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CONSUMER ALERT: THE NEW YORK DEPARTMENT OF STATE'S DIVISION OF CONSUMER PROTECTION REMINDS NEW YORKERS ABOUT RENTAL SCAMS

Avoid Sending Money for Rental Properties Without Verifying the Legitimacy of the Listing

Secretary Rodriguez said, "In today's highly competitive housing market, renters are often targeted by scammers who use enticing offers to steal their hard-earned money." Video Here: English (https://www.youtube.com/watch?

v=jLCaXMT4jWI) and Spanish (https://www.youtube.com/watch?v=Mf5KKZyJGvw)

Follow the New York Department of State on Facebook (https://www.facebook.com/NewYorkDepartmentOfState/), Twitter (https://twitter.com/NYSDOS), and Instagram (https://www.instagram.com/nysdos/) for "Tuesday's Tips" – Practical Tips to Educate and Empower New York Consumers on a Variety of Topics

For this week's "Tuesday's Tips," the New York Department of State's Division of Consumer Protection is sharing tips to help New Yorkers identify and avoid rental scams. Rental scams are executed in a variety of different ways, but the goal is the same: bilk potential tenants out of as much money as possible or steal their personal information.

"In today's highly competitive housing market, renters are often targeted by scammers who use enticing offers to steal New Yorkers' hard-earned money," Secretary of State Robert J. Rodriguez said. "Finding a place to live can be stressful enough without the added worry of being scammed, so I encourage consumers to follow our tips and learn how to spot a potential scam when looking for a new residence."

Looking for a rental home or apartment can be an expensive and time-consuming process. Renters are often competing for limited housing or looking for deals, and scammers are quick to take advantage of them. Rental scams do not just harm renters, they can severely damage the reputations and livelihoods of New York's honest, hardworking real estate agents as well.

In 2023, the FBI received 9,521 real estate/rental scam related complaints with losses of over $145 million.

To help prevent a costly mistake, below are key tips on how to identify and avoid rental scams:

1.**Confirm that the rental listing is legitimate and verify the source of the listing**. Scammers often post fake listings of properties that are not on the market, or may copy a photo or description of a property from another source to use in their ad. A few minutes of research can prevent you from putting a security deposit on a fraudulent rental or handing over your personal information. To verify if a rental is legitimate:

- **Search the location's address**. If ads come up for the same address, but with a different owner, rental company or rent amount, that's a sign it could be a scam.

- **Run a reverse image search and see if you can find the listing anywhere else on the internet.** Scammers may use photos from a legitimate listing to create a phony one. If you perform a reverse image search and find another listing of the home or apartment with a different address or contact information, that's a red flag that it could be a scam. There are many reputable free reverse image search platforms online.

- **Visit real estate websites** and see if the rental you want is also listed in another city or available on another website with a different email address or contact information.

2. **Verify the identity of any Real Estate Professional**. Confirm that the real estate professional you're working with is licensed in New York by following these steps:

•Visit the eAccessNY (https://appext20.dos.ny.gov/nydos/nydoslogin.do?header=true) Occupational Licensing Management System to look up their license.

•Conduct an independent online search for that real estate agent or broker and call the office phone number to confirm they are the agent handling the listing and to verify their contact information included in the listing.

•Request to see a copy of the Department of State issued photo license and arrange an in-person or video meeting to compare the ID.

•See what other people have to say. Look for complaints about the company or agent.

3. Inspect the Premises. Avoid completing background checks, signing a lease agreement or paying any advance fees or deposits before having an opportunity to inspect the premises.

4. **Be suspicious if asked to use payment methods that are untraceable**. Scammers generally conduct transactions by phone, text message or email and often ask for payment by wire transfer, prepaid debit card, money-transfer app, cryptocurrency, or other methods of payment that are not easily traceable. Instead, pay by check or credit card and get receipts for any payments.

5. Make payments to the brokerage of record. In New York, it is unlawful for a real estate person to demand a fee directly from the prospective tenant. Fees are paid to the brokerage where the agent is associated with and the broker pays the agent for their services.

6. Request everything in writing. It is always better to leave a paper trail. Real estate professionals are required by law to provide you with copies of all instruments relating to the transaction.

7. Don't give in to high-pressure sales tactics. Scammers may urge you to rent quickly before someone else gets the property, prompting you to possibly miss an important step in the evaluation process. While the rental market is tough right now with low supply and high demand, remember to be cautious about all the steps involved in a real estate transaction – including carefully reviewing the lease agreement and verifying the identity of those you are engaged with during the rental transaction.

8. Protect your privacy. Scammers often request personal information and money for background checks, then disappear. Refrain from providing personal information or your social security number unless you are absolutely sure you are dealing with a reputable business or agent.

About the New York State Division of Consumer Protection

The New York State Division of Consumer Protection provides resources and education materials to consumers, as well as voluntary mediation services between consumers and businesses. The Consumer Assistance Helpline 1-800-697-1220 is available Monday to Friday from 8:30am to 4:30pm, excluding State Holidays, and consumer complaints can be filed at any time at www.dos.ny.gov/consumer-protection (https://dos.ny.gov/consumer-protection) .

For other consumer protection tips and consumer alerts, consumers can visit the DCP website or follow DCP on social media via Twitter at @NYSConsumer or Facebook at www.facebook.com/nysconsumer (https://www.facebook.com/nysconsumer) .

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