

# Emerging Scams in the Homebuying Process



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Buying a home is an exciting but complex process. Unfortunately, it is also a time when borrowers are vulnerable to various scams. Staying informed about the common scam types and how to spot them helps protect you and your investment.

## Impersonation Scams

Fraudsters may pose as any of the parties involved in a real estate transaction, from mortgage lenders to sellers, using emails, texts, and phone calls.

### Common Red Flags:

- Unexpected messages with a sense of urgency, pressuring you to act quickly
- Requests for sensitive information via email or phone

When in doubt, call a trusted contact, like your mortgage lender, to verify the communication.

## Wire Transfer Scams

In wire transfer scams, fraudsters pose as legitimate entities (such as real estate agents or lenders) to redirect funds during the closing process.

### Common Red Flags:

- Last-minute changes to wiring instructions
- Communications from unverified addresses requesting immediate action

Confirm wiring instructions by calling a known contact number and avoid sharing sensitive information through unsecured channels.

## Home Title Theft Scams

Home title theft occurs when someone fraudulently transfers the ownership of your property to their name in order to steal money or assets. Typically, identity theft is the initial step in this crime, as the thief needs to forge a convincing home deed to complete the fraud.

### Common Red Flags:

- Appearance of unfamiliar items on your credit report
- Sudden lack of typical homeowner mail, like bills and notices.

To combat the risk of falling victim to this type of scam, keep track of all mail related to your home and mortgage, regularly check your credit report, and consider title insurance.