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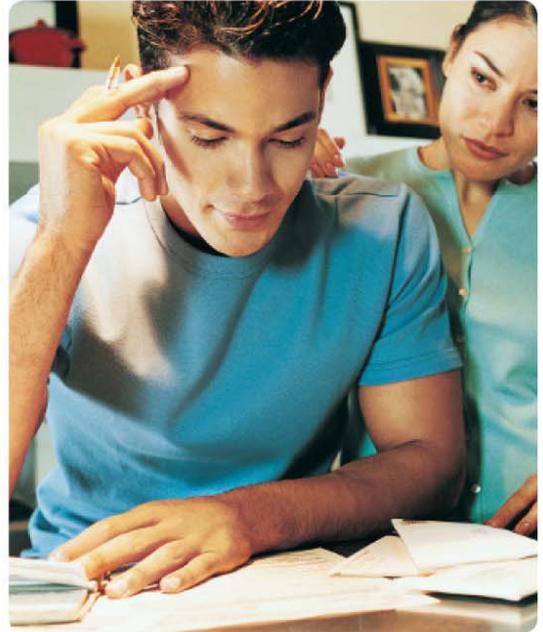
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## Shut the Door on Mortgage Fraud

*Educate Yourself – Mortgage Fraud 101*



**BAC**

**BAC Community Bank**

Serving our communities  
since 1965



We make home possible®



Mortgage fraud continues to be one of the fastest growing financial crimes in the United States. There are several types of schemes used to prey on potential homebuyers as well as those who already own their homes. But help is available. To protect yourself during a home purchase or if you own your home, you can avoid falling victim to fraudulent schemes by recognizing the signs of mortgage fraud and knowing how to report fraud to state and federal authorities.

### **Don't Be a Victim of Mortgage Fraud**

If you are considering purchasing a home or currently own your home, here are some tips and best practices to help you avoid mortgage fraud schemes such as investment property schemes, illegal property flipping, or foreclosure rescue scams.

*When considering buying a home:*

- Beware of enticing offers of “easy money” or sales concessions to purchase real estate.
- Seek legal advice if a “too good to be true” incentive is part of the purchase transaction.
- Beware of investment property opportunities where you are offered cash back after closing.
- If you are purchasing real estate in an unfamiliar area, contact a local professional real estate agent or attorney for advice.
- Ask questions.
- Provide accurate financial information during the loan process. Check the accuracy of the information on the loan application, purchase contract and loan documents.
- **Do not** lend your name and credit for investment property opportunities.
- Get all important information in writing.

- Beware of requests to pay funds to parties not involved in the transaction.
- Do not sign any documents you don't understand.
- Do not sign any blank documents.
- Familiarize yourself with your HUD-1 Form, *Settlement Statement*.

On the HUD-1 Form, make sure that it:

- Is issued by the closing agent.
- Indicates your loan amount.
- Indicates your down payment and funds needed to close.
- Shows complete accounting of all loan fees and charges.

*If you currently own your home:*

- Beware of unsolicited offers from strangers.
- Carefully read all documents before you sign.
- If you are asked to deed the property over to a third party, obtain the advice of your lawyer, financial advisor, or other independent person that you know you can trust.
- Get promises in writing and keep copies of all signed documents.
- Make your mortgage payments directly to your lender or mortgage servicer.

### **How Can I Report Mortgage Fraud?**

If you suspect that you have been a victim of mortgage fraud or are aware of a possible scam, you can report it by calling your state attorney general's office. Locate your state attorney general through the Consumer Fraud Reporting Web site available at [www.ConsumerFraudReporting.org/StateAttorneyGeneralList.php](http://www.ConsumerFraudReporting.org/StateAttorneyGeneralList.php).

The Federal Trade Commission (FTC) works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers. To contact the FTC visit [www.ftc.gov/bcp/edu/pubs/consumer/homes/rea04.shtm](http://www.ftc.gov/bcp/edu/pubs/consumer/homes/rea04.shtm).