



# Mortgage Fraud Trends

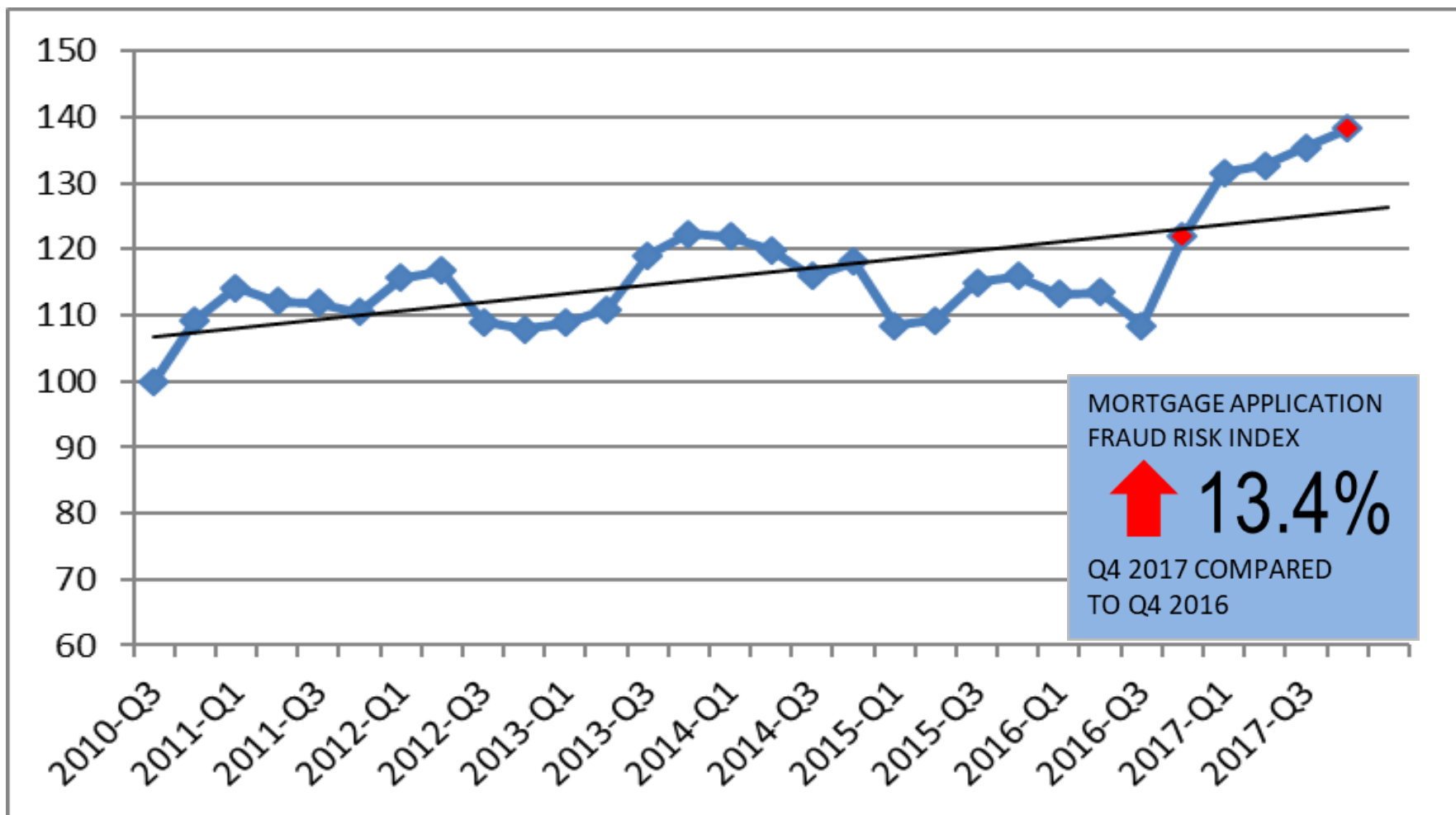
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## GREFPAC

