



Don't Be a Victim of Real Estate Wire Fraud

It's almost time to close on your new home! Your excitement is building... until you discover you've sent your closing funds to an offshore account and there's no way to get the money back. You've lost the house and everything you've saved to purchase it.

Don't think it could happen to you? Fake email messages are one of cybercriminals' oldest tricks. However, growing numbers of unwary buyers are becoming victims.

How it happens

- 1 Hackers infiltrate the email account** of someone involved in a real estate transaction, potentially including the buyer or listing agent, a brokerage assistant, an attorney, or a representative of the title company.
- 2 Messages flowing in and out of the compromised account are monitored to collect critical details**, including the closing date, the property address, the buyer's name and email address, and the names of the real estate brokerages, title company, and financial institutions involved in the transaction.
- 3 When closing is imminent, a fake email is sent to the buyer**, including wire transfer instructions. Since the message is sent directly from the compromised email account and includes relevant and accurate transaction details, its authenticity is highly convincing.
- Once the money moves offshore, there's typically no way to get it back.**

How to prevent it

- First, be highly vigilant and alert.** Your bank may refund fraudulent charges on your credit card, but they're rarely responsible for a wire transfer you authorized, even if you were tricked.
- If you receive an email message concerning wire transfers, don't proceed with a transfer** and don't trust any of the contact information contained in the message.
- Grab your phone and talk to your buyer's agent to verify the status of your closing** and obtain the contact details for your wire transfer. Then, call the intended recipient immediately before sending the funds, to confirm the wiring instructions.

Person-to-person phone calls may sound cumbersome, but voice verification is the only reliable way to defend yourself against real estate wire fraud.
- As an additional preventive step, consider asking your bank to add voice verification or some other security procedure before any wire transfers are allowed** from your accounts. Granted, it's another step in the long process of buying your home, but when so much is at stake, it's worth taking steps to protect yourself.

The Accredited Buyer's Representative (ABR®) designation is awarded by the Real Estate Buyer's Agent Council (REBAC), a subsidiary of the National Association of REALTORS® (NAR).

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