Uncover fictitious employers on borrower applications with unparalleled business intelligence

Mortgage fraud continues to challenge lenders as borrowers attempt new and varying schemes. A recent annual mortgage fraud report shows a 12 percent increase in a year-over-year comparison of mortgage application fraud risk from 2017 to 2018.[1] One of the current trends involves borrowers using fictitious businesses as their place of employment on mortgage applications in order to misrepresent employment. In May 2018, an industry fraud alert was issued in response to this scheme.[2] Validating the legitimacy of a business listed as an employer can help uncover misrepresentations that provide early indicators of a fraudulent application. Taking the time to verify the legitimacy of a business listed as an employer can help you avoid fraud and save time and resources in the long run.

Incomplete business insight can obscure borrower application risk

Accurate businesses intelligence can be difficult to uncover using traditional sources. Many small businesses and new-to-the-market businesses have very thin-to no-file credit standings and can take between 3-5 years to appear in traditional credit bureau data. Business data is also frequently impacted by information gaps, incomplete profiles and out-of-date materials that can hamper the quality and value of the data. Understanding the associations between your applicant and the business can also provide deeper insights into important connections or clarify cases of self-employment. Avoiding the risk of a fictitious business application scheme depends on access to current and comprehensive intelligence on a business and the owners or representatives associated with the business.

Strengthen decisions and sidestep borrower application risk with access to stronger business coverage

LexisNexis® Risk Solutions delivers the advantage of expansive business and consumer coverage and expert entity resolution to connect you to a complete picture of a company that can help your business:

- Validate the legitimacy of the employer listed on the application
- Detect whether a borrower is associated with the business listed as an employer
- Understand other undisclosed connections between the borrower and the business

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Our business intelligence solutions combine coverage of more than 45 million active US business and over 280 million active US consumers with big data technology, intuitive analytics and linking and machine learning to create a robust profile of a business and the owners and representatives associated with the business. We offer up to 25 percent more business coverage than our competitors and deliver the advantage of extensive business intelligence built from the powerful combination of credit data, bank trade lines, business-to-business trade lines and Alternative Data sources. Our coverage is current and up-to-date with most new businesses appearing in our records 3-5 years before they appear in traditional bureau sources. With our tools, you can easily connect to a concise view of a business that includes information on public records, financial standing, company locations, operations information and comprehensive details about the people associated with a business.

We can help your business efficiently leverage our expansive business coverage via online, batch and xml tools and keep your mortgage workflow in efficient motion. Uncover and avoid application risk and make confident, well-informed decisions with better business intelligence from LexisNexis® Risk Solutions.

1. CoreLogic, Mortgage Fraud Brief, 2nd Quarter 2018, www.corelogic.com/insights/mortgage-fraud-trends-report.aspx

2. Fannie Mae Fraud Alert, May 2018, www.fanniemae.com/content/news/mortgage-fraud-news-052418.pdf

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For more information: Call 866.858.7246 or visit
https://risk.lexisnexis.com/financial-services

About LexisNexis Risk Solutions

LexisNexis Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX Group (LSE: REL/NYSE: RELX), a global provider of information and analytics for professional and business customers across industries. RELX is a FTSE 100 company and is based in London. For more information, please visit www.risk.lexisnexis.com, and www.relx.com.