



THE
SECURITY TITLE

GUARANTEE CORPORATION OF BALTIMORE

ESTABLISHED IN 1952

PROTECT YOUR CLIENT BY PREVENTING PROPERTY FRAUD

Incidents involving people falsely claiming to own properties they are trying to sell are steadily increasing as scammers create elaborate schemes to dupe potential buyers and real estate professionals.



1 in 4

people are targeted*



1 in 20

people become victims*



\$70k

average scam amount*

*Source: CertifID. (2024). 2024 State of Wire Fraud Report.

Protect your client and your reputation by knowing the red flags and best practice tips to avoid becoming a victim of these scams. The National Institute of Realtors (NAR) notes certain red flags should raise concern for real estate agents when the potential client:



Has a strong preference or requirement for cash.



Wants to list the property far below market value.



Does not want a "For Sale" sign in the yard.



Emphasizes an urgency to sell quickly.



Will only use a remote notary and requests a remote closing.



Claims to be out of the state or country.



Never communicates in person or on video, preferring to text or email.



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Remember...you're not obligated to immediately start working with a potential client just because they show up on your doorstep or your inbox.

If any of these red flags apply to your prospective client or something doesn't "feel right," it is okay to take some time to conduct background research.

NAR recommends these tips to prevent fraud before and during a closing:

Tip #1

Exercise due diligence to verify the purported seller is the actual property owner.

- Ask for multiple forms of identification
- Verify the seller's phone number
- Ask for proof of property ownership
- Speak to a neighbor
- Verify the seller's e-mail
- Request to meet the seller face-to-face.
- Search online for a recent photo
- Ask the potential client about the area around the property to see if they are familiar it.

Tip #2

Make sure you or the title company select the remote notary at closing.

- Ask the seller for a voided check and a disbursement authorization form; use a wire verification service to confirm the account information and ownership.

If you believe that you've been approached by someone operating one of these scams, save every piece of documentation so it can be passed to law enforcement. Everything from email chats and text messages to fake documents can help identify similarities between cases and lead to arrests and convictions.



To report a suspected vacant lot scam, contact local law enforcement and file a complaint at [IC3.gov](https://www.ic3.gov).



The Homeland Security Investigations Tipline is 877-4-HSI-TIP.



Special Agent Brian Stewart can be reached at brian.j.stewart@hsi.dhs.gov