

# Mortgage Fraud Brief

## Quarterly Mortgage Fraud Insights

The CoreLogic® National Mortgage Application Fraud Risk Index (Index) decreased by 4.6% in Q3, from 132 in Q2 2021 to 126 in Q3 2021. The year-over-year trend is up 26.7% from Q3 2020 (at 99).

- A small drop in interest rates was enough to push jumbo refinance volumes to spike in Q3, and overall volumes increased slightly for both refis and purchases. In Q3, purchases were 45.7% of transactions, similar to the prior quarter at 46.3%. The small shift to refinances and overall volume increase likely caused the 4.6% national index drop.
- In Q3, we also saw a reversal of the GSE financing limits for investment and second home properties. This seemed to lead to a surge in investment purchase transactions in the second half of September. The risk level that accompanied the surge showed a modest reduction in risk. We will continue to watch this segment, as it has a higher fraud risk level and there have been a number of changes in the last year in the availability of this financing.

### Highest Fraud Risk Metros

METRO NAME	POPULATION*	Q3 2021 FRAUD RISK RANK	Q2 2021 FRAUD RISK INDEX	Q3 2021 FRAUD RISK INDEX	QUARTER OVER QUARTER, Q2 2021 TO Q3 2021
Las Vegas-Henderson-Paradise, NV	2,315,963	1	250	232	-7%
Miami-Fort Lauderdale-Pompano Beach, FL	6,173,008	2	234	218	-7%
McAllen-Edinburg-Mission, TX	875,200	3	173	202	17%
Poughkeepsie-Newburgh-Middletown, NY	678,527	4	206	198	-4%
Los Angeles-Long Beach-Anaheim, CA	13,109,903	5	176	184	5%
New York-Newark-Jersey City, NY-NJ-PA	19,124,359	6	182	183	0%
New Orleans-Metairie, LA	1,272,258	7	156	182	17%
San Jose-Sunnyvale-Santa Clara, CA	1,971,160	8	192	178	-8%
Cape Coral-Fort Myers, FL	790,767	9	178	172	-4%
Orlando-Kissimmee-Sanford, FL	2,639,374	10	180	167	-7%
Bridgeport-Stamford-Norwalk, CT	942,426	11	162	166	2%
San Francisco-Oakland-Berkeley, CA	4,696,902	12	172	163	-5%
Tampa-St. Petersburg-Clearwater, FL	3,243,963	13	187	155	-17%
Austin-Round Rock-Georgetown, TX	2,295,303	14	150	150	0%
Stockton, CA	767,967	15	154	150	-2%

### Corelogic Mortgage Fraud Solutions

CoreLogic is the industry's trusted provider for mortgage risk mitigation solutions. With the nation's largest mortgage application database, patented risk analytics and team of mortgage fraud experts, CoreLogic knows how to identify and lower the risk of mortgage fraud. Learn more at [corelogic.com/buy/origination-risk-solutions/](https://corelogic.com/buy/origination-risk-solutions/).

### The Mortgage Fraud Risk Index

The Mortgage Fraud Risk Index is calculated from the aggregation of individual loan application fraud risk scores during the previous quarter. Score compilations are calculated for the 100 highest-populated Core Based Statistical Areas (CBSA) in the US, and the 15 CBSAs with the highest Fraud Risk for the most recent quarter are shown in rank order.

For more information, visit [corelogic.com](https://corelogic.com) or call 866-774-3282.

The CoreLogic Mortgage Fraud Brief analyzes the collective level of loan-application fraud risk the mortgage industry is experiencing as measured quarterly by the CoreLogic Mortgage Application Fraud Risk Index, which is based on residential mortgage loan applications processed by CoreLogic LoanSafe Fraud Manager™. For information on our Mortgage Application Fraud Index Methodology, email [loansafe@corelogic.com](mailto:loansafe@corelogic.com).

The top 100 CBSAs for fraud risk are available to members of the CoreLogic Mortgage Fraud Consortium and can be downloaded from the [LoanSafe Connect™](#) Resource page.

\* Top 100 CBSAs are determined by population. 2019 resident total population estimate from U.S. Census Bureau Population Division March 2020 release.

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