



Financial Crimes Enforcement Network

A bureau of the U.S. Department of the Treasury

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Third Quarter Reports of Mortgage Fraud Up Slightly Mortgage Fraud as Percentage of All SARs Remains Steady

VIENNA, Va. – The Financial Crimes Enforcement Network (FinCEN) today released its third quarter 2010 mortgage fraud report, [Mortgage Loan Fraud SAR Filings](#). The report shows that suspicious activity reports (SARs) characterized by filers as indicating possible mortgage loan fraud (MLF) increased 2 percent to 16,693 in the third quarter of 2010 up from 16,339 MLF SARs in the 2009 third quarter.

The report also shows that the total number of SARs for all categories filed during the quarter increased 2 percent to 175,717, up from 172,125 filed in the 2009 third quarter. In all, 9 percent of all SARs filed in the 2010 third quarter indicated MLF as an activity characterization, the same percentage reported in the third quarter of 2009.

“FinCEN is regularly pulling together, analyzing and releasing valuable data on mortgage fraud that serves as another tool to fight scammers and mortgage fraud,” said FinCEN Director James H. Freis, Jr. “This report contains new information on reported suspicious activities based on location, types of scams, and other trends that can help law enforcement to further investigate mortgage loan fraud.”

Key findings in the report:

- More than 80 percent of MLF SARs involved suspicious activity amounts under \$500,000.
- Nearly all MLF SARs with reported loss amounts indicated amounts under \$500,000. However, 75 percent of MLF SARs did not indicate loss amounts.
- Filers identified over half of SAR MLF subjects in the 2010 third quarter as borrowers.
- California and Florida had the highest number of subjects, followed by New York and Illinois. Based on subjects per capita, Florida and California switched places in the first and second place rankings, while Nevada and Arizona replaced New York and Illinois as third and fourth highest per capita.

Further trend analyses and MLF SAR data can be found on [FinCEN's Mortgage Fraud](#) Web page.

FinCEN also today published its latest [SAR Activity Review: By The Numbers](#), a compilation of numerical data gathered from Suspicious Activity Report forms filed by financial institutions. The report released today covers the first six months of 2010.

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FinCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.