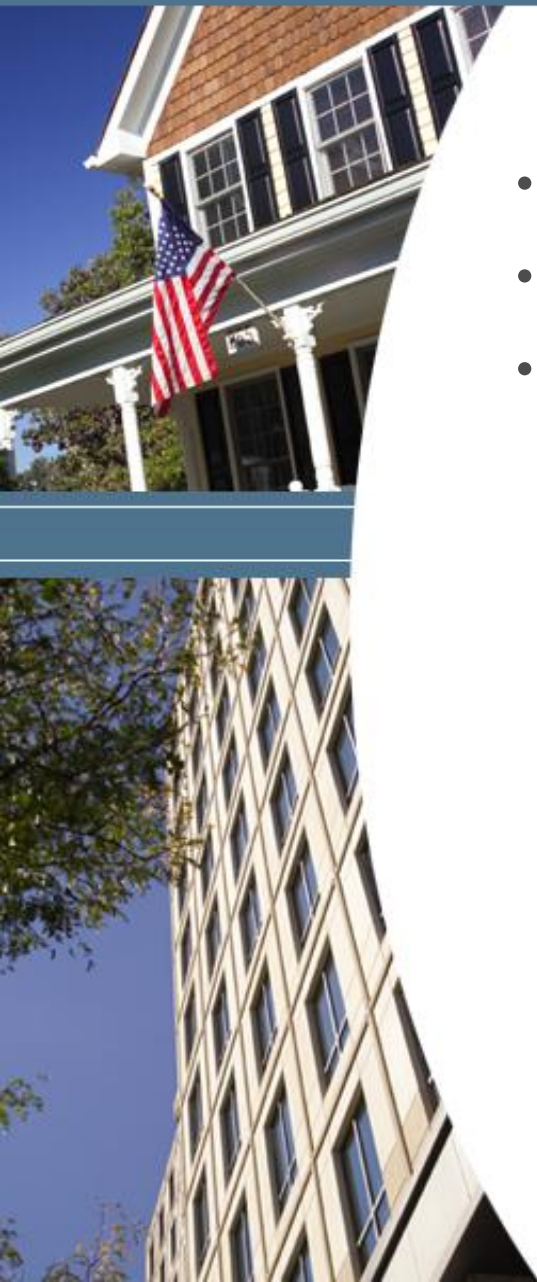




# Mortgage Fraud: No End In Sight

- 
- Highlights of FinCEN and FBI reports
  - Fraud Hot Spots
  - Fraud Types



