



California Department of Real Estate
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www.dre.ca.gov

Consumer Alert

Be Cautious of Those Who Target Others in Vulnerable Financial Situations

With the economy and consumers feeling the effects of the unprecedented measures being taken to slow the spread of the coronavirus (COVID-19), the Department of Real Estate (DRE) would like to issue a warning to consumers in potentially vulnerable financial situations. Please remember the following in your real estate, mortgage, and rental transactions:

- Read all of your documents and never sign blank documents. Get advice from someone you trust before signing anything.
- If refinancing, watch for bait and switch tactics where you think you are getting a particular interest rate, and then the loan documents show a higher rate without a valid explanation.
- If you need help paying your mortgage, first contact your lender or loan servicer directly. The U.S. Department of Housing and Urban Development (HUD), www.hud.gov also offers free counseling services. Remember, it is illegal for anyone to ask you for a fee in advance to help with your home loan modification.
- If you need help paying your rent, first contact your property manager or landlord directly. Other governmental agencies you can contact include HUD, Department of Social Services, and local county entities.
- If you are looking for a place to rent and want to buy a list of available rentals, ensure the company is going to give you a refund if you do not get a list of three available rentals that meet your needs. Even then, make sure that the company is licensed with DRE by searching here: <http://secure.dre.ca.gov/publicasp/prls.asp>.
- If you have to send funds by wire transfer or electronic funds transfer, confirm instructions through a valid contact you already have. Cybercriminals often take on the identity of legitimate parties to your transaction and may try to change the fund transfer instructions. If you can, make payments in person using a cashier's check or money order. Refer to our [consumer alert](#) about fraud in wire and electronic funds transfers for additional information.
- Make sure the people you are working with are properly licensed. Real estate agents, mortgage loan originators, loan modification and foreclosure rescue consultants, and property managers must all be properly licensed by the State in order to work with you.

DRE has several consumer publications available at www.dre.ca.gov, under the Publications menu. If you believe you are a victim of a real estate, mortgage loan, or rental scam, please file a complaint with DRE at <https://eocs.dre.ca.gov> and with your local District Attorney's office.

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