



Mortgage Fraud

Mortgage fraud has grown by 1000% since 2000 and regulators and secondary market partners now require originators to validate more of the borrower and property data using independent third-party sources to help combat this trend.

Mortgage Fraud Report (MFR)

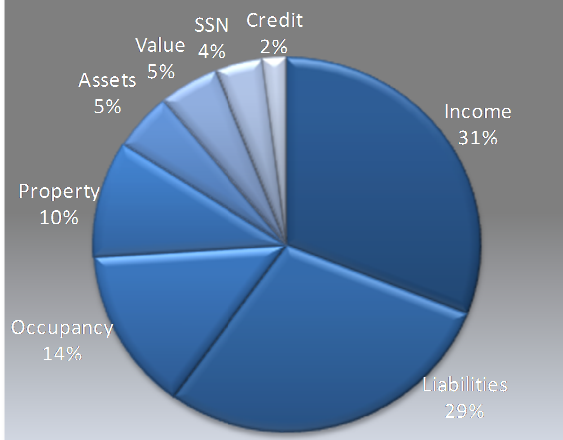
The validation services enable lenders to quickly identify discrepancies, track issues, reduce the risk of fraud and comply with their secondary market requirements. The validation services search billions of public records and return concise, real-time reports to streamline the verification process.

Instantly access billions of public records to detect discrepancies in:

- Borrower ID
- Liens
- Subject property
- Employment

Mortgage Data Validation Services	Investor Required	Validation Reports
ID Investigation Report		
SSN		
Deceased	✓	✓
Never issued	✓	✓
Invalid	✓	✓
SSN not associated with name	✓	✓
SSN issue date inconsistent with DOB	✓	✓
Additional names assoc with SSN	✓	✓
Address -current	✓	✓
Phone -current	✓	✓
DOB		✓
Name/address/phone associated with last name		✓
OFAC, watch list check		✓
ID Validation score		✓
High risk factors		✓
Standardized address, and dwelling type		✓
Household income estimate (optional)		✓
Employer ID Report		
Verify borrower current employer address, phone	✓	✓
Reverse lookup of input telephone number		✓
Number of employees and estimated sales		✓
Key contact		✓
MERS Lien Report		
MERS lien report (60% of mortgages)	✓	✓
Subject Property Report		
Subject property address verification	✓	✓
Dwelling characteristics		✓
Owner information, recent sale date, price, liens		✓
Comparables		✓

Mortgage Fraud Occurrences by Type



Highlights

Detect fraud sooner

- ✓ Instantly verify key application data
- ✓ Detect discrepancies and potential risk factors
- ✓ Score ID theft risk
- ✓ Comply with secondary market requirements
- ✓ US Patriot Act Section 326 compliant

Reduce validation time & costs

- ✓ Easy ordering
- ✓ Streamline validation
- ✓ Extensive reporting and tracking
- ✓ Concise validation reports
- ✓ Actionable risk score

Detect Fraud Sooner and Protect Your Bottom Line

The MFR is available from within the SharperLending platform. The **Fraud** button orders the MFR, which is a 30 second product that instantly accesses and validates data across billions of public records from the leading national databases. [Order all mortgage products from the same place and eliminate data re-entry.](#)

[Services Summary](#)
[Loan Details](#)

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HELP

X

CLOSE

Loan Information

Reference Number:

Loan Number:

Borrower:

Property Address:

Loan Status:

Active

Credit





AVM

Flood

Fraud

Tax

VOE

Reports	Mortgage Data Validation Services	
ID Validation Report 	Verify: <ul style="list-style-type: none"> ✓ SSN, SSA Death Master File ✓ First, last name ✓ Address; phone ✓ DOB, OFAC 	Advantages: <ul style="list-style-type: none"> ✓ Borrower ID checked against billions of records for low false positives ✓ Actionable risk score, warnings ✓ Returns standardized address
MERS SSN Lien Report 	Verify: <ul style="list-style-type: none"> ✓ MERS liens by SSN ✓ Property address ✓ Date of registration ✓ Note date & amount 	Advantages: <ul style="list-style-type: none"> ✓ Detailed report of MERS registered liens by SSN ✓ Search of 60 million loan records ✓ Updated within 10 days of closing
Subject Property Report 	Verify: <ul style="list-style-type: none"> ✓ Valid address ✓ Dwelling characteristics ✓ Owners name, liens ✓ Comparable sales 	Advantages: <ul style="list-style-type: none"> ✓ Verify subject property address ✓ Dwelling & owner information ✓ Standardized address ✓ Assessment data
Employer ID Report 	Verify: <ul style="list-style-type: none"> ✓ Company exists ✓ Address & Phone ✓ Year established ✓ Sales volume; # employees 	Advantages: <ul style="list-style-type: none"> ✓ Verification of company info ✓ Reverse lookup of input phone # ✓ Details on company ✓ Key company contact

For more information and a demonstration of data validation services, contact us at:

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Validation Services Summary

Reference # 12345678

Process Date 2010-01-28

ID Validation Results

Borrower

Co-borrower

Input Borrower/ Co-borrower Melvin Frost

SSN **Valid**

SSN associated with name **Valid**

Not on SSA Death Master File **Discrepancy**

SSN issued after DOB **Valid**

SSN not associated with other names **Valid**

Address **Valid**

Phone **Valid**

Household Income Estimate **\$60,531**

Employer ID Validation Results

Input Borrower/ Co-borrower Melvin Frost

Input employer name London Grill

Input employer phone # 612-321-3000

Company listing confirmed **Valid**

Reverse phone lookup- # listed to London Grill

MERS SSN Lien Search Results

Input Borrower/ Co-borrower Melvin Frost

of MERS liens found **3**

Subject Property Search Results

Input Address 2824 Pumpkin Avenue

Input City, St, Zip Minneapolis, MN 55408

Address (USPS match) **Valid**

Use Code Single family

Assessment Value \$300,000

Current owner Melvin Frost

Recording Date 26-Apr-76

Verbal Verification of Employment Results

Input Borrower/ Co-borrower Melvin Frost

Confirmation of current employment **Valid**

Confirmation of reported salary **Valid**

SAMPLE

ID Investigation Report

Reference # 12345678
Process Date 2010-03-04

Input Data

Name Melvin Frost
Street 2824 Pumpkin Avenue
City Minneapolis
State MN
Zip 55408
SSN 123-33-4444
Date of Birth 1976-12-12
Phone 612-888-3322

SAMPLE

Score

Validation Score 99 0= no discrepancies; 90-99= significant discrepancies
Key drivers of score SSN error

Results

	Input	Result	Message
First Name	Melvin	Pass	
Last Name	Frost	Pass	
SSN	123-33-4444	Failed	Social belongs to a deceased individual Deceased Identity Found with Full Name Match
Date of Birth	1976-12-12	Pass	
Address	517 Freeport Parkway	Pass	
Phone	612-888-3322	Pass	
Zip	55408	Pass	Match to zip + 4 file

Checks

	Result
Not on OFAC list	Pass
Not on suspect address list	Pass
Not on SSA Death Master File	Failed
Valid USPS address	Pass
Dwelling type	Single Unit
Residential/ business	Residential
Land use	
Household income estimate	\$60,531

Standardized Address

Street 2824 Pumpkin Ave S #2
City Minneapolis
State MN
Zip 55408-2724

Velocity information

	Address	Phone
# of time seen	0	1
# of unique last names	0	0
# of unique organizations	0	0
# unique addresses	0	0
Date seen		2009-08-07

--END OF REPORT--

The SSN has been checked against SSA records to insure it is a valid number and was issued after the DOB.
The SSN and name have been checked against the SSA Death Master File for a match with a deceased person.