## **FinCEN**

### **Mortgage Loan Fraud**

An Update of Trends based Upon an Analysis of Suspicious Activity Reports

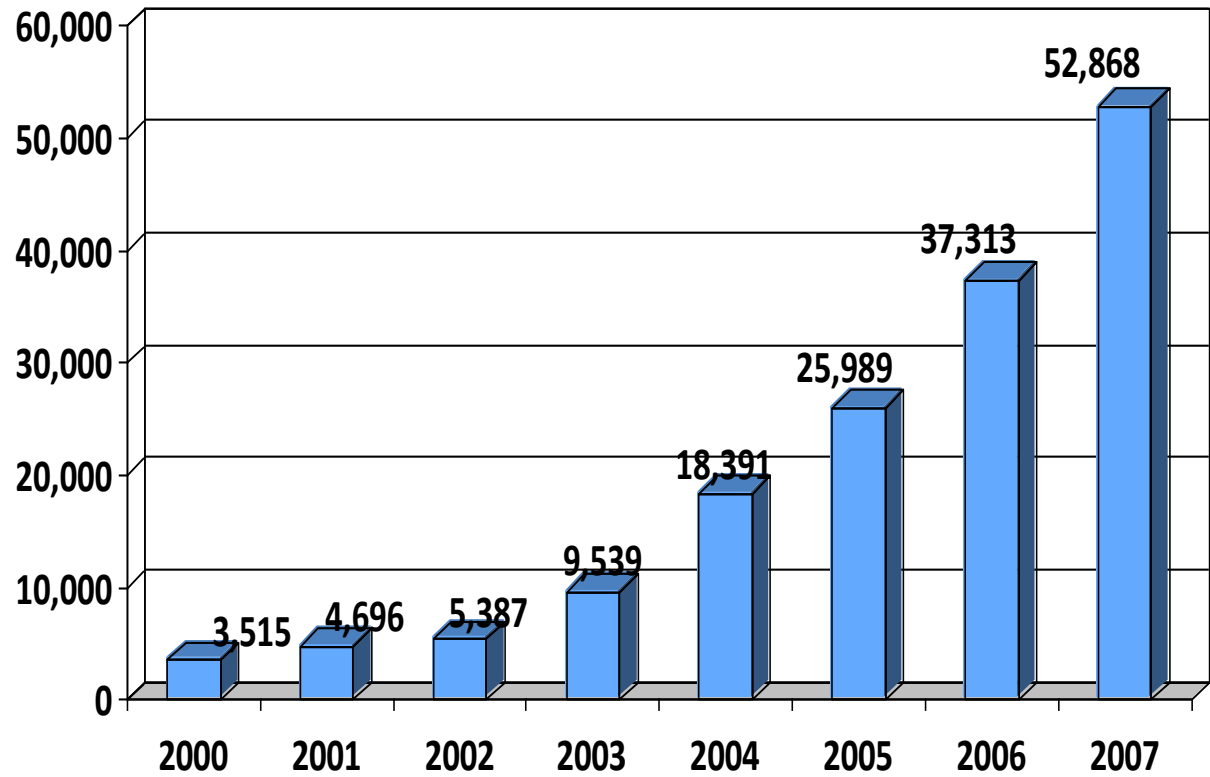
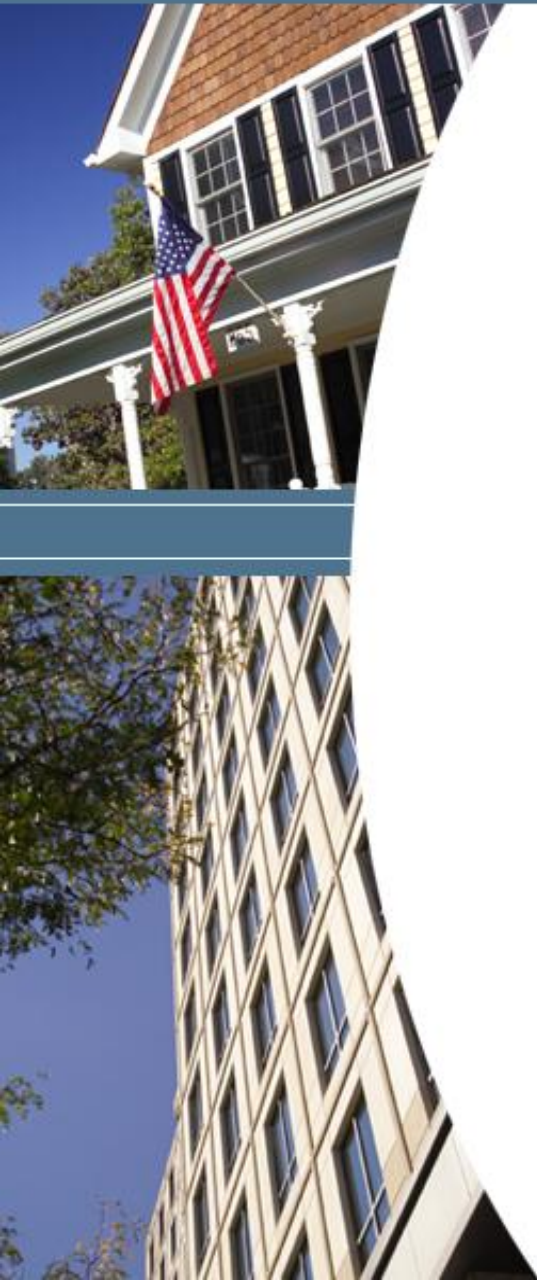
April 2008

