

# Tips & Tricks for Help in Battling SELLER IMPERSONATION FRAUD

## WHAT THE REALTOR CAN DO:

### KNOW YOUR CUSTOMER

Do your homework to find out who you are truly working with.

### LOOK FOR THESE RED FLAGS

- Contact only by text/email
- You have no prior relationship with the party
- Property is a vacation rental, unimproved and/or free and clear
- Seller is out of the state/country and will not be able to do anything in person
- Seller can arrange for his/her own notary—has a “friend who can help”
- “Motivated” to sell, looking to entice all cash, and willing to sell for less than market value

### WHAT EVERY REALTOR CAN DO

- Talk to your seller
- Ask how they found you
- Ask them if they’ve worked with anyone in your office or area before
- Ask them about the property (when did they buy, what it looks like, did they acquire from family, any other use for it, etc.)
- These are legitimate questions of a realtor to assist in the marketing & listing of property
- But at the same time you are “testing” them and their knowledge of their property
- Ask them why they are out of the state/country
- Ask them why they are motivated to sell
- Require your prospective customer provide you with multiple forms of ID and a utility bill for the property as a precondition to taking the listing
- It’s no different than retailers asking to see ID before taking a credit card for payment—just another anti-fraud measure
- Explain to them that seller impersonation fraud is on the rise, and that the industry is changing the way it takes a listing—which protects everyone

### TRUST YOUR GUT

- If any answers are not quite fast enough, detailed enough or just not feeling “right” let your EO know. This is not a checklist for turning away business, but rather things to keep in mind and share with your EO so that everyone is careful from the start.

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## WHAT ESCROW CAN DO:

### WATCH THE RED FLAGS

When red flags appear or are brought to our attention up front, we can get our legal department involved to dig deeper.

### INVESTIGATIVE TOOLS WE MAY USE IF RED FLAGS EXIST

- Look up other properties owned by the seller and compare signatures on older recorded documents with signatures on documents in the current transaction
- Send a letter to the tax notice address on the seller’s acquisition deed, advising of a pending transaction involving the property with instructions to call us
- Remind customers up front that signings must take place either in our office or with a notary that we choose
- Require that the seller submit a Statement of Identity, a copy of their ID, and/or a copy of a utility for the property
- Ask for ID copies up front and look for pictures of them online or in other public records
- Obtain public record reports for the seller to cross-reference contact information and details, and/or contact at other known numbers

### WE NEED YOUR HELP

- We are all on the same team when making these inquiries
- If it’s an LLC in title, we are going to ask for the corporate documents—all of them—in addition to the ID of the people signing on its behalf
- WE are the company moving the money so please help us in these situations and TALK to your customers up front about FRAUD and how our industry is under attack
- Remind them that these inquiries aren’t meant to be intrusive or disruptive, or for any other purpose than to prevent fraud.

TOGETHER WE CAN MAKE  
*a difference*