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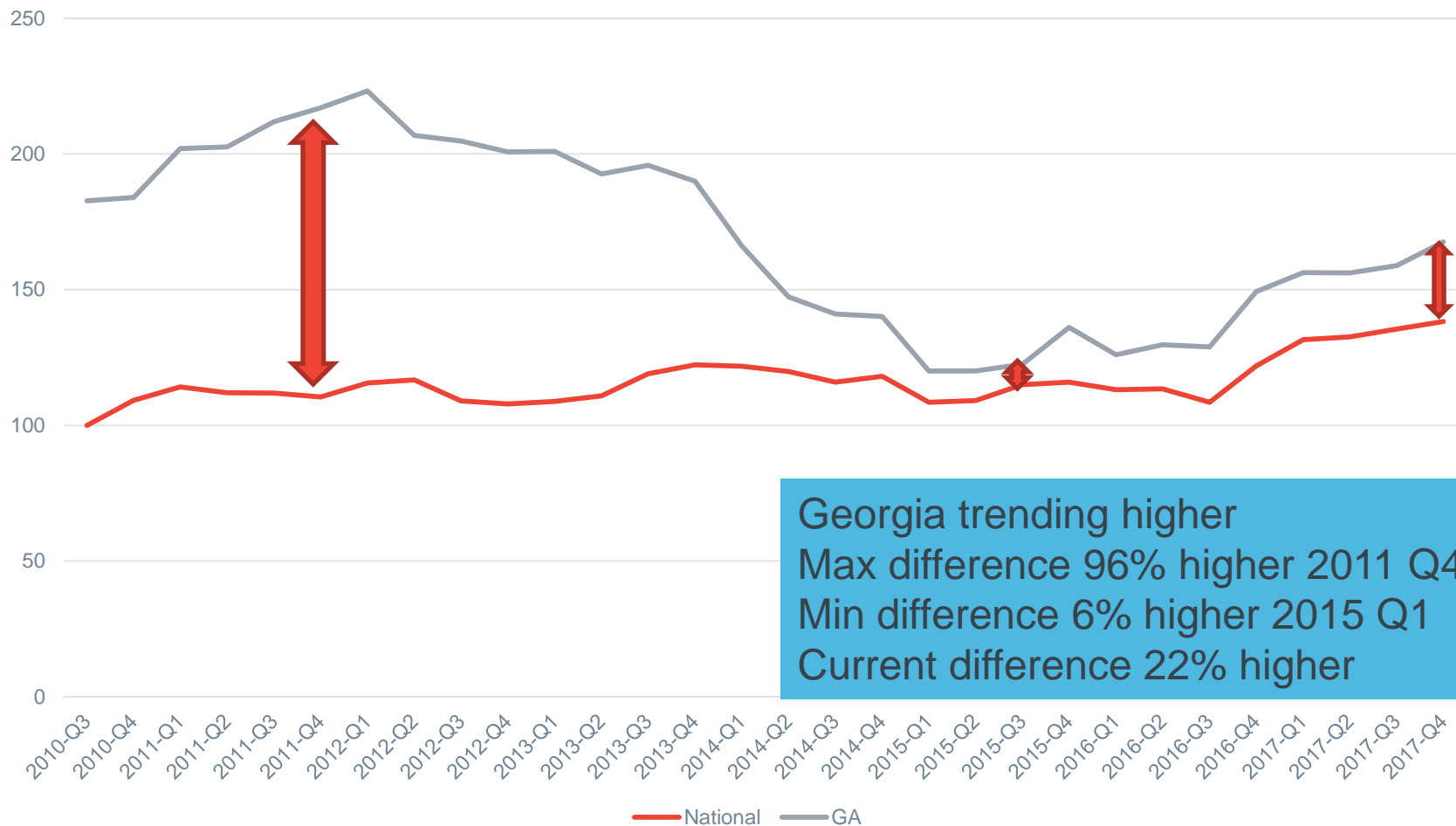
March 2018