## **FBI**

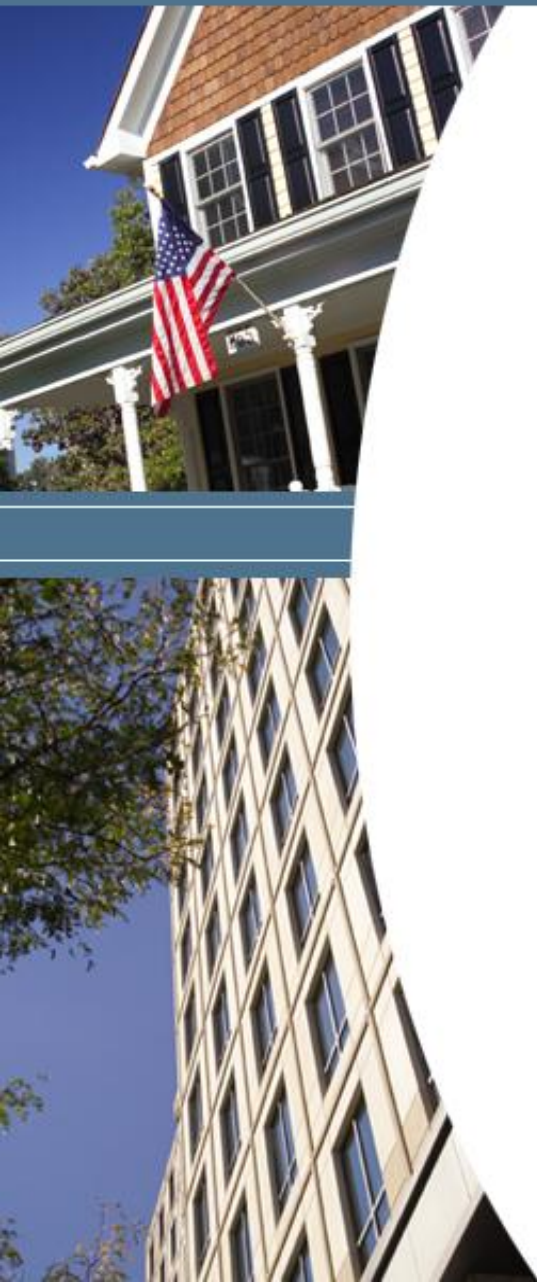
### **2007 Mortgage Fraud Report**

April 2008

# Mortgage Fraud SAR Filings

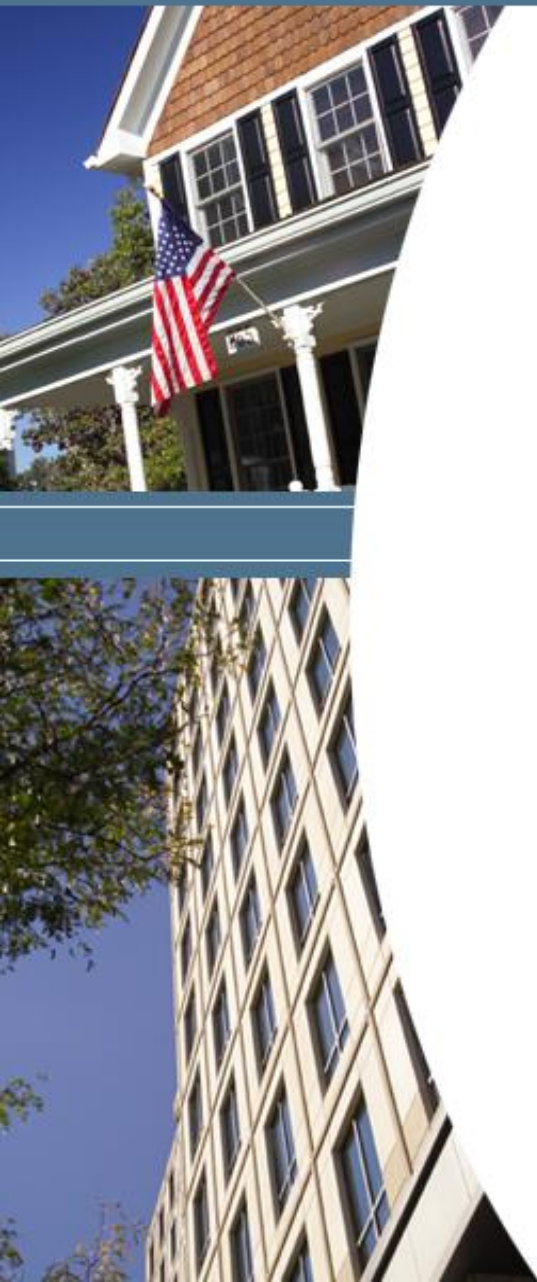


Source: FinCEN



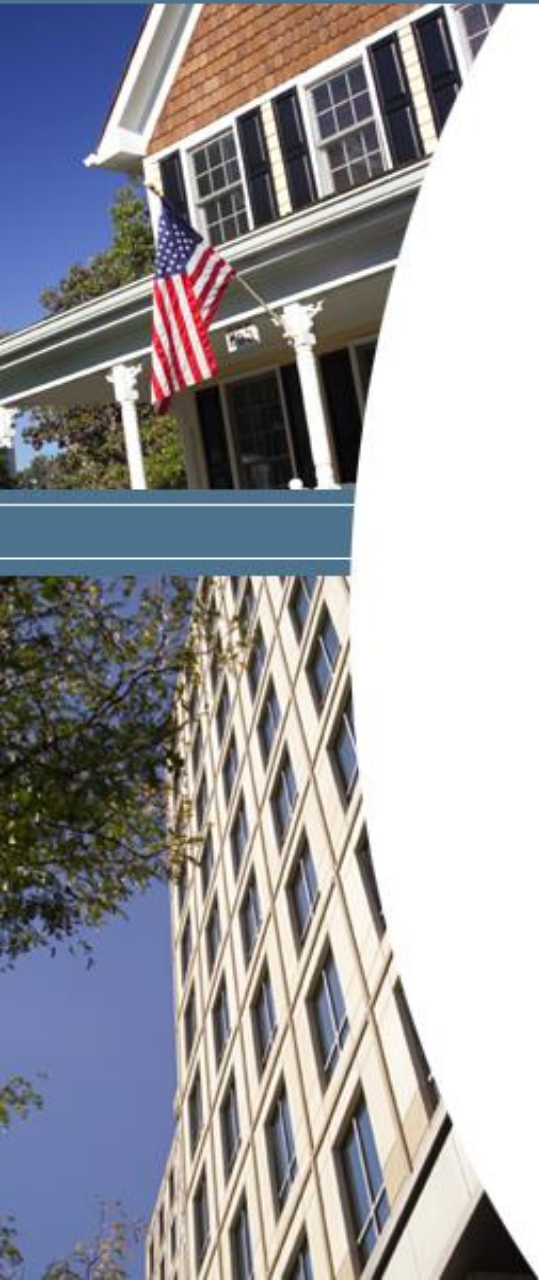
Illinois	75.8%