The ID score ranges from 1 to 99, where 99 represents the riskiest 1% of address discrepancies. As the score increases so does the risk of identity fraud. Analysis has shown ID scores of 95 or above carry a significantly higher fraud risk containing 51% of client fraud and that scores of 90 and above contain 65% of client fraud. The drivers that affected the score result are rank-ordered and displayed below the score. The client's "best practices" for using the score is primarily driven by factors like their fraud rate, and their loss exposure.

The Household Income Estimate is for the residents at the input address. The estimate is based on a number of sources some containing self-reported income and asset data and neighbourhood economic attributes. When household level information is not available the estimate returned is for a "zip plus 4" grouping (approximately 5-10 households).

Disclaimer: The information in this report is provided to supplement the authorized recipients other processes to identify potential misrepresentations. The data is gathered from multiple public sources and based on the input data. The accuracy of the data can not be guaranteed.

MERS® System SSN Lien Report

Reference # 12345678
Process Date 2010-01-28

Input Data

SSN 565-12-3334

Results

of MERS Lien hits 3

Reg Date	MIN / MIN Status	Address	Primary Borrower	Note Amount	Note Date
	1000113-9876543210-2				
12/27/2005	Registered -Active	42 Jeremy Ct, Sterling, VA 20165	Mouse, Lynn	\$42,000	12/27/2005
	1000199-2233445566-9				
12/29/2005	Registered -Active	42 Jeremy Ct, Sterling, VA 20165	Mouse, Lynn	\$336,000	12/20/2005
	1000277-5605605605-8				
6/22/2004	Paid in full	25 Pudding Way, Sterling, VA 20165	Mouse, Lynn	\$123,200	6/14/2004

MERS Detailed Report: <MIN1>

House Number	42
Street Name	Jeremy Cr
Street Direction Prefix	
Street Suffix	
Apartment or Unit	
City	Sterling
State	VA
Postal Code	20165
MOM Indicator	Active (Registered)
Registration Date	12/27/2005
County FIPS Codes	
Borrower First Name	Lynn
Borrower Last Name	Mouse
Note Amount	\$42,000
Note Date	12/27/2005
Servicer	ABC Loan Servicing
Servicer Org ID	1000111
Sub Servicer	N/A
Subservicer Org ID	N/A
Pool Number	
Foreclosure Status	
MIN Archived Indicator	Active (Registered)
County FIPS Codes	
Member Affiliated with MIN 1	
iRegistration Indicator	
Non Person Entity Name	

MERS Detailed Report: <MIN2>

House Number	42
Street Name	Jeremy Cr
Street Direction Prefix	
Street Suffix	
Apartment or Unit	
City	Sterling
State	VA
Postal Code	20165
MOM Indicator	Active (Registered)
Registration Date	12/29/2005
County FIPS Codes	
Borrower First Name	Lynn
Borrower Last Name	Mouse
Note Amount	\$336,000
Note Date	12/20/2005
Servicer	ABC Loan Servicing
Servicer Org ID	1000111
Sub Servicer	N/A
Subservicer Org ID	N/A
Pool Number	
Foreclosure Status	
MIN Archived Indicator	Active (Registered)
County FIPS Codes	
Member Affiliated with MIN 1	
iRegistration Indicator	
Non Person Entity Name	

MERS Detailed Report: <MIN3>

House Number	25
Street Name	Pudding Way
Street Direction Prefix	
Street Suffix	
Apartment or Unit	
City	Sterling
State	VA
Postal Code	20165
MOM Indicator	Paid in full
Registration Date	6/22/2004
County FIPS Codes	
Borrower First Name	Lynn
Borrower Last Name	Mouse
Note Amount	\$123,200
Note Date	6/14/2004
Servicer	ABC Loan Servicing
Servicer Org ID	1000111
Sub Servicer	N/A
Subservicer Org ID	N/A
Pool Number	
Foreclosure Status	
MIN Archived Indicator	Deactivated
County FIPS Codes	
Member Affiliated with MIN 1	
iRegistration Indicator	
Non Person Entity Name	

