

Mortgage Fraud

Mortgage fraud has grown by 1000% since 2000. Regulators and secondary market investors are requiring originators to validate more of the borrower and property data using independent third-party sources to help combat this trend (see *Fannie Mae Loan Quality Initiative* doc).

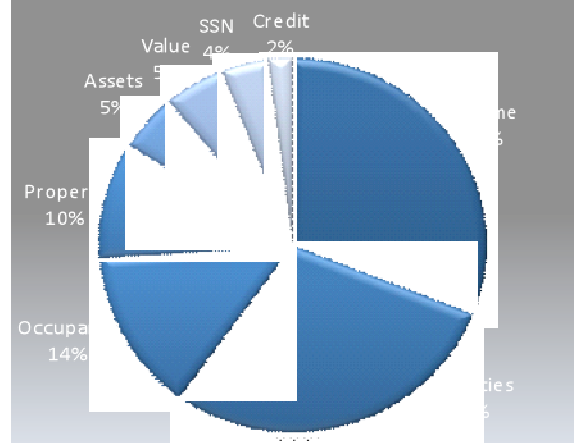
Mortgage Fraud Report (MFR)

The Mortgage Fraud Report (MFR) enables lenders to quickly identify discrepancies, track issues, reduce the risk of fraud and comply with their secondary market requirements. The MFR searches billions of public records and returns 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 Fraud Occurrences by Type



| 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 | | ✓ |

Highlights

Detect fraud sooner

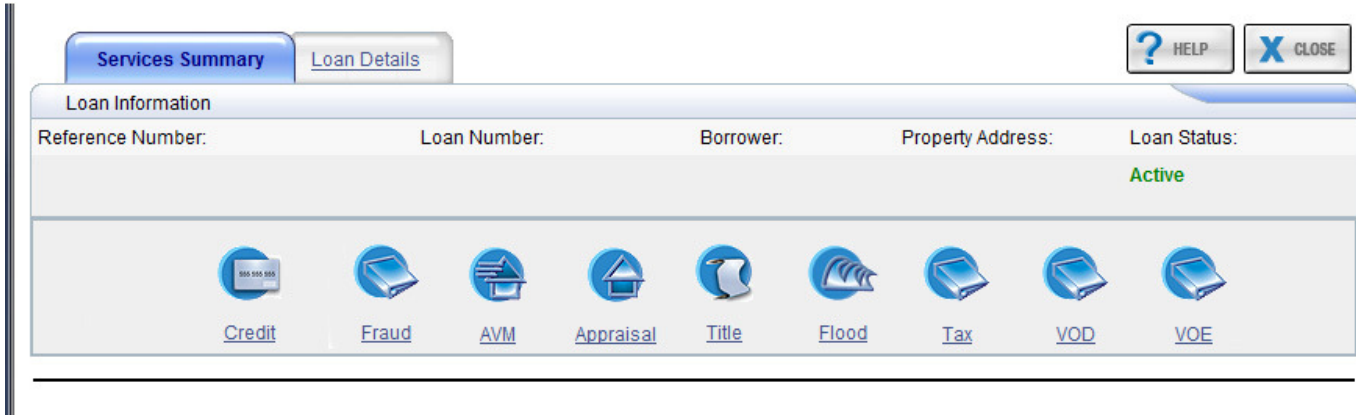
- ✓ Instantly verify key application data
- ✓ Detect discrepancies and potential risk factors
- ✓ Score ID theft risk
- ✓ Comply with secondary market requirements
- ✓ US Patriot Act Section 326 compliant





Reduce validation time & costs

- ✓ Order credit, all products alongside MFR
- ✓ No borrower data re-entry
- ✓ Streamline validation
- ✓ 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.



| MFR Offering | Fraud Verification and Advantages | |
|---|---|--|
| 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:

Toll Free 888-525-0051