

10 5 2022

The article below which appeared in the Real Estate Investor Magazine this morning, offers a powerful “caution” to all involved in the buying, selling and rental real estate industry – read and stay cautious!

Rob Mckee

Beware fake news, fake agents and fake properties on the rise

by *REI Editorial* | May 6, 2022 | *Getting Smarter*

The need for cyber vigilance is now vital, more so where it involves money and property transactions, according to the Seeff Property Group.

Since the onset of the Covid-19 pandemic the switch to digital and PropTech has accelerated and while it has made it easier to search and shop for property, it coincides with a reported tripling in cybercrime, fraudsters and fake news.

Seeff says tenants, landlords, sellers, buyers and property agents all have to step up their vigilance because fraudsters and scammers are getting smarter. The cost of clicking on a link and accidentally changing your banking passwords or transferring a house deposit to a fake account can be devastating.

As fast as the loopholes close, the fraudsters and scammers produce new ways to deceive.

Seeff highlights some things to beware of:

Fake property news such as dramatic claims or wild statements about how well or bad the market is doing which is often second-hand and distorted could be used to trick you. Rather speak to a well-established local property agent if you want to know about the market or properties for sale or rent.

Fake sellers and landlords, especially those pretending to be living or travelling overseas while they are selling or renting a property should always be guarded against. Be sure to first verify their identity and the existence of the property or avoid it at all costs. There are plenty of legitimate options available on the market.

Fake agents, especially those claiming they can get you a higher price or offering a low commission should be verified first. Always check that they are in fact registered with the PPRA (Property Practitioners Regulatory Authority) and in possession of a valid Fidelity Fund Certificate (FFC).

Fake property adverts only ever aim to trick you into handing over money. These adverts usually have copied photos and information from other listings and might come with low

prices. Only respond to adverts placed on legitimate websites and property portals. If it looks cheap, it is probably a fraud.

Fake buyers or tenants soliciting you directly or with upfront cash or mortgage approved offers should always first be verified. Letting such a tenant into your property might be the last time you see any cash and you could end up with property damage and a costly and onerous eviction process.

Beware of excuses and delay tactics. It may be an illegally advertised property or one for which the agent does not hold a mandate. Or it could simply be a scam to get your bank details or to get you to hand over money. Rather walk away and look for a more secure opportunity.

Fake emails, WhatsApp and SMS messages are now a daily occurrence. Never click on attachments unless you are certain of the origin. Legitimate agents will have a credible email address. Always verify the sender's identity and address.

Beware when there are no physical meet-ups. A credible agent will first introduce themselves to you and not just send a random email or message claiming to have a buyer or tenant. Always verify the identity of the agent and existence of the property before taking any action.

Beware of letting strangers into your property for viewings. There are plenty of stories of criminals posing as tenants or buyers. Rather work with a credible property practitioner who will manage the viewings and vet the visitors to minimise risks.

Beware of handing out your bank details and paying over deposits or other money unless you have met the agent, seen the property and verified the validity of the request. Be especially careful when you are involved in a property transaction and receive requests from agents or conveyancers. First verify the request before taking any action.