California	71.3
Florida	53.0
Michigan	51.5
Arizona	48.7

Growth in mortgage fraud SARs from depository institutions, 2006 vs. 2005.  
Source: FinCen



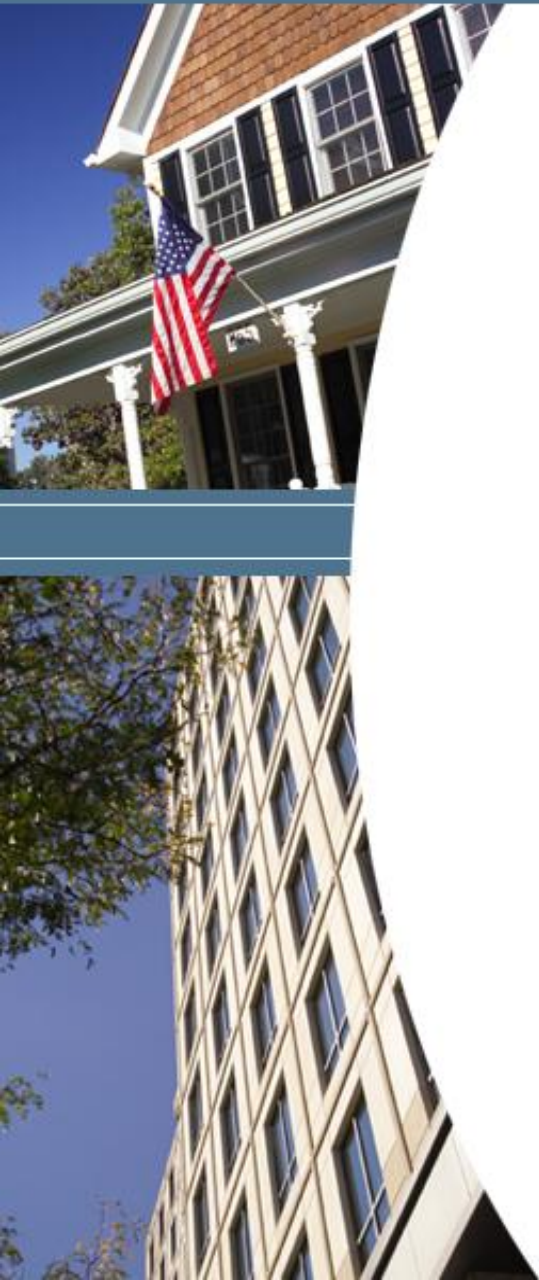
42% increase in incident reports,  
1Q2008 over 1Q2007

