



LEGAL ASSISTANCE TO THE ELDERLY

Scam Prevention:
Understanding Elder Financial Abuse
& Ensuring Elder Financial Security

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Our Practice Areas

- **Financial Elder Abuse Litigation**
- **End of Life Planning**
- **Foreclosure Prevention and Litigation**
- **Consumer Debt Defense and Consumer Protection Litigation**
- **Housing Preservation and Eviction Defense**
- **Healthcare and Benefits Advocacy**



Foreclosure Prevention Services

- Foreclosure litigation
- Help with legal issues regarding loan modifications
- Identifying and negotiating with lenders and loan servicers
- Assessment of loss mitigation options, procedural defects, and administrative complaints to Consumer Financial Protection Bureau.
- Review for State and City homeowner assistance programs
- Guidance regarding legal documents and foreclosure protections

Background on Elder Financial Abuse

Elder Financial Abuse is the
“CRIME OF THE 21ST
CENTURY”

- **\$28.3 billion** lost annually by victims
- Elders are targets for financial abuse because they have built up more wealth (mostly tied up in their homes) than younger people

Beyond financial losses,
elder financial
abuse victims suffer
declines in mental
health and in physical
health

- Victims of financial elder abuse have been reported to demonstrate lower levels of confidence and increased rates of depression, placing them at greatly increased risk for future victimization
- Victims are often embarrassed, ashamed, and blame themselves

Most Abuse is by Known
Persons and is Unreported

- **72%** of elder financial abuse is perpetrated by **known persons**
- **88%** of elder financial abuse by known persons is **unreported**

Data from 2023 AARP Report: The Scope of Elder Financial Exploitation: What It Costs Victims

Recognizing Victims of Elder Financial Abuse: What To Look For

CHANGES IN HABITS:

- Unusual or frequent cash withdrawals from ATMs, bounced checks, missed credit card payments, purchase of unsuitable products or services.
- Inability to pay rent or mortgage, leveraging or taking out loans on the property.
- Elder suddenly does not have enough money to provide for her basic needs.
- Elder becomes withdrawn or depressed.

CHANGES IN RELATIONSHIPS:

- Long-term spouse or partner who handled finances dies.
- New friend, romantic partner, or long-lost relative surfaces.
Someone facilitating financial habits, being named as fiduciary, appearing on title or bank accounts.
- Elder removed from “radar” of friends and loved ones.
- May suddenly become mistrustful of those who were formerly central to his or her life.





Common Scams

- Elder is told she has won Publisher's Clearinghouse but to get the money she has to first send cash to pay for the taxes and fees.
- Scammer solicits **phone donations** to support school for underprivileged children in a foreign country .
- Scammer poses as someone the elder knows and requests the elder send them **gift cards**.
- Elder meets someone online, often on dating site or social media, and wires money to new "love" who wants to move to the U.S. to be with the elder.



Common Scams

- Elder gets tricked into allowing **remote access** to their computer or phone, often by someone posing as tech support, who gains access to elder's accounts and transfers money out.
- Elder is told by scammer that her **Social Security** account has been hacked and must move funds from bank account to catch the scammer.
- Elder gets tricked into thinking **funds were incorrectly transferred** into her account and told she needs to reimburse the sender.



Ms. Torlato

Ms. Torlato is 70 years old. She is disabled, low income, and lives by herself in a home in San Francisco which she purchased in 2004. A few years ago, "H" began serving as Ms. Torlato's IHSS caregiver. In 2018, H suggested to Ms. Torlato that she refinance her home with the help of H's acquaintance, Heslin. In 2018, Heslin and H helped Ms. Torlato fill out the mortgage application in her home. Neither Heslin nor H explained the terms, which Ms. Torlato found to be "mumbo jumbo". Ms. Torlato relied upon her perceived expertise of Heslin and upon her trust of H to complete the loan.

The note contained unfavorable terms. In particular, it required Ms. Torlato to pay the outstanding balance of the loan (\$300,000), plus accrued and unpaid interest (equal to 11% per annum) two years after Ms. Torlato signed the note. Unable to make the balloon payment, in March 2021, Ms. Torlato was served with a Notice of Foreclosure and the home was sold to third-party purchasers. Ms. Torlato now faces eviction and the loss of equity in her home.





Mr. James

Mr. James is 73 , a semi-retired accountant. He lives in his own house in San Francisco by himself. His late wife to whom he was married for 50 years passed away a year ago. He has five children, but they all live away from him. However, they check in with him via phone calls and video calls often. Mr. James considers himself tech-advanced, always online playing games and joining different chat groups from China, Thailand, or the Philippines. Soon after his wife died, he met a woman via one of these groups and started “dating”. He tells his children he is considering selling his house and moving to Thailand to retire and start a life with his friend. Mr. James has since wired 3 different payments to her to put down a deposit for a house and an additional payment was over \$25,000 for her visa fee to visit him. When asked for a picture of her, Mr. James told his children his lady friend does not like to have her picture taken due to childhood trauma on her face. Was it on her right or left cheek, Mr. James wasn’t too sure because he had never seen her via video yet. Mr. James told his youngest daughter that his lady friend is “working up her courage” to show her face to him soon.



Using End of Life Planning to Prevent Financial Elder Abuse

End of life planning includes:

Estate planning
Wills, Trusts

Power of Attorney
Advance Healthcare Directives

Joint Ownership
Pay/Transfer on Death Beneficiaries

Retirement Accounts
Life insurance

Reverse Mortgages (when suitable)

These documents provide SAFEGUARDS:

To memorialize and document the Intent of the testator

To provide backup plans for different life scenarios

To prepare for a potential loss of capacity or a ability to communicate

To prevent and restrict ownership/title changes

To prevent disputes by heirs before and after death;

Why is an End-of-Life Plan Useful?

Financial Abusers always claim the taken property was a GIFT
Especially Family Members

An End-of-Life Plan documents the Intent of the Elder
Whether the property was *intended* to be a gift; or Whether a gift of the disputed property is consistent with the plan

A complete and consistent End of Life Plan is more difficult for a potential abuser to change



**LEGAL ASSISTANCE TO THE ELDERLY
FINANCIAL SECURITY TEAM**

Thank You!

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