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The Department of Housing and Urban Development issues fraud alert for appraiser identity theft

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Boston, MA The U.S. Department of Housing and Urban Development's (HUD) Office of Inspector General issued a fraud alert on February 22 after uncovering a series of appraiser identity theft cases.

The schemes varied but resulted from someone using a state certification number of a Federal Housing Administration roster appraiser, HUD's alert said, noting that the FHA roster appraiser was unaware of the misuse until it came to light, usually by accident. HUD said that most of the schemes happened when an FHA roster appraiser provided his or her personal identification number for the desktop appraisal software to a colleague or supervisor.

"We applaud the HUD Office of Inspector General for raising awareness about appraisal related identity theft," Appraisal Institute president Jim Amarin, MAI, SRA, AI-GRS, said. "Given the range of interests in appraisal results, and the advent of electronic documentation and signatures, identity theft presents a significant risk to lenders and consumers, and it's an issue that the Appraisal Institute has provided education and guidance to the industry for many years."

The Fraud Alert said that over the last couple of years, HUD has received more than a dozen reports of identity theft by colleagues or supervisors. Examples were cited in Washington, Illinois and California.

HUD's two-page Fraud Alert, which includes do's and don'ts for appraisers, can be found on the HUD website.

Source: this is from the Appraisal Institute's national website.

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