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Agent helps to thwart a potential scam

The Consumer Protection Division of the Department of Commerce (Consumer Protection) would like to highlight a Secret Harbour real estate agent's vigilance in identifying an overseas finance scam affecting two potential buyers attempting to purchase Western Australian properties.

The potential buyers stated that were under the belief that they would receive finance for \$10million from a US based financial entity, to support the buyers' philanthropic enterprises in Perth. This belief appears to have led the buyers to make offers to purchase a number of properties south of Perth.

Concerned with the number of cash offers being made, the agent requested documentation to support the buyers' financial position. The documentation provided raised the agent's suspicions further, who contacted Consumer Protection's WA ScamNet for advice.

Consumer Protection in conjunction with the Western Australian Police's (WAPOL) Major Fraud Squad (MFS) were able to identify that the loan documents were fraudulent and inform the affected parties in order to cease the scam's progress.

Signs which may assist agents to identify fraudulent activity:

- The transaction involves people residing or documents issued from overseas, especially countries known for scams;
- Email addresses being used are generic, such as yahoo or gmail, when you would expect them to be more professional considering the entity involved – i.e. financial institution, lawyer etc;
- Communication is in a style which is not normally associated with the person or profession:
 - poor English;
 - language and style within professional communications and documents are unnaturally informal;
 - quality of document is substandard; and
 - information is inconsistent throughout document.

If doubts are raised about the authenticity of a document, agents could seek to have it independently verified by the issuing authority. Agents should also consider contacting the WAPOL MFS (08 9220 0700) or WA ScamNet at Consumer Protection (1300 30 40 54) for advice.

The agent's vigilance is an example of the important role agents play in the protection of property buyers and sellers from fraudulent activity. It is an important reminder of the need for real estate agencies to apply rigorous scrutiny to all potential property transactions.

To find out more about potential scams, visit www.scamnet.wa.gov.au

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