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SCAM ALERT: What's Wrong with these Transactions?

AG Balderas warns of Craigslist scams hitting the Albuquerque-area

Albuquerque, NM – Today, Attorney General Hector Balderas issued a Scam Alert to warn New Mexicans of new scams on Craigslist that have victimized Albuquerque-area residents. One Albuquerque woman reported paying \$2,000 to a rent-to-own listing on Craigslist without receiving all the keys—and being locked out of and unable to occupy the house. In another recent instance, a person offered a house for rent and asked for a deposit of earnest money—even though the “seller” did not own the house at all.

QUESTION: What's wrong with these transactions?

You want to rent a better place, discover one listed with photographs on Craigslist, talk to the landlord or owner, and mail a damage deposit or earnest money for the rental to an address as instructed.

You visit a rent-to-own house, discuss the terms of the rental and purchase with a person who shows you around the house, then pay a down payment to a foreign address, and expect you will get the keys any day now.

ANSWER: Both transactions were generated by Craigslist scammers, and both happened in Albuquerque. Both might have been avoided by consumers who were a little more suspicious and cautious about paying any money over to anyone prior to taking possession of a property.

“It’s extremely dangerous for people to hand over their hard-earned money and disclose their personal and financial information to people they have not even met in person,” said **New Mexico Attorney General Hector Balderas**. “It is truly tragic that dishonest people and criminals scam New Mexicans into trusting them. My hope is that today’s Scam Alert will help consumers avoid being tricked and cheated by scammers preying on New Mexicans’ hopes for a better life.”

The Attorney General issued the generalized points below to help consumers identify and avoid Craigslist scams, but also referred New Mexico consumers to the warnings available on Craigslist at www.craigslist.org/about/scams. In addition, the Federal Trade Commission keeps an online Scam Alert listing hundreds of cautions and red flags at https://www.consumer.ftc.gov/scam-alerts?utm_source=takeaction. Other online resources designed to protect consumers against online scams include: www.staysafeonline.org; www.onguardonline.gov; www.getsafeonline.org and www.wiredsafety.org.

The posted lists are the most complete list of “red flags” consumers can use to avoid being cheated. However, a short list of problems to watch for include these:

- Don’t pay anyone more than the purchase or rental price of an item just because the seller promised to refund the excess. It is almost 100% unlikely you will ever receive that refund.
- Don’t pay anyone without meeting him or her in person. If you meet in person, meet at a neutral, public place accompanied by a friend or family member—not at your home and not by yourself.
- Don’t rent or attempt to purchase a house without meeting the person offering it for sale or lease, looking inside, having a complete written agreement, AND having all the keys.
- In the context of a home sale, do not be lulled into trusting someone who promises that all money will be collected through an online escrow service. Almost all online escrow services are fake and operated by scammers.

- Never wire or send money to a foreign country based on a Craigslist or other similar advertisement. If you do, it will be much more difficult to get a refund.
- When possible, pay with a credit card, and never pay with cash. Credit card companies can sometimes stop payment when a consumer mistakenly pays a scammer.

Attorney General Balderas will continue to issue alerts and advisories as New Mexicans reveal ways in which they have been misled and cheated. For more information or to report a scam, contact the Office of Attorney General at www.nmag.gov and file a complaint form.

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