

MORTGAGE

FRAUD

A DANGEROUS BUSINESS



HONDROS LEARNING™
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According to the 2007 U.S. Foreclosure Market Report, in January through March, more than 430,000 foreclosure filings were reported nationwide—an increase of more than 30 percent from the same time frame in 2006.

The foreclosure rate in the U.S. is the highest it has ever been and rising. There are many reasons for this trend, including the increase in mortgage fraud. Each year, millions of dollars are lost to mortgage fraud and, despite efforts made by the FBI and local law enforcement, the outlook is not good. As thieves become savvier, the scams they concoct become more elaborate and more difficult to catch.

Unfortunately, *industry insiders* like appraisers, real estate agents, mortgage lenders, and title professionals are often involved in mortgage fraud scams. And as an industry insider, it is *your* responsibility to yourself, your company, and your customers to know what mortgage fraud is, how to prevent involvement, and how to protect your customers from becoming victims.

This textbook was designed with you, the professional, in mind. In the field, you've probably witnessed cases of mortgage fraud. With the information you learn here, you will have the knowledge to help stop the mortgage fraud epidemic from growing further, as well as prevent any inadvertent involvement on your part.

Using This Text

Mortgage Fraud: A Dangerous Business gives you the information you'll need to protect yourself and your customers and to be one step ahead of your competition. You'll find **key indicators of fraud** and **strategies for avoiding common scams**. Also included are **real-life examples of mortgage fraud**, from which you will see just how easy it is to get caught up in mortgage fraud scams and the **serious consequences** of doing so.

This textbook can also serve as a reference guide, providing helpful information for you and your customers.

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