



# CONNECTICUT CONSUMER PROTECTION MONTHLY NEWSLETTER

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## SCAM ALERT

**What it is:** Romance Scams

**How it works:** Scammers create fake dating profiles to build emotional connections with victims online. After gaining your trust, they invent emergencies that require urgent financial help, targeting your heart and your wallet through sophisticated manipulation.

Romance scams can result in the highest financial losses for victims because of the trust the scammer builds over weeks or months. Often, they will start by asking for small amounts of money, only to ask for more and more as time goes on.

### How to protect yourself:

Be wary of online romantic interests who avoid meeting in person, always have an excuse for why they can't video-chat, and who begin requesting money. Research profiles thoroughly, including reverse-image searches, and never send funds to someone you haven't met face-to-face. Trust your instincts, talk to family and friends, and know that this can happen to anyone.

## SHOPPING FOR A HOME THIS SPRING?

February can be a productive time for home buyers to educate themselves about the process. Here are five things to know before you house hunt:

### Hire a licensed professional

Real estate salespeople and brokers are licensed through the Department of Consumer Protection. Homebuyers should verify a license by visiting [ct.gov/DCP](http://ct.gov/DCP). You can also check the Better Business Bureau and read reviews online to learn more about the professionals you are considering working with.

### Tailor your representation agreement

Representation agreements, also called "buyer-broker" agreements, are legally binding contracts that outline the working relationship between the **buyer and broker**. Both parties should agree on all terms.

An agreement should not be left open-ended and should have a distinct end date. In addition, the termination clause should outline the conditions in which both parties can end the contract. A licensed real estate attorney should review and clarify your contract to ensure you are protected.

### Everything is negotiable

Before signing a contract, buyers and sellers should be able to negotiate any of the terms, including commission. The market average is 5 to 6 percent but can vary based on location and property type. Buyers and sellers should feel that all the terms were clearly discussed before continuing the working relationship.

### Have a purchase contract

A purchase contract is a legally binding contract between a buyer and seller. The contract should define the agreed-upon price, down payment terms, property description, inspection contingencies, and identities of both parties.

It is best practice to have a real estate attorney review the contract to ensure both parties are legally protected. If purchasing property in a homeowner association or condo complex, review the rules, fees, and owner's rights.



## **SPEAKING REQUESTS**

Want DCP to speak to your organization, or table at your event? Contact Catherine Binder at [Catherine.Binder@ct.gov](mailto:Catherine.Binder@ct.gov) to submit a request.

## **Contact Us**

### **Connecticut Department of Consumer Protection**

450 Columbus Boulevard,  
Suite 901  
Hartford, CT 06103-1840  
**Main Line:** (860) 713-6100  
(8:30 a.m. – 4:30 p.m.)

### **Consumer Complaint Center**

(860) 713-6300  
Toll Free: (800) 842-2649  
8:30am-4:30pm  
Email:  
[DCP.complaints@ct.gov](mailto:DCP.complaints@ct.gov)

**VISIT US ONLINE**  
[CT.GOV/DCP](http://CT.GOV/DCP)

Contracts are the most common complaint filed with DCP's Real Estate unit.

### **Be wary of wholesaling scams**

Wholesaling is a deceptive practice of contacting homeowners and offering to buy their house in cash, for a price far less than the actual value, and reselling the home before closing.

If you are in this situation, don't fall victim to high-pressure tactics like promises of immediate cash. Include a third party, such as an attorney, to review the contract and ensure the transaction is fair and does not give the wholesaler a right to resell.

In case you missed it, and for more tips, we recently hosted a seminar for homebuyers. You can watch the recording at [portal.ct.gov/homebuying](http://portal.ct.gov/homebuying).

### ***Looking to hire a tax professional to prepare your taxes?***

#### **DO**

- Verify credentials at ct.gov/DCP. All Certified Public Accountants (CPAs) must have an active license. CPA firms, including home offices, must have a permit.
- Google the CPA or firm followed by "review" or "complaint."
- Ask for a referral from friends and family.

#### **DON'T**

- Don't sign a blank or incomplete form. Review all documents before signing and ask questions if you do not understand something.
- Don't fall for "fast or big refunds." Scammers will entice taxpayers with too-good-to-be-true promises.
- Don't hire someone asking for cash-only payments or base service fees off the refund amount.

**REMEMBER:** All CPAs are required to have a Preparer Tax Identification Number (PTIN). Real tax preparers will sign and include their PTIN without any resistance.

***Have a tip we missed? A topic you want more information about? Send us an email at***  
***[DCP.Communications@ct.gov](mailto:DCP.Communications@ct.gov).***