

# Mystery box of personal papers raises ID theft issues

September 18, 2009 By ELLEN YAN [ellen.yan@newsday.com](mailto:ellen.yan@newsday.com)

**QUICK SUMMARY** Container held papers dating as far back as 1997 from more than 15 small and midsize mortgage-related firms on Long Island and in New York City

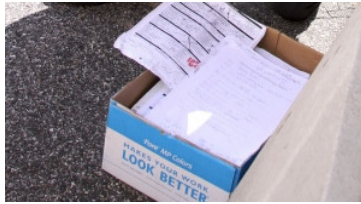


Photo credit: Pablo Corradi | Pet photographer Richie Schwartz found this box stuffed with mortgage applications and credit documentation in a West Hempstead parking lot near his office. The find raises serious questions about the care that banks and mortgage companies give to such paperwork.

## photos



Thomas Clancy, identity theft

**Indiana contractor Larry McCorkle** refinanced his mortgage last year, and somehow, his application wound up in a West Hempstead parking lot -- in a box filled with other borrowers' credit reports, mortgage leads and private information.

"Everything's there and who all's seen it?" said McCorkle, after hearing his and his wife's Social Security and bank account numbers recited to him. "Was it stolen and then discarded? Did somebody's girlfriend get mad at somebody and throw it out? It's really got me a little unnerved here."

The find raises questions about how well businesses safeguard data of people with little option but to reveal personal information to get loans, jobs, cars and make other purchases, consumer experts said. About 8 million people said they were identity theft victims in 2005, the latest statistics available from the [Federal Trade Commission](#).

"It's another example of sloppy information handling," said Beth Givens, founder of the nonprofit Privacy Rights Clearinghouse. "There is so much irresponsibility in the handling of personal information that we all need to assume that our personal information is at risk and to take the steps to protect ourselves as much as we can. . . . Anything with a Social Security number and a name puts that individual at risk for new account fraud."

The copy-paper box was found several weeks ago by pet photographer Richie Schwartz in his office parking lot, by the wall of the garage next door.

Inside were papers dating as far back as 1997 from more than 15 small and mid-size mortgage-related firms on Long Island and in New York City.

It is unclear how the box got there. The state banking department is investigating.

"This is the first time anything like this has happened in our experience," said Jane Azia, the agency's director of nondepository institutions and consumer protection. "There are specific federal rules regarding the disposal of information, so we're kind of interested in how the box ever got out there."

Rules enforced by the [Federal Trade Commission](#) require companies to properly store and also destroy [consumer reports](#), which include insurance claims and medical histories.

Still, officials at companies with papers in the box said the best safeguards can't always stop loan officers from copying data they've gotten from borrowers. By holding files of potential clients, they said, loan officers could argue to potential employers that they were valuable and deserved higher commissions.

"When things were much better in the mortgage industry . . . companies would call and say, 'Come work for us. . . . A trip to Vegas,'" said Audra Hornig, general counsel for Topdot Mortgage, a Jericho-based mortgage bank with papers in the box under BLS Funding, a name it hasn't used since 2001.

News that his personal information was in the box is all a bit unsettling to [Cutchogue](#) resident Thomas Clancy, who said he applied for loans by phone.

"All I'm doing is believing this man over the telephone," he said. "I feel so stupid . . . I'm like in shock here."