Source: Mortgage Asset Research Institute (MARI) Quarterly Fraud Report – 1Q2008



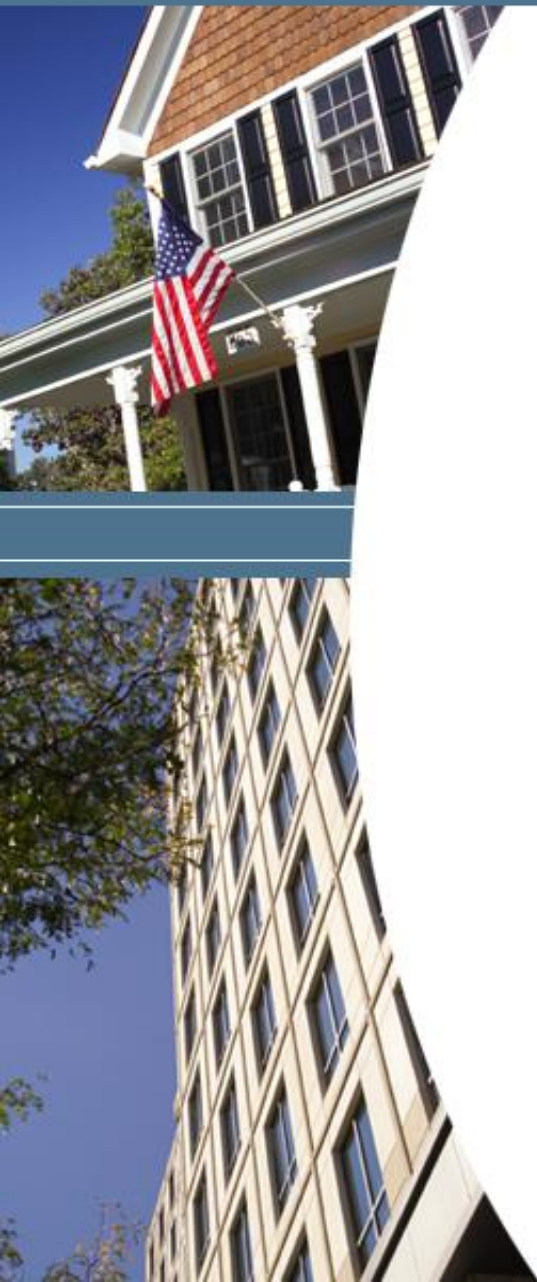
Florida  
California  
Illinois  
Maryland  
Michigan

Source: Mortgage Asset Research Institute (MARI) Quarterly Fraud Report – 1Q2008



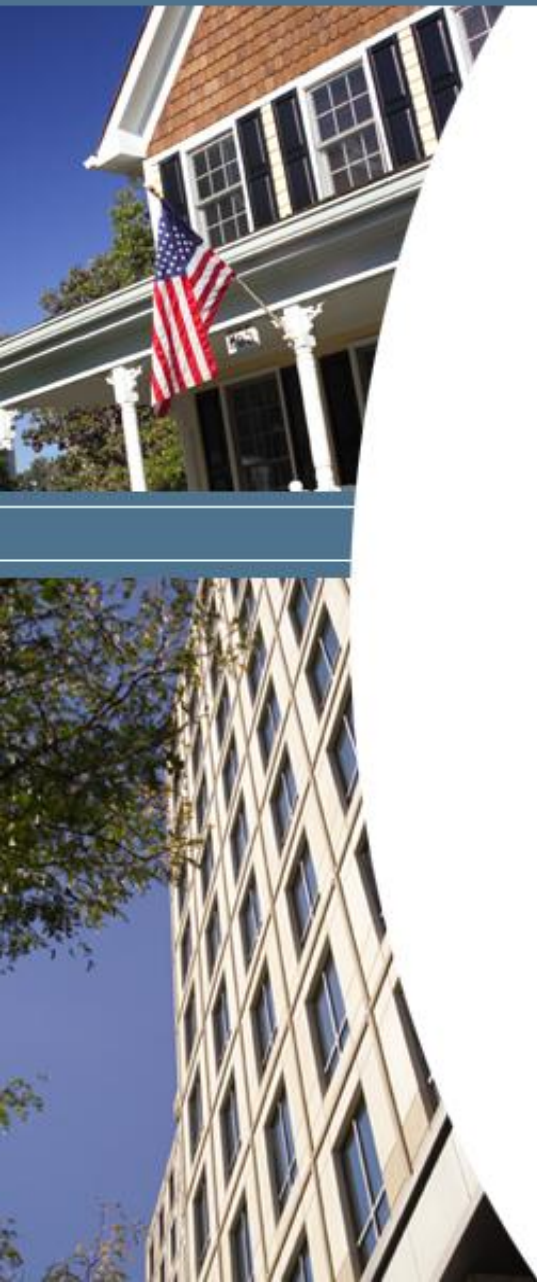
- Washington – Baltimore
- Miami
- San Francisco – Oakland
- Tampa
- Chicago
- Detroit
- Atlanta

