

POST-FUNDING QUALITY ASSURANCE

LPS is the mortgage industry's best, centralized source for loan-level quality control.

In today's uncertain mortgage market, it is more important than ever for mortgage originators to conduct comprehensive post-funding quality assurance. Not only are mortgage companies required by Fannie Mae, Freddie Mac, FHA and VA to conduct independent, third-party post-closing reviews on a sample population of loans funded each month, but they must also satisfy investors' increased demand for portfolio transparency, data validation and due diligence.

Lender Processing Services (LPS) is your best centralized source for loan-level quality control and loan file reviews for conventional, government and non-conforming loans. LPS is an experienced, well-capitalized business partner, dedicated to thoroughly understanding your needs, transaction types and delivery standards.

With more than 20 years of experience performing post-funding quality assurance, LPS can provide accurate information about every mortgage pool, loan and property in your portfolio. The full spectrum of services to support your quality assurance needs include:

- Data integrity – Review and compare all data elements in file for accuracy and completeness
- Underwriting review – Review loan file to ensure applicable underwriting guidelines were followed
- Re-verifications – Verify employment, income, assets and occupancy status as needed
- Credit review – Analyze credit documents and calculations to ensure borrowers have demonstrated ability and willingness to repay obligations

- Appraisal review – Analyze appraisal to ensure property represents adequate collateral for mortgage in accordance with applicable standards
- Compliance review – Evaluate each loan against all federal, state and local regulatory statutes
- Fraud review – Evaluate each loan for potential fraud and/or misrepresentation

Comprehensive Loan Audits

As part of the quality assurance review, LPS will perform a comprehensive audit of each loan file to ensure compliance with quality assurance guidelines established by the investor or specifically defined originator guidelines.

Audit results are provided in custom reports, which inform you of any discrepancies with specific loans and offer valuable feedback to evaluate and improve your loan origination process. The customized reports are designed to meet your specific requirements and include:

- Asset summaries on each loan
- Detailed supporting documentation for loan that highlights exceptions
- Ongoing trend analysis to identify problem areas and benchmark performance by branch, staff, loan purpose and loan type

LPS' consultants are dedicated to your project and average more than seven years of underwriting experience. Before assigning consultants to your engagement, LPS completes a rigorous screening



and testing process to ensure the most knowledgeable professionals are performing your quality assurance review.

Advantages of LPS

By partnering with LPS, you'll enjoy the advantages of working with the industry's leader in mortgage technology and services. LPS' powerful Mortgage Servicing Package (MSP) technology processes 50 percent of mortgages in the United States based on loan balance, and LPS is the nation's leading provider of comprehensive, integrated mortgage solutions to many top lenders and approximately three-quarters of the country's financial institutions. More importantly, LPS has the deepest, broadest mortgage database available for the most accurate, up-to-date information.

As an LPS client you'll benefit from:

- A single-source solution for greater efficiency and economy
- A more cost-effective, flexible solution to in-house staff
- Unparalleled experience and expertise for the highest quality work
- Neutral, third-party perspective for independent oversight

Furthermore, Fannie Mae and Freddie Mac require a management plan to address critical exceptions uncovered during the quality assurance review. LPS' strategic consultants stand ready to partner with you to remedy these exceptions and implement solutions and best practices to avoid exceptions in the future.



With LPS in control of your post-funding quality assurance, you can trust your quality assurance efforts to our knowledgeable experts and focus your resources on originating loans. No other company can match LPS' capabilities and expertise for all of your mortgage quality control requirements. Let LPS help you to significantly improve quality assurance efficiency, reduce costs and provide the ultimate in accurate, independent, objective loan evaluations.

Post-funding quality assurance audits conducted by LPS offer valuable feedback to evaluate and improve your loan origination process.



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