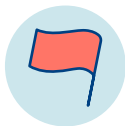


WARNING!

Vacant property scams on the rise



These schemes involve a criminal who identifies real estate, typically a vacant lot or a rental property, and then poses as the owner of the property and attempts to sell the same. They provide falsified closing documents and the proceeds are then transferred to the criminal. In the past, this was a common scam that occurred in FSBO transactions **but now the criminal, posing as the property owner, is contacting real estate brokers requesting they list the property.** This tactic, unfortunately, serves to add a layer of “apparent” legitimacy to the scheme.



Seller red flags

- The “seller” cannot meet in person and all communication is via phone or email.
- They spin a tale involving a dire situation or family crisis and advise that **they need cash as soon as possible.**
- They are eager to **list the property below market value** and **push for cash offers.**
- The contact email and/or phone number is **from another country.**
- They do not appear interested in having a buyer provide earnest money or **they are accepting an unusually low amount of earnest money.**
- **The photo ID they provide is difficult to view or illegible.**
- **They do not return paperwork timely, or at all,** and do not seem interested in fulfilling the terms of the contract (except proceeding to the closing).
- **They use aggressive, angry and pushy language** toward the broker to force the deal to closing.



REALTOR® best practices

- **Be skeptical**, especially when dealing with a person solely through electronic communications.
- **Ask** the owner for detailed information about the property.
- **Independently research** the owner.
- **Request a clear photo ID.**
- **Request an in-person or virtual meeting** and at that meeting request they show you their photo ID. (Be wary of excuses such as “I can’t do this because I’m in a different time zone” or “I’m too busy.”)
- **Contact the listed property owner** using a verified phone number. Send a letter via overnight mail to the address that is noted on the property tax bills.
- If possible, **verify** the notary is real or in the alternative, never allow a seller to arrange their own notary closing.
- If possible, **use trusted attorneys and title companies** for the exchange of closing documents and funds.
- **Request documents that only the owner would have in their possession**, such as a copy of the tax bill, or copies of the closing documents from when they purchased the property (title insurance policy, survey or settlement statement).
- County recorder’s office may provide a **property fraud alert program** that notifies the owner if any documents are recorded concerning their property.

To learn more, visit: www.IllinoisRealtors.org/magazine/june2023/vacant-property-scams-on-the-rise