chuck Brown, 303-885-7855,** to request a private showing.

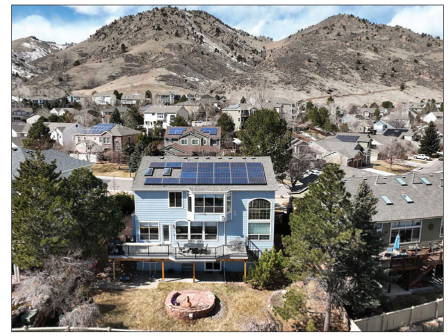
Here Are Some of My Current Active Listings



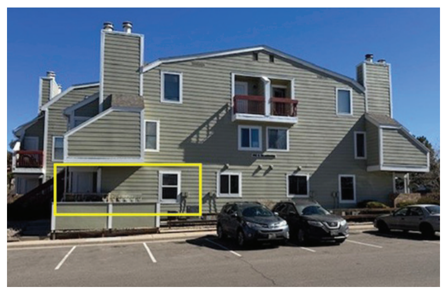
13527 W. 63rd Way, Arvada - $509,000

This contemporary 3-bedroom/4-bath townhome features over 2,250 finished square feet, highlighted by an open-concept main level with soaring vaulted ceilings and slab-granite kitchen countertops. All new berber carpeting was just installed on all three levels plus the stairs. A sunny dining area opens to a spacious private patio, perfect for outdoor relaxation. Energy-conscious buyers will appreciate the ChargePoint EV charging station in the two-car garage. The basement contains a third bedroom with a 3/4 bath. Find a video tour of this and all the listings below at **www.GRElistings.com**.

359 Canyon Point Cir., Golden - $1,650,000



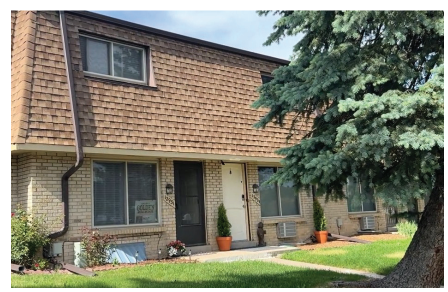
The seller, who purchased this model home in 2002, has made several great improvements including solar panels, hardwood flooring, and totally new gourmet kitchen and master bathroom. The 4 upstairs bedrooms and stairs have new Berber carpeting, too. The view to the east takes in both table mountains and the city of Golden, plus a view of Lookout Mountain and the iconic "M" on Mt. Zion. There's a trailhead to Mt. Galbraith Park's five miles of hiking trails within the subdivision. The main-floor deck has been completely rebuilt with metal railings and a breakfast bar.



992 S. Dearborn Way #7, Denver - $150,000

This 1-bedroom/1-bath Sable Cove condo would make a great starter home for the right buyer. It's east of I-225 and north of Mississippi Avenue, south of Aurora's town center. The seller, who bought it for a family member, updated everything in this ground level unit. It has luxury vinyl plank flooring throughout, a pantry with slide-out drawers, laundry hookups, and a wood-burning fireplace. There is lots of open lot parking for you and your guests.

12931 W. 20th Ave., Golden - $370,000



Beautifully maintained Applewood Park townhome with updated systems, a finished basement family room, and two covered parking spaces directly behind the fenced patio. The main floor features a bright south-facing living room, dining area, and kitchen. Upstairs are two bedrooms and a full bath with tub/shower. Major mechanicals were replaced in 2023, including the furnace, central air conditioning, and gas water heater.

Jim Smith, Broker
CENTURY 21 Golden Real Estate
303-525-1851
Jim@GoldenRealEstate.com

The articles in the ad are posted at RealEstateToday.substack.com

Two decades of these columns are archived at JimSmithColumns.com