



Fraud Alert

NAR Legal Affairs has learned of a new scheme designed to trick unwary real estate professionals into forwarding money to the scheme operators. The scheme works in the following manner:

- Salesperson receives an inquiry via email from an individual who identifies himself (no known female aliases yet) as a wealthy individual seeking a residential property. The individual lives outside the market area, and usually outside of the country. The individual operates under a variety of aliases, and also varies his housing requirements. Sometimes he is married with children, sometimes he is single.
- The emails are written in a choppy fashion with incorrect grammar usage, suggesting English is not the writer's first language. The emails also rarely contain any information relevant to the market in which he is seeking a home and are written in a generic style.
- The individual claims to hold an important position at an existing business, although no one with the individual's name actually is listed as working for the business.

If the real estate professional responds to the inquiry and sends the individual listing information, the following actions take place:

- The alleged buyer selects the most expensive property from the listings that he receives and instructs the real estate professional to submit an offer for the property, stating that he will visit the property in the near future.
- He represents that the transaction will be an all cash transaction, and no title company should be involved.
- He requests the information that he needs to write on the deposit check, and states that the check will be sent either to the real estate brokerage or to an attorney.
- He will also send a forged bank (or brokerage) statement, showing significant assets, in addition to a copy of a forged ID.

If the Salesperson provides this information, the real estate professional (or attorney) will receive a check larger than the deposit amount. The reason for the higher amount will be attributed to something like needing funds for furnishing the new home. If the check is cashed, the alleged buyer will immediately withdraw the overage amount. The real estate professional's bank will present the initial check for payment, and will then be told it is forged. Therefore, the real estate professional will lose the overage amount taken by the individual, as the trail of money is usually untraceable once it is withdrawn from the brokerage's escrow account.

If you receive this email, you should ignore it and forward it to your local FBI office- click [here](#) to locate.

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