

LANDLORD HORROR STORIES: INTERNET EVILS IN THE RENTAL BUSINESS

By Jan Leasure, President California Landlord Solutions

We have watched with interest as the benefits of the internet have become contaminated by those who would use its conveniences to illegally make a buck. We were thrilled when we were able to post our vacancies on the web for the entire world to see, thus expanding our market for our properties exponentially. However, it was inevitable that someone would eventually figure out how to take that information and use it to defraud innocent people out of their hard earned money.

In recent years, we have seen scammers “hijack” our rental ads, and re-post them on a site such as Craig’s List, at a much lower rental price. Posing as the landlord or manager, the scammers collect a security deposit and the first month’s rent from an unsuspecting applicant, never to be heard from again. When the applicant shows up to take possession of the property, the real landlord/manager hears about the transaction for the very first time.

The following is an abridged version of a similar incident that happened to a friend of ours who manages property in Southern California. Like us, she advertises her vacancies on Craig’s List, as well as on her own website, to increase exposure.

The manager had a house listed at \$2,500 a month, but her ad had been hijacked by someone who then advertised the same property on Craig’s List for only \$1,500 a month. To add further credibility to his listing, the scammer found out the tenant’s name and used it in the ad, making it seem as if the current tenant was the landlord.

The scammer even set up a phony email account containing the tenant’s name, to make his ad seem completely legitimate. The worst part of all was that the scammer used a private P.O. address to receive first, the



application to rent, and then, the security deposit and the first month’s rent.

An anxious tenant took the bait and sent his application to the P.O. Box, and then, when he was told he was approved, sent a deposit and the first month’s rent. The “new” tenant then arrived at the property, ready to move in. Naturally, the departing tenant, who was still in residence, didn’t know anything about it. The “new” tenant then demanded that the current tenant return his security deposit and rent money which, of course, the current tenant did not have. That’s also when the real landlord and property manager were dragged into the mess, hearing about the scam for the first time. It turned out the “new” tenant, by the way, was a police officer, whom the manager thought should have suspected there was something wrong with a \$2,500 house being rented for \$1,000 less. To add insult to injury, the scammer now has all the personal information the policeman put on the phony rental application, including his Social Security number, the name of his bank and his account numbers, his birth date, rental history, employment history, and everything identity thieves need to pretend to be him.

So the old adage, “If it sounds too good to be true. . . .” once again turns out to be good advice.

What can you do about these scams, most of which come from Nigeria and other overseas areas? Not much.

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