YOU CAN PREVENT MORTGAGE FRAUD

COMMITTING MORTGAGE FRAUD IS AGAINST THE LAW AND MAY RESULT IN JAIL TIME WITH SEVERE FINES AS WELL AS THE LOSS OF YOUR HOME!

Here is a simple list of DO’s and DON’Ts to follow when purchasing your home.

**DO:**

- **DO** provide your confidential financial and personal information only to someone you trust and know works for the Lender. If you have doubts, call the Georgia Department of Banking and Finance at 770-986-1136 and ask if the Lender is licensed and in good standing before giving out any information.

- **DO** be honest when completing the loan application and answering questions during the application process.

- **DO** request and keep copies of everything you provide to the Lender and everything you are required to sign. The Lender should not have any problem honoring your request for copies.

- **DO** review the Good Faith Estimate of Closing Costs that is required to be given to you by your Lender. Ask about any parties being paid or fees you do not understand or with which you disagree. Ask for a written confirmation of the interest rate lock-in once you have agreed to lock in a rate.

- **DO** read and understand all of the documents presented to you before you sign them. Ask questions about anything you do not understand. Realize that when you close the loan, you are personally responsible for repayment of the loan.

- **DO** proceed with caution if you are encouraged to become a real estate investor of multiple properties in a short period of time, especially if you are not required to put money down – or, even worse, if you receive money back from the transaction.

**DON’T:**

- **DON’T** create a false identity or use someone else’s identity or social security number to obtain a loan.

- **DON’T** provide, or pay anyone else to provide, false information about your employment, income, credit or bank accounts.

- **DON’T** accept payment for use of your name, credit or social security number.

- **DON’T** close a loan that you know has false or misleading information including appraisals with inflated values, down payment or earnest money that did not come from you, or rental leases that you believe to be inaccurate.

- **DON’T** pay your earnest money (down payment) to anyone other than your real estate agent or the seller of the home you are purchasing. If you have doubts about who really owns the home you are purchasing, call the county tax assessor to verify the current owner and find out when they took ownership.

- **DON’T** let anyone sign anything for you during the loan process without your written approval and authorization. Take time to consider the power you are giving this person when you authorize them to sign for you.

- **DON’T** expect to get “paid” for purchasing a home. YOU should be bringing a certified check to closing in order to buy the home.

- **DON’T** pay anyone additional fees or costs associated with the loan closing or application process after the loan closes. If someone asks you to do this, refuse and obtain legal advice.

This information is not intended as legal advice; it is provided as a public service.