Based on number of misrepresentation insurance claims filed in 2008  
Source: The Prieston Group



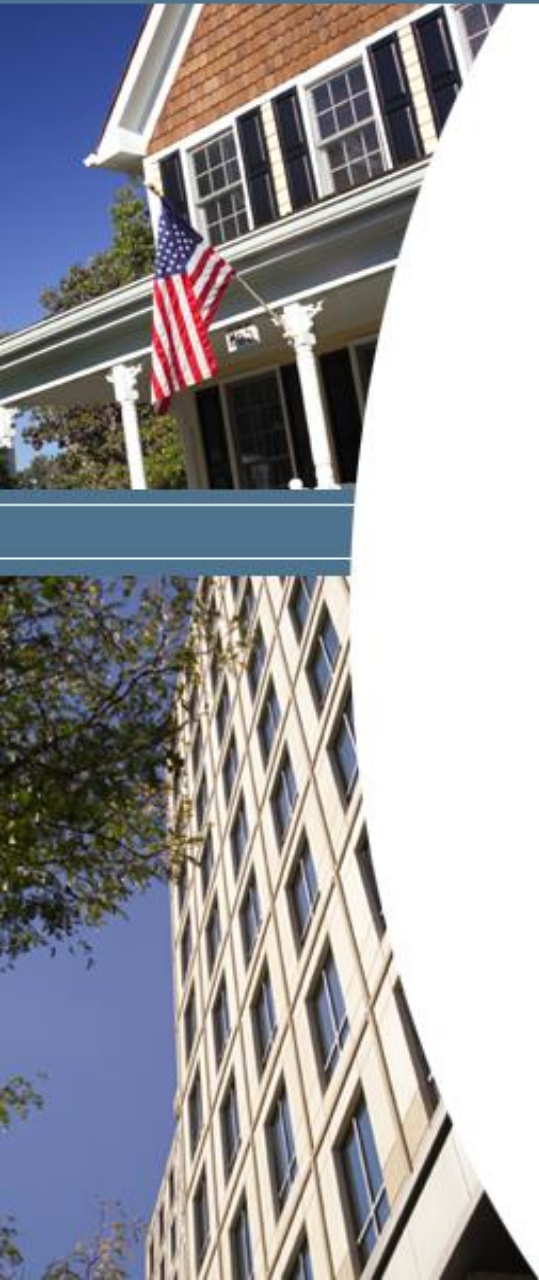
Income/asset/debt misrep	43.0%
Forged/fraudulent docs	28.0
Occupancy fraud	14.4
ID fraud/theft	13.6
Appraisal fraud	13.1
Straw buyer	5.7
Property flip	2.7

Based on a statistical sample of SARs filed between April 1, 2006 and March 31, 2007.  
Source: FinCen



Hidden debt	42.2%
Occupancy fraud	39.7
Employment	32.2
False VOD	9.9
Straw borrower	6.6

Fraud types found in misrepresentation insurance claims in 2008  
Source: The Prieston Group



- Identity Theft
- Builder Bailout
- Seller Assistance
- Short Sale
- Foreclosure Rescue
- Reverse Mortgages



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