



Office of
Jason Crowell State
Senator

The Crowell Connection



Senator Jason Crowell – Serving Bollinger, Cape Girardeau, Madison, Mississippi, Perry, and Scott Counties.

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Protecting Missouri Homebuyers from Mortgage Fraud

Everyday, people make the decision to purchase their own home. This is a milestone and major financial commitment that people choose to make at all stages of their lives. Purchasing a home marks important life changes such as a new job, a marriage, the expansion of a family, or a move to a new place. Unfortunately, there are people out there who take advantage of homebuyers, a practice we must stop.



In their 2007 Mortgage Fraud Report, the Federal Bureau of Investigation named Missouri as a problematic mortgage fraud area. For Missouri homeowners and buyers, this presents a serious problem. Unscrupulous mortgage practices illegally inflate property appraisals, and many of the loans involved in these practices result in default and foreclosure. This session, the General Assembly passed House Bill 2188, a bill that makes it clear that Missouri will not tolerate these deceitful practices.

House Bill 2188 creates civil and criminal penalties for mortgage fraud. The bill also creates the specified crime of mortgage fraud. Mortgage fraud is committed when information is misrepresented on a mortgage loan, and the practice often includes illegally inflating property appraisals, concealing a second mortgage from a primary lender, or concealing a borrower's identity. Any misrepresentation or omission is considered mortgage fraud under the law. Anyone committing this crime can be charged with a class C felony and could receive up to 10 years in prison. Civil penalties of up to \$5,000 are also allowed under this legislation.

This legislation is really about protecting the



