



Mortgage Fraud – Red Flags

- Client delays, makes excuses or will simply not provide photo ID, when requested
- Land title records do not match with seller information
- Buyers' or sellers' names are only partially indicated – last name appears without a first name or the first name is indicated by only an initial
- Client attributes name differences to inconsistent or improper English translation of names
- Buyer purchases property far from place of employment for no apparent reasons
- Buyer is purchasing many properties with high ratio mortgages, using different names or variations of his/her name
- Source of deposit cheques is other than buyer
- Deposit is provided in cash or by money order
- Buyer purchases investment property, yet does not own a principal residence
- Parties have no formal office; communication is by cell phone, email and fax; meetings are scheduled at restaurants
- Buyer or seller is represented by a person acting on a power of attorney
- Quick succession of trades on one property
- One lawyer represents both parties to the transaction
- Immediate possession dates
- Firm transaction with none of the usual conditions
- No counter offer
- Names appear to have been added to or deleted from the contract
- Not all parties named on the contract have signed it
- Schedules or addendums exist but are not indicated in the contract, or, schedules or addendums do not reference the originating contract

Contacts for More Information:

Ontario Ministry of Government Services (Consumer Services Bureau): 416-326-8800 or www.gov.on.ca/mgs

Canadian Institute of Mortgage Brokers and Lenders: 416-385-2333 or www.cimbl.ca/fraud_intro.htm

Canadian Bankers Association: 416-362-6092 or www.cba.ca

Contact your local police department for specific concerns or cases

(Source: Compiled with information from the Real Estate Council of Alberta and chrismathers inc. crime and risk consulting)