



Real estate fraud alert

The Department urges agents to be on alert against real estate property fraud after another attempt to unlawfully sell a Perth home was thwarted.

Whilst the specific details are unclear at this point in time, it appears the fraud attempt was similar to other successful attempts. The current attempted fraud involved a property being managed by a West Australian real estate agent for an owner who is currently living overseas. In this case, like others before it, a person purporting to be the real owner contacted the agency and asked for their house to be sold. The agent marketed the property and corresponded with the fraudster before the fraud was uncovered.

This recent attempt is further reason for all real estate agents to be on continuous alert and to have written processes in place to prevent fraud occurring.

It is imperative agents:

- Check the e-mail address of a purported owner with the genuine owner's records on file.
- Send confirmation of any change of contact details for clients, especially changes prior to a sale, to the original email and postal addresses and also contact the client at the previous phone number to double check.
- Never send an e-mail back to a purported owner by pushing the reply field (the e-mail will be sent back to a possible offender). Either hit the **forward e-mail** field or the **create new e-mail** field and retype the address of the owner (recorded in the business records).

When dealing with an absentee owner, whether they are overseas, intrastate or interstate, the Department reminds agents to make further inquiries regarding identity and seek additional evidence whenever:

- There has been a recent change of address or other contact details.

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- The transaction originates from overseas especially from countries known for scams, such as Nigeria and South Africa.
- There is a request for funds to be sent to a different bank account normally used by the client, or to offshore accounts.
- New email addresses being used are generic such as Hotmail, Yahoo or Gmail.
- Communication is not the usual style used by the owner or their English is uncharacteristically poor.

Agents are reminded that they put their licence at risk if they fail to follow the *Code of Conduct for Agents and Sales Representatives 2011* which incorporates identity verification measures to help prevent fraud. Agents should therefore refer to the Department's [Client Identification Guidance Notes](#).

The Department is awaiting further details regarding the most recent fraud attempt and will update the industry as necessary.

End release