

Rental Listing Scams



The Office of the
Minnesota Attorney General
helping people afford their lives and live with dignity and respect

In the market to rent a new home or apartment? If so, use caution when responding to Internet rental listings. While most landlords are honest people who simply want to rent their property, some scam artists use fraudulent Internet listings to dupe people looking for rentals. Most rental listing scams are based on convincing people to send money, usually by wire transfer or reloadable cards, to a “landlord” or third party who is not who they pretend to be. It can happen like this:

“**John**” was looking for an apartment to rent and responded to a rental advertisement on an Internet classified website. The purported landlord told John that she was on vacation in Europe, and forwarded him a copy of the rental application by email. John filled out the application, providing personal information such as his name, address, birth date, and Social Security number. After John emailed the application back to the “landlord,” she told him that he had been accepted and asked him to wire an \$800 security deposit. When John told the “landlord” that he wanted to view the apartment before paying the security deposit, she told him that she had four other potential renters and that he must send the payment within 24 hours to hold the apartment. John became suspicious and, after researching the listing on the Internet, realized the “landlord” did not own the apartment. Unfortunately, the scam artist already had John’s personal information, which placed him at risk of identity theft.

“**Sue**” was looking for a home to rent for her family of five. She responded to a rental listing on the Internet and spoke by phone with the purported landlord, who eventually asked Sue to send him \$2,000 by wire transfer to receive the keys to the home. After Sue sent the money, the landlord sent her a \$5,000 cashier’s check. He asked Sue to deposit the check in her bank account, keep \$300 for her trouble, and wire the remaining funds to the “mover” who would ship his belongings to his new home. Sue asked her bank to look over the check. Sure enough, it was counterfeit. Sue called the “landlord” to ask for a refund of her security deposit, but his number was disconnected and she never heard from him again.

How Rental Listing Scams Work

Rental listing scams are a twist on advance fee scams, a form of fraud that has been around for decades. Scam artists, often located in another country, post rental listings online on classified and rental websites, among other places. The scam artists usually offer very low rental prices to attract as many potential victims as possible. The scam artists usually ask people to send money upfront via wire transfer or reloadable cards to hold the property or to pay the security deposit or first month’s rent. In some cases, the scam artist may ask people to fill out a rental application or other documents with personal and/or financial information, which the scam artist can use to commit the crimes of theft or identity theft. In the end, the “landlord” never provides keys to the property and disappears with the victim’s money and/or personal information. Before this, some scam artists may send a cashier’s check to the person and ask that they cash the check and forward a portion of the funds to a third party, such as a moving company. Invariably, the check is counterfeit, and the person’s bank holds him or her responsible for any funds sent to the scam artists.

Red Flags

When reviewing rental listings, look for these tell-tale red flags that the listing may be a scam:

- **You are offered an unbelievably low rental price.** Scam artists often make the rental price in their listings very low to attract as many potential renters as possible. Always be wary of someone who offers to rent you a property at a very low price. Remember, a deal that sounds too good to be true probably is.
- **You are asked to act quickly.** Scam artists often attempt to create a false sense of urgency in an attempt to get people to send them money before they have time to think the situation through. For example, the scam artist may ask you to send money before viewing the property or meeting in person. There is no good reason to do so. If someone really

wants to rent to you, they will take the time to meet you in person and show you their property.

- **You are asked to send money via a wire transfer or reloadable card.** Scam artists often ask people to send money to them by wire transfer or reloadable money cards. When you send money in these ways, it is the same as sending cash—it is nearly untraceable, and once the money is picked up on the other end, it is almost never recoverable.

Tips to Avoid Internet Classified Scams

- **Don't be rushed.** If someone wants you to rent their property, they will wait until you are ready to make a legitimate transaction. If someone asks to change the terms of the transaction, such as how or where the payment is sent, don't let your enthusiasm to finish the transaction blind you to potential problems.
- **Research the listing.** Before sending any money or personal information, research the listing and landlord on the Internet. If you find the property listed as "for sale" on another website, or the lessor's name or phone number associated with several other listings, the listing is likely part of a scam.
- **Be wary of sending money via wire transfer or reloadable cards to people who you do not know, especially when the person is located in another country.** Once money is sent to a scam artist in a foreign country by wire transfer or reloadable cards, it is generally lost for good.
- **Never "return" funds from a cashier's check.** Counterfeit checks can look very authentic. And, even though the money may appear to be available in your account, it doesn't mean that the check has cleared and is legitimate. There is no good reason for someone to send you a cashier's check and then ask you to send money back to them or another person or company. If a third party is actually owed money, then the person who owes the money should make that payment directly, not through you.

Report Rental Listing Scams

If you discover that a rental listing is fraudulent, you should report it to the website on which it was posted so that it can take steps to delete the listing. In addition, to report an incident of online crime, you should contact your local police department, county attorney, and the following federal criminal investigative agencies:

Federal Bureau of Investigation

Minneapolis Office

1501 Freeway Boulevard

Brooklyn Center, MN 55430

(763) 569-8000

www.ic3.gov (Internet Crime Complaint Center)

United States Secret Service

Minnesota Electronic Crimes Task Force

300 South Fourth Street, Suite 750

Minneapolis, MN 55415

(612) 348-1800

www.secretservice.gov

United States Postal Inspection Service

Criminal Investigation Service Center

433 West Harrison Street, Room 3255

Chicago, IL 60699-3255

(877) 876-2455

www.postalinspectors.uspis.gov

You may contact the Minnesota Attorney General's Office for more information about rental listing scams, or to file a complaint, as follows:

Office of Minnesota Attorney General Keith Ellison

445 Minnesota Street, Suite 1400

St. Paul, MN 55101

(651) 296-3353 (Twin Cities Calling Area)

(800) 657-3787 (Outside the Twin Cities)

(800) 627-3529 (Minnesota Relay)

www.ag.state.mn.us