Subject Property Report			Input Data			
Reference #	12345678		Street	2824 Pumpkin Ave		
Process Date	28-Jan-10		City	Minneapolis		
			State	MN		
			Zip	55408		
Current Owner						
Primary Owner	Melvin Frost		Loan One Amount	n/a	Seller Name	Scott Briggs
Secondary Owner			Loan One Type		Sale Price	\$ 160,000.00
Mailing Address	2824 Pumpkin Avenue South		Lender Name		Recording Date	26-Apr-76
Mailing City	Minneapolis		Loan Two Amount		Zoning	Residential
Mailing State	MN		Mortgage Document	Deed	Use Code	Single family
Mailing Zip	55408				Tax Amount	\$ 2,844.00
Phone	612.888.3322					
Prior Transfer						
Primary Owner	Scott Briggs		Loan One Amount	\$ 72,000	Seller Name	David Cook III
Secondary Owner			Loan One Type	Purchase money	Sale Price	\$ 90,000.00
Mailing Address	2824 Pumpkin Avenue South		Lender Name	Summit CU	Recording Date	1-Oct-60
Mailing City	Minneapolis		Loan Two Amount		Zoning	Residential
Mailing State	MN		Mortgage Document		Use Code	Single family
Mailing Zip	55408					
Phone	612.888.1111					
Legal Brief Description						
Lot: 82 Subdivision: Indian Hills Sec/Township/Range: Sec 18 QTR 4 TWN 07N RNG 09E						
Abbreviated Description: Ward Number: 74, Assessment Area: 7, Census Block: 212.00, Indian Hills,						
Lot 82. City/Muni/Twp: City of Minneapolis						
Property Characteristics	Subject Property	Comparable 1	Comparable 2	Comparable 3	Comparable 4	Comparable 5
Site Address	2824 Pumpkin Avenue S	2801 Pumpkin Ave S	2700 Harbor CT	5106 Spring Ct	1107 Spring Ct	306 N Whitney Way
Site City	Minneapolis	Minneapolis	Minneapolis	Minneapolis	Minneapolis	Minneapolis
Site State	MN	MN	MN	MN	MN	MN
Site Zip	55408	55406	55396	55366	55366	55556
Recording Date	20-Jan-10	20-Jan-10	16-Dec-09	11-Nov-09	29-Oct-09	2-Oct-09
Buyer One First Name	Bonneau, Laura	Bonneau, Laura	Ozel, Bora	Twesme, James	Walsh, Patrick	Schaefer, Stacey
Proximity (miles)	n/a	0.49	0.34	0.32	0.24	0.41
Sale Price	\$ 190,000	\$ 190,000	\$ 410,000	\$ 322,000	167000	\$ 199,900
Assessment Value	\$ 300,000	\$ 225,000	\$ 450,000	\$ 350,000	190000	\$ 220,000
Price/ sq ft	\$ 180	\$ 126	\$ 205	\$ 155	189	\$ 131
Year Built	1955	1970	1969	1966	1959	1975
Building Area sgft	1,668	1,500	2,000	1,600	885	1,532
Lot Size sgft	10,990	10,000	12,000	11,000	7,887	14,100
Total Rooms	8	8	12	8	7	9
Bedrooms	4	3	4	3	2	3
Baths	1	2	2	2	1	2
Pool						
Fireplace	1					
Garage Type	Carport					

--END OF REPORT--

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Employer ID Report

SAMPLE

Reference # 12345678
Process Date 2010-01-28

Input Data

Company name London Grill
Street 100 Central Avenue
City Minneapolis
State MN
Zip 55400
Phone 612-321-3000

Results

Company name London Grill Restaurant Inc.
Street 100 Central Avenue South
City Minneapolis
State MN
Zip 55400
Phone Exact Match
Year established 1996
Year of first appearance 1996
Estimated sales volume \$7MM
Number of employees 50
Key executive Jim Brown President
Primary URL londongrillrestaurant.com

Reverse Phone Lookup

Location U.S. Type Address
Type Business
Input Phone # listed to London Grill Restaurant Inc.
Address 100 Central Ave
City Minneapolis
State MN

--END OF REPORT--

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