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Help prevent wire fraud from hitting your clients - and you!

The horror stories of fraud in real estate transactions abound, both nationally and locally. Whether it's wire fraud, a fake party to the action, or phishing emails, the bad guys are out to get a free piece of the real estate pie. Recently, a couple purchasing a home in Washington D.C. became a victim. They wired \$1.57 million straight to the criminals based on wire instructions that were emailed to them. The settlement agent had fallen victim to a phishing scheme and had no idea the funds were being sent. Now, that purchaser is suing the settlement agent for the return of its money and for additional penalties for alleged violation of RICO statutes.

Please see attached a [Wire Fraud Alert Form](#) that can be forwarded to buyers for your upcoming closings. The alert provides notice to the buyers of the potential threat of wire fraud and steps that can be taken to reduce the likelihood of it. Two copies of the alert should be sent to the buyers at the earliest opportunity after opening the file. The buyer can retain one copy, and return a second, signed copy for your file. Please insert your firm's wire instructions and your firm's phone number, and forward to the buyer via encrypted email or secure document portal. This form is designed to protect YOUR FIRM and the BUYER from these schemes. Once the amount of the funds to be wired is known, that information should be provided to the buyer without resending wire instructions.

We have also included a [Notice of Pending Real Estate Transaction](#) that can be used to protect against absentee sellers who may become victim of a fraudulent sale or mortgage of their real property.

Posted 5 days ago by [Jay Williams](#)

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