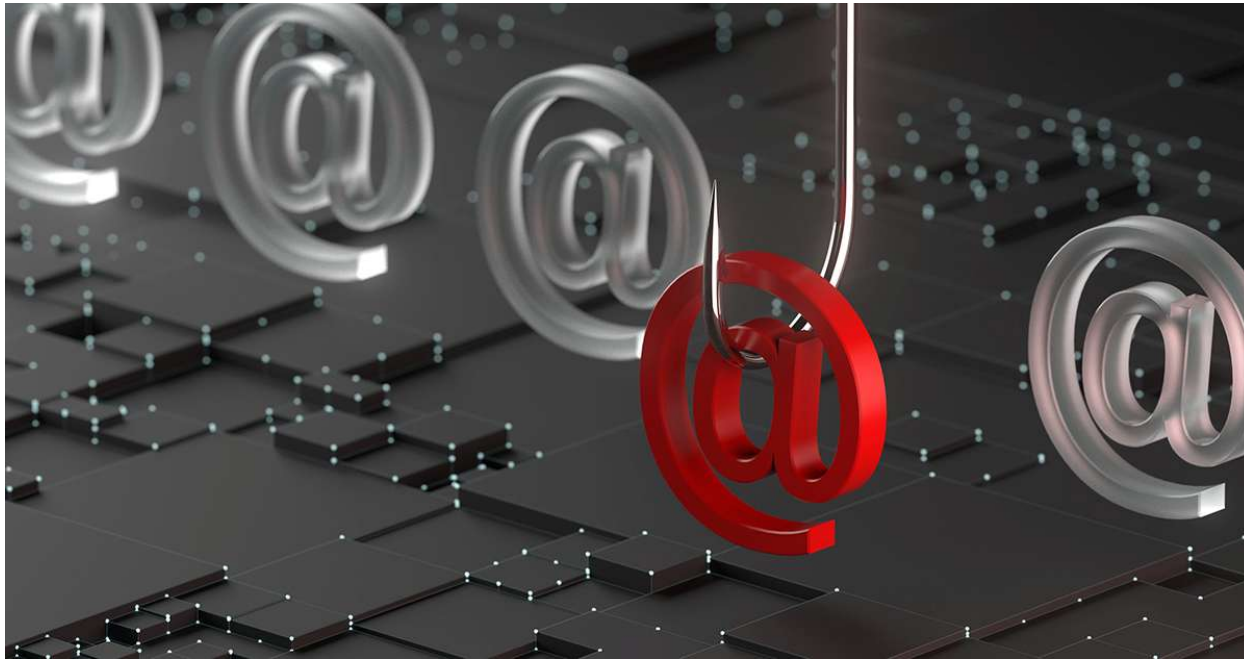


Wire Fraud Schemes Targeting Real Estate Closings



Real estate transactions often involve significant sums of money, making them a prime target for sophisticated wire fraud schemes. Buyers, especially those preparing for closing, should be aware of these scams and take proactive measures to protect their hard-earned funds. Here's how the scam typically unfolds and how to avoid becoming a victim.

How Wire Fraud Schemes Work

Scammers usually begin by gaining unauthorized access to the email accounts which is often achieved through phishing emails that trick recipients into sharing login credentials. Once inside, scammers monitor email exchanges to gather information about pending transactions, including closing dates, amounts due, and parties involved.

As the closing date approaches, the scammers strike. They send an email to the buyer, posing as a trusted party in the transaction. The email includes updated wire transfer instructions, directing the buyer to send funds to an account controlled by the scammer. These emails often appear legitimate, complete with real names, logos, and details specific to the transaction. To add pressure, scammers may emphasize urgency, warning that delays could jeopardize the closing.

If the buyer follows the fraudulent instructions, the funds are transferred to the scammer's account, often overseas making recovery extremely difficult, if not impossible.

How to Protect Yourself

While these scams are sophisticated, buyers can take several steps to safeguard their funds:

1. **Verify Wire Instructions:** Always verify wire transfer instructions by calling the title company or attorney using a known, trusted phone number. Never rely on contact information provided in an email.
2. **Be Cautious with Email Communication:** Avoid sending sensitive information, such as financial details, through email. An experienced real estate professional can make available secure communication portals for you to use. Use them whenever possible.
3. **Watch for Red Flags:** Be suspicious of any last-minute changes to payment instructions or emails containing grammatical errors, typos, or unfamiliar sender addresses. Authentic emails from trusted parties will match their established communication style.
4. **Confirm the Transaction:** After wiring funds, contact the recipient immediately to confirm that the payment was received in the correct account.

Here is the key thought - Stay Vigilant!

Wire fraud is a growing threat in real estate transactions, but awareness and caution can significantly reduce your risk. If something feels off, take the time to double-check before acting.

By remaining vigilant and verifying all instructions, buyers can protect themselves from devastating financial losses and ensure a smooth path to closing on their dream home. Your agent can be helpful in verifying if the request is legitimate.