

Loan Fraud Alert Service Pro

Leveraging industry-leading information, technology and analytics for more advanced loan fraud detection

Technology has opened the door for new levels and new varieties of loan fraud that could result in unprecedented losses for lenders. Fortunately, technology can also provide a powerful, efficient and affordable loan fraud solution when it is leveraged correctly.

Employ a complete detection and alerting solution

Loan Fraud Alert Service (LFAS) Pro combines comparative loan analysis with robust Identity Risk Management tools to detect and flag potential fraud across multiple loan applications. It cross-references and links layers of loan information to isolate potentially fraudulent activity during pre-funding. This early alert system identifies inconsistencies in your loan pipeline, enabling immediate investigation on any potentially fraudulent loans.

- Identify applications not in good order by revealing application variances prior to funding
- Uncover common fraud scenarios not easily visible without exhaustive investigations
- Detect borrower identity risk arising from identity misrepresentation and associations
- Discover industry insider relationships across multiple transactions
- Provide a view into multiple borrower transactions that may expose irregular borrowing patterns



A proactive approach to early fraud detection

Minimize time and effort with easily identifiable loan transactions that exhibit fraud patterns such as straw buyers, chunking, shotgunning, churning, property flipping, silent seconds and double escrows.

With better up-front visibility into potential risk factors associated with a transaction, LFAS Pro helps you identify potential fraudulent activity before funding takes place.

LFAS Pro provides valuable insight into the industry professionals that may compromise loan transactions by leveraging the only contributory database containing verified fraud in the industry—MIDEX®.

LFAS Pro discovers application anomalies that would otherwise remain hidden by combining:

- Leading identity verification and synthetic identity tests
- Professional risk assessments
- Transaction risk management tools
- Scoring and analytics

Identity Risk Management tools that help mitigate risk

Identity Verification

If your applicant's identity is in question, you're already at risk. Leverage the proven capability of the LexisNexis Identity Verification service, which can help you authenticate and verify the identity of a borrower, and determine if a borrower is using additional aliases or Social Security numbers.

Licensing Verification

Determine up-front if your business transactions are susceptible to fraud. With the Mortgage Industry Data Exchange®, the premier service for verifying licensing and credentialing, you can quickly identify whether brokers, appraisers or realtors are appropriately licensed and if they have been licensed in a different profession or state. MIDEX services are used by 12 of the top 15 U.S. mortgage lenders.

Professional Risk Assessment Verification

Find out if individuals and businesses are hiding anything from their past. MIDEX can also help you unearth adverse activity, public disciplinary and other derogatory information about professional third parties, and is the only industry-contributed repository used for initial and ongoing verification and credentialing of professionals and companies.

Loan Fraud Alert Service Pro can help you identify common fraud schemes, including:

Chunking: Helps identify multiple closings for a single borrower managed by a third party that requires the assistance of an appraiser, broker and/or title company representative.

Double Escrows or Silent Seconds: Helps identify an undisclosed second escrow or mortgage for the same property.

Flipping: Indicates when there are multiple transactions exhibiting appraisal inconsistencies and irregular buyer and seller patterns.

Multi-Lien (aka "Shotgunning"): Alerts you to multiple applications for a single property.

The service can also help you identify:

- Multiple unique loan transactions matching the same borrower indicating potential undisclosed liabilities
- Trends in third party contributions to fraudulent transactions
- Hidden patterns of relationships among transaction parties, including industry insiders
- And more

Call 1.866.676.MARI (6274) or visit risk.lexisnexis.com/mari

