

Using powerful data to shut the door on SA's biggest property scams

Fraud in the property sector has become alarmingly common in recent years. With substantial sums of money on the line, increasingly sophisticated scams have made easy targets of buyers and sellers, as well as various property practitioners like estate agents and conveyancers. But the tide is starting to turn as up-to-the-minute credible data makes it harder for criminals to fleece consumers and those working in the industry out of their hard-earned cash.

“For as long as property is an attractive investment option, it will be a target for con artists. In some scams, fraudsters will approach a seller as a potential buyer, or pose as the owner and seller of a property. In other instances, criminals appear to be legitimate estate agents with multiple ‘listings’ on various fake agency websites to lure victims into a false sense of security. In almost every scenario, scammers rely on falsified information and fake identities,” explains Sameer Kumandan, Managing Director of [SearchWorks](#), South Africa’s largest and most innovative data aggregation platform that allows users to conduct live, accurate searches on individuals and companies, and in-depth KYC checks online.

Now property practitioners and consumers alike can leverage the power of near-instantaneous data searches to thoroughly vet and verify information provided by buyers, sellers, property practitioners, and crucially, get a credible report on the status of a property itself. “The consequences of falling victim to a property scam can be financially catastrophic for individuals and businesses. “Considering the potential for significant financial repercussions, including the risk of being held liable for resultant losses and damages, ensuring all parties involved in a property transaction are acting in good faith is the first and best line of defence against scammers,” adds Kumandan.

Through data aggregation, together with various search options, users are able to vet property owners and buyers, find fully updated property owners’ information, while property practitioners can onboard new, legitimate clients in just a few clicks. Various search types, including CIPC details, deeds data, credit details, valuations, transfer reports, letter of demands, and default listings where applicable, can be also consolidated into one single report. “In this case information, especially reliable up-to-date information, is power and can mitigate risk. With the help of technology scammers have a much harder time getting away with giving false information. But it’s up to users to take advantage of it to shut the door on criminal activity within the property sector,” he notes.

While FICA laws and amendments to the Property Practitioners Act have been introduced to protect buyers, sellers as well as legitimate property practitioners, Kumandan says erring on the side of caution is warranted "Buyers and sellers should always work with trusted and reputable property specialists to avoid being caught up in a potential scam. Estate agents, conveyancers and other property professionals should check all records and paperwork before entering into contracts for the sale of property – and with powerful data aggregation tools at their disposal, doing so is easier than ever before."

Ends.