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VOI Fraud Crisis How to illegally own Australian Real Estate. Foreign property investors Verification of Identity fraud is tipped 100x greater than mortgage fraud.

## **VOI Fraud Crisis - How to illegally own Australian Real Estate. Foreign property investors are illegally sidestepping the Verification of Identity process.**

Chinese property investors are lying on bank loan applications and now circumventing Verification of Identity (VOI) property ownership.



Chinese Mortgage Fraud has reached every headline over the past 4 weeks however, like 'Peaches and Cream' VOI fraud is estimated to be 100 times greater than the reported mortgage fraud and, has yet to be a topic reported by the main stream media.

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<http://mortgageproperty.com/voi-fraud-crisis-how-to-illegally-own-australian-real-estate.html>

### **Foreign property investors turn lying into an art, lenders say.**

Reported by Duncan Hughes - Australian Financial Review

<http://www.afr.com/real-estate/residential/foreign-property-investors-turn-lying-into-an-art-lenders-say-20160512-gou1am>

### **Mortgage fraud is the dirty secret that could spark a financial meltdown, economist warns**

Reported by Dana McCauley - news.com.au

<http://www.news.com.au/finance/business/banking/mortgage-fraud-is-the-dirty-secret-that-could-spark-a-financial-meltdown-economist-warns/news-story/53bf8bf125b31e39e0d05c61b3f34d06>

### **The 'Peaches and Cream' of Mortgage and VOI Fraud go hand in hand and, is a significant risk to Australia's Economic Health.**

Laws introduced require all property buyers and sellers, overseas investors or domestic, to provide mandatory Verification of Identity (VOI) to protect our nation from organised crime, money laundering and other forms of property fraud. Well known in the real estate industry, dodgy conveyancing firms that cater specifically to Chinese property investors are snubbing the VOI requirements.

In all of circumstances, dodgy conveyancing firms are conducting the VOI over a Skype call, by the client holding up their passport up to the web cam. In some cases, an iPhone photo of the passport page is all that is emailed to the conveyancer. In a conversation with a conveyancer: "Its often inconvenient for our clients to fly to Australia to meet with us for an, face to face meeting and/or attend an Australian embassy." Our clients also worry about local authorities (in China) seeing 'us' (Chinese clients) attending a foreign consulate.

The Registrar of Titles (State by State Government Department) across Australia have put in place specific requirements that all purchasers and sellers of Australian real estate to verify their identity "verification of identity" (VOI). The amendment to the Transfer of Land Act requires all parties to a property transaction to have their identity verified (VOI). The VOI also applies to company directors and lawyers who are acting under a Power of Attorney.

To comply with the real estate title laws, conveyancing practitioners and lawyers need to ensure face-to-face identity checks are made on each of their clients buying, selling or transferring real estate in Australia. Alternatively, property lawyers can provide forms and documents to Chinese purchasers that can then attend an Australian Consulate or Embassy whom are authorised and well versed in the VOI process (or Australia Post within Australia) to complete the VOI forms, complete the identity check to comply with the VOI laws.

A senior Australian bank manager has stated (privately): "Its all well and good that they lied on their mortgage applications, we still have the security over the property but, when everything goes pear shaped and we need to start legal proceedings, who really owns the property will be the biggest conundrum for the lawyers. When we have to exercise our rights as mortgagee in possession in front of a judge, the Chinese name on the title of land may not be the property owner or even a real person or a made up english name" At the end of the day, how do we serve legal documents on someone that doesn't exist in China ?

Who Am I ? 成龙 或 陈积 或 雅克·陈 The combination of VOI fraud and Bank loan fraud is a serious risk for Australia's banking sector.