



Attorney blogs to prevent real estate fraud

Site details fraud schemes from around the country

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Rachel Dollar, Mortgage Fraud Blog

Nathan Slitcher of Bluffton, S.C., pleaded guilty to bank fraud. In one scheme, he altered the appraisal on his home in applying for a home loan.

In Vermont, the state Supreme Court issued an emergency suspension against Michael McGinn, a St. Albans, Vt.-based lawyer and former Franklin County state attorney. McGinn is accused of diverting money from real estate closings for his own use.

On the other side of the country, authorities recently arrested Lancaster, Calif., resident Carletta "CeCe" McCray, accused of operating a Ponzi scheme in which she embezzled money from clients while working at three different lending companies.

The names and details may sound familiar to regular visitors to the [Mortgage Fraud Blog](#), a three-month-old Web site that bills itself as a clearinghouse for information on recent mortgage fraud schemes, indictments and prevention. Blog founder and mortgage fraud attorney Rachel Dollar started the Web site after realizing that the fraud research she was sending out to clients might help others as well.

"There has really been no source specific to fraud in the mortgage industry," Dollar said.

Dollar, a partner in the Santa Rosa, Calif., law firm of Dollar & Graves, represents mortgage lenders nationwide in pursuing civil recovery from mortgage fraud perpetrators. Most of the blog's regular readers are lenders, though it does attract some mortgage brokers, appraisers and others in the industry, Dollar said.

Kevin Coop, president and CEO of Sysdome, is among those who read the blog regularly. Sysdome, which provides fraud prevention and decision support tools to the mortgage industry, aggregates many databases that relate to fraud. Coop said Dollar's blog is a useful additional – and credible – source.

"It's not just a chat room where people say 'I don't want to do business with that person,'" Coop said.

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With each post, Dollar includes the source of her information and often links directly to it. Some information comes from news reports and press releases, other postings come directly from court papers. Some of the companies Dollar represents send her regulatory updates, which she sometimes posts. Readers also will occasionally send her e-mails with tips about fraud schemes around the country.

"They'll e-mail 'Have you heard about that one down in North Carolina?' Here's where you find out about it," Dollar said.

The site focuses on the content, not fancy graphics or photos. The column on the left includes a list of what's newly added to the blog, links to mortgage fraud schemes in particular states and details about Dollar's background. The main portion of the blog has details of various fraud schemes and other

information, with the most recently posted item on top. Each posting has a headline, links to more information and generally a few paragraphs describing the situation.

Dollar spends a couple hours each day searching for items to post. Sometimes there's little to put online and "then there'll be weeks and weeks where I post five and six articles a day." She posts most of the information in the mornings, but will post throughout the day if she hears about something big.

[Inman Blog: Industry pros give their take on everything from home ownership, foreclosures, mortgages and real estate life to the weather, our economy, and politics. Check in daily to get the scoop.](#)

Dollar's dedication to the blog is a natural extension of her job. She focuses solely on mortgage fraud cases, and left a law firm earlier this month to start her own firm to deal specifically with mortgage fraud. She previously managed the mortgage banking group as a partner of Lanahan & Reilley, but found that she also was dealing with a lot of distractions not related to mortgage fraud.

She calls mortgage fraud a "fascinating" area of the law and the closest a lawyer can get to being a prosecutor while still being in private practice. Many of the cases are complicated litigation and require lawyers to get inside the heads of the fraud perpetrators. As a mortgage fraud attorney, Dollar said she's able to represent good clients and really feel like she's on the right side of the case.

Dollar has seen her share of cases involving huge losses for lenders and consumers. In one case she worked on a few years ago, a fraudster was buying up Houston apartment complexes at market value and then selling the units as condos for double or triple the price. People would buy several of them at a time for investment purposes and would simply sign blank loan applications at the request of the fraudster, who would fill them out with fraudulent information.

One woman ended up with 98 loans taken out in her name, Dollar said.

Dollar uses much of what she's learned from mortgage fraud cases over the years in classes and seminars she teaches around the country. Cases mentioned in the blog also could soon find their way into her course material.

At the very least, Dollar hopes the blog postings help make lenders aware of fraud happening in different parts of the country, which is increasingly important to know about in today's technological era.

"What's happening in Atlanta today may be happening in Detroit tomorrow," Coop said.

Send tips or a Letter to the Editor to samantha@inman.com or call (510) 658-9252, ext. 140.

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