# National Mortgage Application Fraud Index



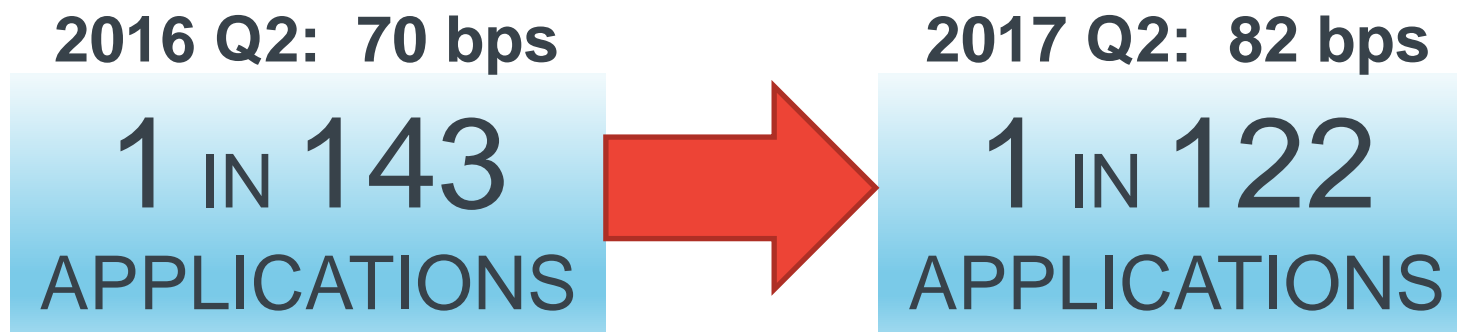
Source: CoreLogic 2018

# Georgia Fraud Risk Trend and National Trend



Source: CoreLogic 2018

## Impact of Increased Fraud Risk

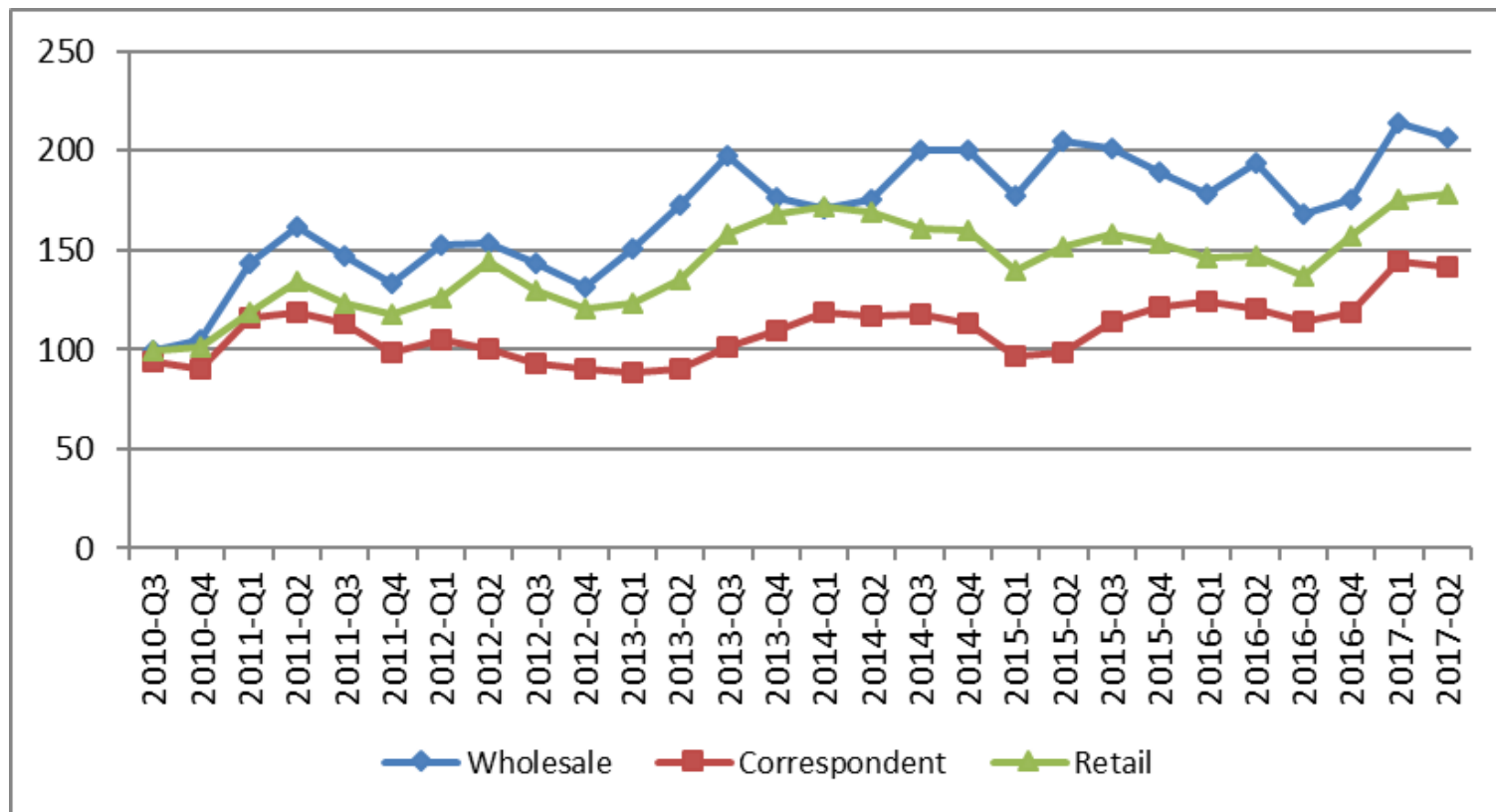


**13,404**  
MORTGAGE APPLICATIONS  
ESTIMATED TO HAVE  
INDICATIONS OF FRAUD  
IN Q2 2017

Source: CoreLogic 2017

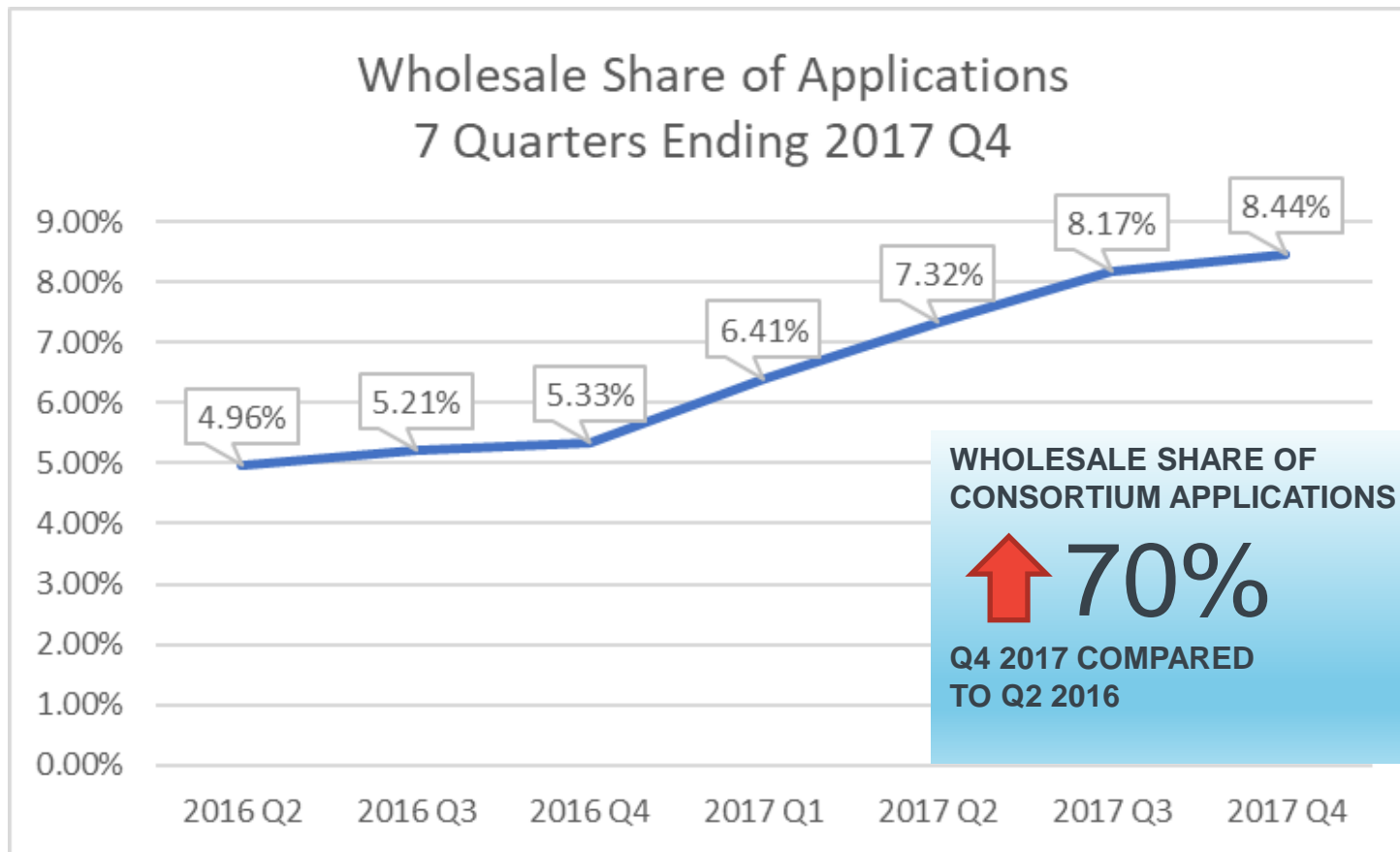
# Factor: Higher Wholesale Risk

## National Mortgage Application Fraud Index by Loan Channel



Source: CoreLogic 2017

# Factor: Increased Wholesale Share



Source: CoreLogic 2018

# Suspicious Activity Reporting

Will we know if there is a problem?

- ◆ Depositories are losing market share and non-banks are gaining  
From **12%** in 2010 to 31% in 2013 to **>50%** today
- ◆ Although they are originating MORE than 50% of loans, non-bank reporting is a fraction of what Depositories report (4% or 1/25)

Institution Type	2015	2016	2017	2018
Depository Institution	49,440	43,442	30,662	1,832
Loan or Finance Company	1,926	5,004	6,380	490

Source: FinCEN

# Risk by Fraud Type – 2017 Annual Report

As of mid-2017

## Increasing

- ◆ Occupancy – up 7.0%
- ◆ Transaction – up 3.9%
- ◆ Income – up 3.5%

## Decreasing

- ◆ Property – down 1.9%
- ◆ Undisclosed RE Debt – down 2.7%
- ◆ Identity – down 7.3%

Source: CoreLogic 2017