

# Mortgage Fraud Brief

## Quarterly Mortgage Fraud Insights

The CoreLogic® National Mortgage Application Fraud Risk Index (Index) was flat in Q1, from 138 in Q4 2021 to 137 in Q1 2022. The year-over-year trend is up 15% from Q1 2021 (at 119).

- Refinances made up 46% of the loan applications in Q1, down from 53% the prior quarter. The Q2 trajectory is that rate-reduction refinance share will continue to decrease rapidly along with an overall decrease in volume. More of the refinance population will be for cash out. These changes will translate to higher fraud risk going forward.
- Lenders are adjusting to lower revenues and a tough environment. Many are having to make cutbacks at the same time loans are more challenging to originate than in the last 2 years. Meanwhile, commission-based loan participants and borrowers desperate to get their loans approved and closed before rates increase or locks expire will drive riskier behaviors.

### Highest Fraud Risk Metros

METRO NAME	POPULATION*	Q1 2022 FRAUD RISK RANK	Q4 2021 FRAUD RISK INDEX	Q1 2022 FRAUD RISK INDEX	QUARTER OVER QUARTER, Q4 2021 TO Q1 2022
Poughkeepsie-Newburgh-Middletown, NY	678,527	1	212	253	16%
Miami-Fort Lauderdale-Pompano Beach, FL	6,173,008	2	218	239	9%
San Jose-Sunnyvale-Santa Clara, CA	1,971,160	3	222	233	5%
Las Vegas-Henderson-Paradise, NV	2,315,963	4	240	230	-4%
New York-Newark-Jersey City, NY-NJ-PA	19,124,359	5	194	200	3%
Los Angeles-Long Beach-Anaheim, CA	13,109,903	6	206	195	-6%
San Francisco-Oakland-Berkeley, CA	4,696,902	7	187	191	2%
Stockton, CA	767,967	8	171	186	8%
New Orleans-Metairie, LA	1,272,258	9	185	180	-3%
McAllen-Edinburg-Mission, TX	875,200	10	189	178	-6%
Orlando-Kissimmee-Sanford, FL	2,639,374	11	166	168	1%
Houston-The Woodlands-Sugar Land, TX	7,154,478	12	150	167	10%
Bridgeport-Stamford-Norwalk, CT	942,426	13	166	167	1%
San Antonio-New Braunfels, TX	2,590,732	14	146	165	12%
Tampa-St. Petersburg-Clearwater, FL	3,243,963	15	172	161	-7%

### 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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