

NEWS FROM SCDCA

South Carolina Department of Consumer Affairs



Brandolyn Thomas Pinkston, Administrator

June 9, 2008

Release #08-047

SCDCA Media Contact: Maria Audas, 803.734.4296

1.800.922.1594 (toll free in SC)

Email: scdca@dca.state.sc.us

FOR IMMEDIATE RELEASE

CONSUMER AFFAIRS PARTNERS WITH ATTORNEY GENERAL'S OFFICE TO OFFER MORTGAGE FRAUD HOTLINE TO CONSUMERS

Columbia, SC..... The South Carolina Department of Consumer Affairs (SCDCA) and the Attorney General's (AG) Office are pleased to announce the launching of the state's first Mortgage Fraud Hotline. Consumers who suspect they are victims of mortgage fraud are encouraged to call the toll-free number **1.800.553.7723** for the **Stop Mortgage Fraud** hotline. The phone line will be operational Monday through Friday from **8:30 a.m. – 5:00 p.m. beginning on Tuesday, June 10, 2008**, and housed at SCDCA.

This convenient, accessible help for consumers dealing with mortgage scams and fraud is long overdue. The US Attorney's Office has prosecuted mortgage fraud cases over the last four years that have resulted in the convictions or plea agreements of over 80 individuals. "South Carolina has directly and disproportionately been targeted for this type of fraud," said South Carolina Attorney General Henry McMaster. McMaster expects the hotline to improve the disparity of cases in the state as compared to other states.

SCDCA Agency Administrator Brandolyn Thomas Pinkston says the Mortgage Fraud Hotline will have the added benefit of decreasing costs. "We all pay, directly or indirectly. Homeowners and homebuyers pay directly through increased costs for mortgages and higher property taxes as fictitious

About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers.

Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

For more information, visit www.sccoconsumer.gov.

appraisals and property flips increase property values. Indirect costs include taxes and lender costs to fight and/or prevent such crimes. This hotline will go a long way in reducing some of those costs.”

The coordinated effort from SCDCA and the AG’s Office will allow consumers across the state to receive immediate, expert attention to their concerns and problems. SCDCA Staff Attorney Charles Knight has seen mortgage fraud across the state all too often but is ready to see that change. “Mortgage fraud is stealing the ‘American Dream’ – homeownership – from our citizens and the hotline is a step in the right direction to stop it,” said Knight.

In 2001, the state ranked as the #1 hot spot for mortgage fraud, according to the FBI. Through the dedicated effort and cooperation of officials across the state, South Carolina now ranks #22 in the latest reports. SCDCA and AG representatives believe the Mortgage Fraud Hotline will do even more to improve this rating. In addition to exposing current mortgage scams, the hotline will also provide much needed educational information and assistance to consumers.

For more information on the Mortgage Fraud hotline or to receive a copy of SCDCA’s comprehensive 2007 report, “The State of Mortgage Fraud in South Carolina,” contact the Public Information Division at 803.734.4296, or toll free at 1.800.922.1594, or online at www.sconsumer.gov. The report looks at mortgage fraud conditions and trends across the state and recommends improvements to consumers. The report is a collaborative effort from SCDCA’s sponsored South Carolina Mortgage Fraud Task Force.

-30-

6-2-08/mla

About the South Carolina Department of Consumer Affairs:

Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers.

Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

For more information, visit www.sconsumer.gov.
