

Arrest in Nigeria over real estate fraud attempt in Australia

A man has been arrested in Nigeria in connection with the attempted fraudulent sale of a home in Western Australia.

Please see the media release below for further information.

The arrest is a timely reminder of the need to be vigilant. Commissioner for Consumer Protection Anne Driscoll reminds settlement agents of the need to have documented processes in place to prevent the possibility of homes being sold without the owner's permission. This should include some form of regular internal cross-checking to confirm the procedures are being **consistently applied by all staff**.

The Department's proactive review of agents will include checks to ensure appropriate Client Identity Verification processes are prepared and being followed by all staff.

Settlement agents could place their licences at risk if they fail to comply with the strengthened *Settlement Agents Code of Conduct 1982*.

The Department's guidance notes on the Code are available at www.commerce.wa.gov.au/ConsumerProtection/Content/Licences/Settlement_Industry/Guidance_Notes_Code_of_Conduct.html



Government of **Western Australia**
Department of **Commerce**
Consumer Protection



Joint Media Statement

Consumer Protection and WA Police

15 August 2013

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A man has been arrested in Nigeria in connection with the attempted fraudulent sale of a home in Western Australia.

Ntuen Promise EKENMINI was apprehended by Nigerian authorities yesterday when he attended an international courier office and attempted to collect documents with a forged driver's licence in the name of the South African home owner. The documents related to a supposed settlement of a home in Falcon, south of Perth. He is expected to be charged with forgery and identity theft.

The arrest follows an 8-month intensive investigation by the Major Fraud Squad of the Western Australia Police, with assistance from the Australian Federal Police (AFP) who worked closely with authorities in South Africa and Nigeria.

It will be alleged that the attempted fraud began when a man contacted the property manager of a Mandurah real estate agency on 17 December 2012 purporting to be the owner of a home being managed by the agency and requesting documents relating to the rented property, which were sent. He allegedly used a Yahoo email address in the name of one of the real owners, who is a Johannesburg resident, and requested that all future correspondence be forwarded to this new email address and all phone contact to be made through a new mobile phone number.

On 18 January 2013, the agency received a request to sell the property and a sales agreement with false signatures was subsequently completed by the offenders and returned to the agent, together with copies of fake passports of the two owners, a husband and wife, as well a forged document purporting to be from the Australian High Commission in Pretoria confirming their identity. Suspicions were raised by staff at the agency who had attended an anti-fraud education seminar conducted by WA Police and Consumer Protection, and the attempted fraud was reported to authorities.

In conjunction with Major Fraud Squad detectives, the agency engaged with the alleged offender and various documents were passed between the concerned parties in an effort to identify the offenders. At one stage, instructions were given to deposit proceeds from the pretend sale (\$AU785,000) into a bank account in South East Asia.

The AFP was informed through their International Liaison Network and liaised with South African and Nigerian Police, who monitored the controlled delivery of the pretend settlement documents first in Johannesburg, then Nigeria.

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Detective Senior Sergeant Dom Blackshaw of the Major Fraud Squad (WA Police) said that the arrest represented a major breakthrough in the investigation of real estate fraud in Western Australia.

“Our ability to proactively engage the alleged fraudsters through the agent gave us the necessary evidence to launch an international operation which resulted in a man involved in the operation being apprehended,” Det Snr Sgt Blackshaw said.

“Investigations are continuing into other people who may be involved and also into whether there are links between this case and the two successful and five attempted frauds reported in WA over the past five years.

“Six of the seven cases involved owners who live in South Africa, have investment properties in Perth which are rented and have had their identities stolen. There is now clear evidence of a link between criminals in South Africa and Nigeria.

“We are not exactly sure how the offenders come to know about the South African-based owners and their investment properties but it would appear they are somehow intercepting correspondence between the owners and their agent in Perth. This could be physically by intercepting letters sent through the postal service, or electronically by owners having their email account, or perhaps their computers, hacked.”

AFP Manager International Network Clive Murray said the successful outcome of this complex operation was the result of a high level of cooperation between Nigerian, South African and Australian authorities.

“Together with Western Australia Police, the AFP and its partners are setting an international benchmark for law enforcement cooperation,” Commander Murray said.

“Operations such as this, which span across jurisdictions and combine efforts from Australian and international agencies, are excellent examples of the power of law enforcement collaboration against transnational crime.”

Consumer Protection has welcomed the arrest in Nigeria, but reminds real estate and settlement agents to remain vigilant.

Commissioner for Consumer Protection Anne Driscoll paid tribute to the four police forces who worked well together to ensure a successful outcome for property owners, both in Australia and South Africa.

“While this is a welcome development in the ongoing fraud investigations, I would urge real estate and settlement agents to remain on high alert, as there are criminals who will continue to attempt to steal identities and profit from fraudulent sales of property,” Ms Driscoll said.

“The tactics used in these types of fraud are now well-known and there is no doubt other criminals will seek to emulate the methods used previously and also come up with new and more clever ways of tricking agents into selling property the criminals don’t own.

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“Agents have been made aware of the warning signs of property fraud through presentations and educational material provided by Consumer Protection, WA Police, Landgate and REIWA. So there is no reason why these fraud attempts should get past first base.

“Agents are reminded that they must strictly comply with the strengthened Codes of Conduct and accompanying guidelines which require them to carry out rigorous identity checks on clients, particularly if the owners are from overseas and want to sell the property urgently. This includes confirming changes to contact details with original addresses on property management files before documents are sent.

“Only by remaining vigilant and utilising these simple steps will the property industry stay one step ahead of the fraudsters and discharge their requirements to employ due care, skill and diligence for their owners.”

Background to property fraud in Western Australia

The first successful property fraud in Western Australia was reported in September 2010 when home owner Mr Roger Mildenhall, based in South Africa, discovered his investment home in Karrinyup (suburb of Perth) had been sold for \$AU485,000 in August 2010 without his knowledge or consent by the agent who was managing the property on his behalf.

In April 2011, a home in Ballajura (another suburb of Perth), owned by a couple who were living in Nigeria at the time, was sold for \$410,000 allegedly by Nigerian fraudsters without the knowledge or permission of the real owners. The fraudulent sale was not reported until August 2011 when the owners returned to Perth wanting to inspect the property.

In both these cases the funds were transferred to bank accounts in China.

In November 2011, the Codes of Conduct for real estate agents and sales representatives and settlement agents (conveyancers) were strengthened to incorporate strict identity verification guidelines for all transactions, particularly involving overseas owners. The Western Australian Government’s land titles office, Landgate, has also put in place strict fraud prevention measures.

Landgate’s Western Australian Registrar and Commissioner of Titles Joint Practice: Verification of Identity (known as the ‘Verification of Identity Practice’) is designed to reduce the opportunity for successful land title fraud as a result of identity theft or other improper dealings. It sets out to achieve this by requesting verification of the identity of a person transacting and their authority to deal with an interest in land. The Practice is available the Land Titles Registration Practice Manual on Landgate’s website [here](#).

END OF RELEASE

(NOTE: Photos of the arrested man and the forged driver’s licence are available)

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