

# WIRE FRAUD IN REAL ESTATE TRANSACTIONS

Wiring funds can be a fast and convenient way to transfer money, however, it can come at a risk. Fraudsters are targeting real estate transactions as an opportunity to commit wire fraud.

**Every 43 seconds a cybercrime gets reported to the FBI and 1 in 3 real estate transactions are targeted.**

Typically, these scenarios involve a party to the transaction being tricked into sending funds to an account created by criminal actors. Money sent to a fraudulent account may not be retrievable and life savings can be lost.

**DON'T be a victim of wire fraud, DO:**

**INDEPENDENTLY VERIFY & VALIDATE** any directions you receive regarding how or where to send money (including a wire or a check). A message that appears to be from an attorney, paralegal, lender, settlement agent, real estate broker, or another party involved in the transaction may be from a fraudster trying to deceive you and divert your funds.

**VERIFY THAT A MESSAGE IS LEGITIMATE BY TAKING THESE SIMPLE STEPS** before taking any action in response, and before opening any attachment in an email:

1. **INVESTIGATE** the sender's email address and phone number using a reputable source, such as searching the firm or business name online, in order to determine the correct contact information for the sender of the message.
2. **INITIATE CONTACT** with the sender of a message using the phone number or email address you find online, or from another reputable source, rather than relying on the contact information in the message or waiting for the sender to contact you. Fraudsters will try to prevent your verification efforts by telling you to confirm your receipt using the phone number or email listed in the fraudulent message, or by contacting you first.
3. **VALIDATE** the authenticity of the message and any instructions by communicating directly with the individual, firm or business purportedly sending the directions to you.

**Consider what could happen if you send money or provide information without first taking just a few minutes to make sure you are not allowing a criminal to take advantage of you.**

**Slow Down.** Criminals often fabricate a sense of urgency to prevent careful consideration. Do not act on last-minute changes to payoff instructions or other directions involving closing funds without first verifying the legitimacy of the message.

**If you realize that a wire has been sent to a fraudulent account** immediately report the fraudulent wire to the sending and receiving banks and try to STOP the transfer and recall the wire.

**Be vigilant** and follow these simple precautions to reduce your risk of becoming a victim of wire fraud.

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