

Effectively Sharing & Leveraging Quality Information

- Identify sources of quality information
 - Pre-Funding
 - Post Funding
 - Fraud Reviews
 - Other Reviews
 - Investor
 - MI
 - Servicing
- Identify what information they can provide and how it's available
- Develop an effective reporting strategy
- Implement changes and improvements based on patterns identified in comprehensive results
- Share information externally, if applicable

Pre Funding Reviews

Loan Focused

- Review group
 - Resides with UW or is separate
 - Reports line is separate (production or risk)
- Focus of review – Fraud
- Escalation Process (Fraud Reviews)
- Information Validation
 - Re-verifications
 - Utilize tools, resources and vendor products
- Results collected and communicated
 - Database for findings
 - Loan Level and Summary Reports
 - Meetings to review patterns and address Opportunities for Improvement:
- Develop an Action Plan to address the following needs:
 - Implementation Timeline & results tracking
 - Training Needs
 - Process Improvements
 - Policies Changes, Enhancements, Clarifications
 - Programs Modifications
 - Individual Action Plans

Post Funding Reviews

Loan Focused

- Scope
 - Random Reviews
 - UW
 - Legal Docs
 - Compliance
 - Re-verification – Fraud
 - Target Reviews (Loan or Entity)
 - Originator (Broker, Branch, AE, LO, etc.)
 - Other Entities (Appraiser, Closing Agent, , etc.)
 - Product
 - UW
 - Geographic
 - Loan Performance
- Escalation Process (Fraud Reviews)
- Information Validation
- Results collected and communicated
- Action Plans

Fraud Reviews

(Scheme or Entity focused)

- Evaluate Entity Business
 - Volume
 - % of Loans Approved/Funded
 - Historic and Current Quality Issues
- Other file review results
- File Selection
 - Identified Issues
 - Targeted Issues
 - Random Selection
- Forensic File Review
- Information Validation
- Results collected and communicated
 - Recommendations for changes (Broker or Employee statuses)
- Actions
 - File or Refer for SARs
 - File with external databases
 - Report to Investor or HUD
 - Report to Licensing Agency
 - Disciplinary Actions
 - Addition to Watch or Exclusionary List

Other Reviews

Loan Focused

- Types of other reviews and information available
 - Investor Reviews
 - Purchase Rejects
 - Repurchases
 - MI Reviews
 - Contract UWs
 - Lender Delegated Authorities
 - Servicing Reviews
 - EPDs
 - Modifications
- Integrate information with standard quality reports
 - Data collected using similar formats & categories
 - Patterns by UW, Program, Investor, Originator, etc.
- Conduct meetings to discuss patterns
 - Individual loans can be assessed separately or in this meeting/committee
- Escalation process for fraud reviews

Reporting

- Establish a routine for reporting:
 - Establish a standard date or time for distribution of reports
 - Compile all data into one report/presentation
- Determine distribution list and create standard delivery and/or presentation method
- Implement changes based on patterns or concerns identified in the information
- Monitor changes implemented for effectiveness
- Types of Summary/Trend Reports Recommended:
 - Originator (broker or branch) Scorecard
 - UW Scorecard
 - Corporate Quality Governance
 - Establish thresholds in key Quality/Risk areas
 - Monitor performance monthly
 - Corporate
 - Divisional
 - Branch