

# Meet MIDEX: A Tool of Integrity

*NRMLA teams with LexisNexis for more watchdogging* By Marty Bell

**PERHAPS THE BEST METAPHOR FOR THE POLITICAL** divide in our country is simply a glass of water. At least half the folks always seem to see the glass as half empty. Today, with the convenience to express your darkest feelings without revealing who you are on the internet, 24 hours of time to fill with gab on many cable stations and a tendency to reduce political policy debate to the mine-is-bigger-than-yours level, even more glasses are less filled.

Trust is a rarity in a cynical era. And yet when your business revolves around a product that involves people's earnings and savings (sometimes their last remaining savings), and when you are preaching to older people who may have lost full confidence in their own judgment, earning trust is what you strive for.

NRMLA has a history of creating tools to confirm integrity and build trust in reverse mortgages and the companies that deliver them. So we have a Code of Ethics and Professional Responsibility that members are all required to sign and expected to adhere to. This, as outside counsel Jim Brodsky elegantly explained at our Eastern Regional meeting in April, commits us to shared goals, values and rules. We have an Ethics Committee to review and consider reported actions not in keeping with the rules and values and the ability to take action. We have a "Dirty Dozen" of advertising avoidances. We have a comprehensive Certified Reverse Mortgage Professional program that includes annual continuing education and tri-annual background checks. All of these are self-imposed forms of industry discipline created to build and sustain public trust in addition to the layers of multi-agency government regulation.

And yet, despite it all, we still hear *those* stories. You know the ones. The promises made across the kitchen table that cannot be kept. The phone call instructing the consumer it is critical that they call back immediately. The refi that only benefits the salesperson. The latest scam to dance around the newest regulation. The behavior that taints us all and makes us cringe. It is likely extremely minimal. But, as a HUD Inspector General warned us at a conference eight years ago now, "When seniors are involved, even one abuse is far too many."

And so the National Reverse Mortgage Lenders Association continues to search for tools of integrity.

## Enter MIDEX

The Mortgage Industry Data Exchange (MIDEX) is a tool created by LexisNexis Risk Solutions (LexisNexis), a company that provides customers of many industries (healthcare, insurance, financial services, hospitality and travel, retail) with, among other things, a means to assess the risk and opportunity of purchasing products and services. Nick Larson, the company's Manager of Market Planning, views MIDEX as "the Better Business Bureau of the mortgage business." MIDEX collects billions of public and non-public records to provide a thorough and dependable source of the past history of the transactions made by a company or individuals you are considering doing business with.

Another view of MIDEX might be as the mortgage industry scoreboard. On the positive side, companies utilize it to help assure transparency, chronicle customer experience, and share their values as demonstrated by actual transactional reporting. It also provides an outlet where those who experience mistreatment or dishonesty can post complaints as well as name those involved, so that others may consider and evaluate those complaints, and make better informed business decisions about whether or not to deal with such individuals and companies.

At NRMLA's Eastern Regional meeting in New York in April, we proudly announced a new partnership agreement with LexisNexis that entitles member companies to a discounted enrollment in and subscription to the Mortgage Industry Data Exchange. NRMLA's Executive Vice President Steve Irwin encouraged members to subscribe to MIDEX and use it to report fraudulent and misrepresentative practices they have experienced in the reverse mortgage space. "This arrangement will help bring MIDEX benefits to our industry and add to the range of remedies available to NRMLA through active enforcement of its Code of Ethics and Professional Responsibility," said Irwin. "It will be used as an important new tool to help close the gap between what NRMLA is permitted to do

LexisNexis® MIDEX® combines the deep perspective of industry-contributed incidents of subscriber-verified fraud and/or misrepresentation with expansive public and proprietary data coverage to deliver the real estate industry's most robust third-party credentialing and due diligence perspective available. Efficiently mitigate risk while strengthening compliance with critical state and federal regulations with MIDEX.

### MIDEX Comprehensive Report

**Doe, Jane**  
878 Division St  
Oklahoma City, OK 73118

Report Created: 3-26-2014 5:13 PM EST  
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**Person Summary**

Name	Doe, Jane	Address	678 Division St Oklahoma City, OK 73118 (Residential)
County	Oklahoma	Phone	405-987-6543 (Residential)
LexiD™	0000-0011-0000	SSN	123-45-XXXX
DOB	10/1976 (Age: 37, Female)	Email	jane.doe@email.com

**At a Glance**

Name Variations	5	SSN Summary	1
Address Summary	8		
Real Property	0	Criminal/Arrest	4
Judgments/Liens	3	Bankruptcy	5
Person Associates	3	Business Associates	0
MIDEX Public Records	1		
MIDEX License Records	2		

**Name Variations, SSN Summary and DOBs**

NAME VARIATIONS	SSN SUMMARY	REPORTED DOBS
<ul style="list-style-type: none"> <li>◦ Doe, Jane</li> <li>◦ Doe, Jayne</li> <li>◦ Doe, Jaine</li> <li>◦ Da, Jane</li> <li>◦ Doe, Jayne</li> </ul>	<ul style="list-style-type: none"> <li>◦ 123-45-XXXX</li> <li>◦ Issued in Oklahoma, 1987 - 1988</li> </ul>	<ul style="list-style-type: none"> <li>◦ 10/1976</li> <li>◦ 10/1976</li> </ul>

View the most recent information on your subject or business and easily navigate to any section of the report using the links in the At A Glance section.

Also includes:

- Real Property
- Criminal Arrests
- Bankruptcy
- Judgment Liens
- Business Associates
- Relatives
- Other Connections

as an association and what you all as members see as necessary to enhance professionalism and high standards of conduct within our industry.”

MIDEX is a subscription service that provides subscribers with solutions to such daily business challenges as identity authentication, detection of and defense against fraud, streamlining of due diligence, links between assets and locations. Whether you are trying to pinpoint suspects, criminals, debtors or just suspicious behavior, you have access to the relevant data you need.

In just one search, MIDEX delivers insight into the professionals with whom you do your business.

It reveals public and non-public industry contributed information on alleged incidents of fraud and misrepresentation, access to license and credential information, public and proprietary records to uncover critical information on bankruptcies, liens, judgments, criminal records and alerts to changes in existing reports.

The processes and procedures around the contributing reports and usage of search results are built to protect LexisNexis subscribers and the service concept received a positive review from the Department of Justice in 1994. MIDEX reports do not reveal the source of submission

and so LexisNexis rather than the submitter is the prime target of those who may challenge its reports. (The company, formed in 1999, has noted that it has been sued just twice, and that both times it prevailed.)

Among the key values of NRMLA membership as detailed in the Code of Ethics—along with responsibility of offering clients a bona fide advantage, accepting only reasonable compensation, and avoiding cross-selling and deceptive advertising—is the duty to report.

“Despite our ongoing efforts, it will always be difficult to monitor the professional behavior of 2000 members let alone the other 3000 people who may engage in reverse mortgage transactions and are not members,” says Peter Bell, NRMLA president and CEO. “This relationship with LexisNexis and access to MIDEX gives us a new and more comprehensive data collection tool to help us maintain the integrity and the reputation of our industry.

“We hope all of our members will take advantage of this relationship. It is to their advantage and, most importantly, in the best interest of their clients.” **RM**