

MORTGAGE LENDING UPDATE

By David Griffin

Past President of Mortgage Bankers Association of Middle Georgia

Dialing For Dollars

Equifax, one of the three major national credit reporting agencies, is selling your credit information without your permission. Apparently the other credit reporting agencies, Experian, Trans Union and the new guy, Innovis, are doing the same thing. How can this be? Isn't that against the "rules"? Well, I think it should be, but it must be okay, because they're doing it, right?

I first heard of Equifax's hot "prospecting" tool, from a customer of mine who began receiving phone calls from other mortgage companies with financing offers. I had recently taken a mortgage loan application from this customer, pulled his credit, and had him sign all the usual application documentation, including the one that assured him that I would not share any of his personal financial information with anyone outside of our transaction.

Not long after, this customer called, quite upset about what he indicated was around a dozen phone calls, and basically accused me of lying about keeping his application information confidential. I was dumbfounded. Nothing could be further from the truth, I assured him! He was not convinced and I was at a loss to explain to him why out of state mortgage companies suddenly couldn't wait to get him on the phone.

Now I know that he was absolutely correct. His information had been leaked! But not by me or anyone at my company. His information had been broadcast to anyone willing to pay for it by Equifax Credit Marketing Services of Lombard, Illinois. I just got a copy of their "kind" offer in my inbox. Mr. Paul J. Vasquez, Account Executive-Business Development, wrote: "If you need the best and freshest prospect leads of consumers 'in the market' for a mortgage, Equifax can deliver! Equifax offers a hot list of consumers who have recently had a mortgage inquiry in the area you serve. These leads are working great with the Mortgage companies we work with. Call me today to find out how you can start testing these hot leads for only \$1000 a week!"

There are a couple of ways for a consumer to help reduce or eliminate being bombarded with phone calls from outside lenders when they make a loan application, but it would help to do these things in advance of their loan application.

The first thing to do is to "opt out" of firm offers of credit or insurance by calling (888) 5-OPTOUT (888-567-8688) or by visiting the website, www.optoutprescreen.com. You can choose to opt out for 5 years or permanently. You may also wish to register your telephone number(s) for 5 years with the Federal Trade Commission's 'National Do Not Call Registry' by calling (888) 382-1222 or by visiting their website, www.donotcall.gov.

David Griffin has been financing homes in Macon, Warner Robins and all of Middle Georgia since 1983 and is a member of the Mortgage Bankers Association of Georgia, mbag.org. For an archive of past articles visit mbag.org/ML_Update.htm.(8/25/10)