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How to Spot Fraudulent Rental Posts

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Identity thieves have increased their presence in the housing and rental markets making it even more important for potential homebuyers and renters to do due their diligence and know the warning signs of a scam.

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The housing bubble caused many homes to be pushed into foreclosure and the owners into the rental market, and scammers are using a myriad of ways to steal personal information and money from unsuspecting victims. According to Raul Vargas, fraud operations manager for Identity Theft 911, many of the scams are occurring online.

Vargas explains that many of the scams involve an online post about an available property to rent and when someone is interested, the scammer sends a rental or lease agreement that requires a plethora of personal information like birth date, Social Security number and current address. Some even ask for bank account information to verify eligibility. The unsuspecting renter ends up giving up the information hoping

Some scammers post bogus properties online and target renters moving from another city or state. "Everyone renting looks online to find a great price," and the scammers know that, says Steve Weisman, a college professor at Bentley University and author of *50 Ways to Protect Your Identity in a Digital Age*. Typically the fraudster will list a rental online with a market price far lower than others in the area. The listing will have a real address and photographs and the renter will be asked to either wire a deposit or send a money order to hold the rental. "The renter doesn't get to see the place and the next thing they know they don't have a place," says Weisman. "It's very easy to copy a listing and put up a phony one."

Scam go both ways: People with a property to rent can also become victims. Weisman cites a popular scam that involves someone living outside the country agreeing to move into a rental unit sight unseen. The "renter" will even send a deposit of six months rent to ease any fear. A few weeks later, the scammer will call to back out of the agreement and tell the landlord to keep two months of the rent for the trouble and send the rest back. The landlord cashes the check, sends the money back and a week later the check bounces. "Even though you waited a few days for the check to clear the bank doesn't tell you that it's only provisional credit. The bank takes back the money when the check truly does bounce," says Weisman.

While scammers have become more sophisticated, renters and landlords can stay one step ahead. Being aware of some red flags will prevent them from losing any money or sacrifice personal. According to Vargas, if the person asks for personal information via the Internet and/or asks you to send money via a money order or a wire transfer, which isn't easily traceable, should all serve as red flags. He also recommends never sharing personal information without meeting someone and checking their credentials.

Experts suggest out-of-town movers to work with a licensed agent to find a place to live. To verify if an online posting is legitimate, Weisman recommends searching the address and if it turns up on multiple sites with different names, there's a strong chance the listing is a scam listing. The tax assessor's office can provide the homeowner's name of the particular property and many of the offices have websites making it easier for renters to check public information. "Be wary if the place is dramatically priced less than others and always check out who the real owner is," says Weisman.

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