



Fraud Protection Check List

Whenever working with someone in a real estate matter, call the DRE and check license status.

Never pay cash for anything, ever. Credit cards and checks are more secure.

Get a signed receipt anyway.

Do not be intimidated. You are the consumer, which means YOU are the boss.

Do your research on what a legitimate transaction should be like. Check with friends, family, industry websites, DRE and journalistic publications.

Do not cut corners. Take the time to exercise due diligence.

Ask questions. It is your right and responsibility to do your due diligence.

REMEMBER:

**If it's too good to be true, it probably is!
Double check!**



Real Estate MATTERS

Department of Real Estate Office Locations

Sacramento — *Principal Office*

2201 Broadway
Sacramento, CA 95818-2500
(916) 227-0864

Fresno

2550 Mariposa Mall, Suite 3070
Fresno, CA 93721-2273
(559) 445-5009

Los Angeles

320 W. 4th Street, Suite 350
Los Angeles, CA 90013-1105
(213) 620-2072
Spanish Language Consumers (En Español)
(213) 576-6878

Oakland

1515 Clay Street, Suite 702
Oakland, CA 94612-1462
(510) 622-2552

San Diego

1350 Front Street, Suite 1063
San Diego, CA 92101-3687
(619) 525-4192



Department of Real Estate Preventing Real Estate Fraud:

How to Protect Yourself and Your Home



Real Estate MATTERS



Department of Real Estate's Services

Investigate Violation of Real Estate Law:

Investigates complaints and may discipline licensees for violation of the law. Issues orders to stop unlicensed activity.

Advocacy for Consumers: Respond quickly and informally to consumer concerns and questions. Assists members of the real estate industry by serving as a facilitator, acting to resolve conflicts and mitigate or prevent violations of the Real Estate Law.

Bilingual Outreach and Advocacy: Offers services to underserved communities who are not fluent in English.

Financial Literacy: Educates and informs consumers about homeownership and the road to becoming a homeowner.

Licensing: Ensures licensees meet eligibility requirements and are tested for a standard of competence. Provides license information through the web site, by phone and by mail.

Speakers Bureau: Provides knowledgeable speakers to consumer and industry groups.

Subdivision Review: Ensures that subdividers deliver to buyers what was agreed to at the time of sale through the issuance of a public report.

Recovery Account: A victim's fund of last resort that provides limited relief to members of the public who have been defrauded by a real estate licensee.



Department Mission Statement:

To safeguard and promote the public interests in REAL ESTATE MATTERS through licensure, regulation, education and enforcement.

Purpose of the Department of Real Estate:

To be an effective consumer advocate by monitoring and regulating industry practices while promoting public awareness.
To be an effective customer-focused department providing timely and efficient services to licensees, subdividers and consumers.

Check the DRE web site for consumer alerts and guidance at: www.dre.ca.gov

Other Resources:

California Attorney General:
www.ag.ca.gov

California State Bar:
www.calbar.ca.gov

California Department of Corporations:
www.corp.ca.gov

California Department of Consumer Affairs:
www.dca.ca.gov

Federal Trade Commission:
www.ftc.gov

Housing and Urban Development:
www.hud.gov

Federal Deposit Insurance Corporation (FDIC):
www.fdic.gov



Fraud Warning Flags

Be extra wary if you:

1. are being asked to pay cash.
2. are requested to pay for something "on the side," "outside of escrow" or "after closing."
3. are asked to pay a real estate agent directly, or are asked to pay upfront fees.
4. are dealing with unlicensed agents or unlicensed brokerage companies.
5. are offered a "forensic loan audit".
6. are dealing with "attorney-backed" businesses or law offices that refuse to provide attorney's name or State Bar number.
7. come across programs and companies that claim to represent Federal or State agencies or programs.
8. are given a sales pitch with logical holes, lack of details or filled with assumptions.
9. meet with salespeople that fail to provide possible risks along with possible rewards. All investments carry a risk.
10. are asked to lend personal funds to an investment plan secured only by a personal note, or otherwise unsecured.
11. encounter unwillingness to meet in an actual office, or lack of an actual business office. Refusal to meet in person.
12. are not provided with required State and Federal disclosures early in the real estate transaction.
13. are asked to transfer title.
14. are encouraged to make payments to someone other than your servicer.

Visit the California Department of Real Estate for more important information:

<http://www.dre.ca.gov>