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Fake seller/fake buyer scam alert - sale of vacant lots

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Fake Seller/Fake Buyer Scam Alert – Sale of Vacant Lots

The South Carolina Real Estate Commission is aware of a rise in fraudulent sales and mortgages, most commonly associated with vacant lots. The scam targets unencumbered, vacant lots owned by persons out of state. With this scam, South Carolina real estate licensees may be contacted by a person acting as the seller seeking to have a vacant lot promptly sold for below market value.

Licensees approached with requests are advised to verify that the seller matches the person on the land deed so as to be in compliance with S.C. Code Ann. § 40-57-135(E)(1), which requires a written listing agreement signed by the property owner. Below is a list published by the North Carolina Real Estate Commission of “red flag” action to be aware of:

- The buyer/seller is traveling on vacation (sometimes abroad), claims they cannot meet in person, and has to do everything by email.
- The seller has a family emergency, needs a quick cash sale, and will accept substantially less than full price if they can close in a very short time.
- The email address or phone numbers are from another country. Of course, there are legitimate buyers and sellers who live overseas, but this does raise a flag that should be checked.
- The photo IDs, such as drivers’ licenses or passports, are barely legible.
- The Seller does not require a Due Diligence fee and/or low or no Earnest Money combined with a quick closing (in order to obtain quick proceeds before a scam is discovered).
- The buyer/seller makes constant excuses, is not able to perform the terms of the contract, or is not returning paperwork.
- The buyer/seller gets very angry at the licensee as the transaction gets closer to closing and applies pressure on the licensee to make sure the deal goes through. Sometimes they offer an incentive such as commission bonuses or promising other opportunities to buy or sell.

If you encounter a property owner that has been a victim of an attempt to sell their property without their consent, encourage them to contact the FBI to report the fraudulent activities and get assistance in stopping the perpetrator. More information regarding contacting the FBI can be found at the following link: <https://www.fbi.gov/how-we-can-help-you/safety-resources/scams-and-safety>.