



Avoid Mortgage Closing Scams

Homebuyers are being targeted by email phishing scams. Scammers are sending emails to homebuyers posing as their real estate agent or settlement agent, advising them of last minute changes in the closing process. The attempt is to steal the homebuyers down payment and closing costs.

Prevent email phishing scams:

- Discuss the closing process and money transfer protocols with your real estate or settlement agent.
- If you receive an email requesting that you send money in connection with closing, even if it's from a familiar source, STOP. Call your real estate or settlement agent to discuss. Don't use phone numbers or links in the email.



- Don't email financial information. Email is not a secure way to send financial information.
- Be cautious about opening attachments and downloading files from emails, regardless of who sent them. These files can contain malware that can weaken your computer's security.
- Before sending any wire transfer, ask your bank for help identifying any red

flags in the wiring instructions. Red flags include potential discrepancies between the account name and the name of the intended beneficiary (i.e., your real estate or settlement agent). Your bank may also be able to compare the receiving account number to account numbers identified in past consumer complaints as the destination of fraudulent transactions.

- Confirm receipt of the wire transfer by your real estate or settlement agent a few hours after the wire was transmitted. If you or another entity involved in the closing suspect a problem, report it to law enforcement and your bank as soon as possible to increase your likelihood of recovering the money.

What to do if you are a victim:

- Contact your bank or the money transfer company immediately upon discovering that funds have been transferred to the wrong account. Ask the bank or money transfer company to attempt a wire recall.
- Contact your local FBI and state Attorney General office.
- File a complaint, regardless of the dollar amount, with the FBI's Internet Crime Complaint Center at www.ic3.gov. Part of the mission of ic3 is to provide the public with a reliable and convenient reporting mechanism to submit information to the FBI concerning suspected Internet-facilitated criminal activity. Information is analyzed and used for investigative and intelligence law enforcement purposes and for public awareness.
- Report the phishing scam to the FTC.

Source: CFPB
<https://www.consumerfinance.gov/about-us/blog/buying-home-watch-out-mortgage-closing-scams/>

