

Suggestions to Buyers of Real Property

1. If both the buyer and seller are not present together at the closing, ask why.
2. Generally, the settlement statement should contain both the buyer's and seller's signature on the same document.
3. Be suspicious if you are told that everyone lies on documents to purchase property.
4. If the settlement statement shows a down payment and you did not make one, do not sign the document.
5. Never sign a loan application or other document if it is blank or contains false information.
6. Be suspicious of anyone who offers you an "investment opportunity" to invest in property that involves no down payment and receipt of money from a loan closing.
7. Be suspicious if someone offers you money to purchase property or promises you money at closing.
8. Be suspicious if someone asks you to purchase property without seeing it.
9. Be suspicious if someone tells you that you can buy property and not worry about making the mortgage payments or maintaining the property.
10. Be suspicious if someone tries to rush you into buying several properties at the same time.
11. **IF IT SOUNDS TOO GOOD TO BE TRUE, IT PROBABLY IS!**



Red Flags to Real Estate Professionals

1. Does the buyer get money at closing even though the settlement statement shows that he or she made a down payment?
2. Does the buyer insist on a particular title company to do the closing? Do they include this as a condition for the purchase of the property?
3. After the price is negotiated, does the buyer come back to the seller and ask the seller to raise the sales price and take back a second mortgage which will be paid back at closing?
4. Is the title insurance commitment policy for the lender higher than the purchase price for the property?
5. Does the appraisal appear to be excessively high for the property or the area in which it is located?
6. Is the earnest money down payment check from someone other than the buyer?
7. **IF IT SOUNDS TOO GOOD TO BE TRUE, IT PROBABLY IS!**

FOLLOW YOUR INSTINCTS.



Where to Turn for Help

Indianapolis Neighborhood Housing Partnership

<http://www.inhp.org>

(317) 925-1400

Consumer Credit Counseling Services

<http://www.cccs.org>

(888) 711-7227

State Attorney General's Office

<http://www.in.gov/attorney>

(800) 382-5516

Marion County Center For Housing Opportunities

<http://www.indyhousing.org/test/departments/mccho/ihabro.pdf>

(317) 261-7367

Federal Bureau of Investigation- Criminal Violations

(317) 639-3301



United States Attorney's Office
Southern District of Indiana
ph. (317) 226-6333