

CSC'S UNDISCLOSED LIABILITIES REPORT SERVICE

AT A GLANCE

- Automated Comparison Process to Reduce Manual Review
- Exception Report at Time of Close
- Inquiry Investigation Call Center
- Streamlined MERS® Access thru Post Close
- Additional Services:
 - SSN Validation
 - Red Flag Analysis
 - ID Verifications

The Answer to Your Fannie Mae LQI Questions

In March of 2010, Fannie Mae announced their Loan Quality Initiative (LQI) that affects all lenders who sell loans to the agency. LQI is intended to proactively reduce potential loan repurchases. As of June 1, 2010, lenders are obligated to implement processes to identify any undisclosed liabilities in a transaction up through the closing of the loan. Without an adequate process in place for discovering undisclosed debt, a lender's repurchase exposure can be significant.

Fannie Mae has suggested several practices to determine undisclosed debts such as:

- Credit refresh prior to close
- Direct verification with a creditor to investigate recent inquiries
- Reviewing a Mortgage Electronic Registration System (MERS)® report

Lenders are faced with devoting significant time and resources in back office operations trying to manage this process in a manual environment or risk exposing themselves to a repurchase penalty.

Streamline and Reduce Manual Intervention

CSC has developed an automated workflow solution which offloads the extensive and time-consuming manual review process associated with meeting Fannie Mae's requirements. We have designed a modular suite of services to address undisclosed liabilities in the following areas:

- MERS® report verification – an automated channel for disclosing any mortgage loans from the time of application up through the closing of the loan
- Credit refresh – rapidly retrieves the latest snapshot of the applicant's credit file without posting a hard inquiry
- Undisclosed Liabilities Report (ULR) – efficiently examines the credit files and prepares a concise variance analysis delivered back to the lender

The ULR provides an automated detection of new tradelines, inquiries and derogatories as well as any balance increases. This automated approach delivers a consistent risk analysis of each loan file to expose any undisclosed debt. In addition, CSC's ULR service provides daily summary reporting to help lenders maximize the underwriting process and focus only on those applications which pose the biggest potential risk for repurchase.

A Custom Solution to Meet Your Needs

With CSC's Undisclosed Liabilities Report, you can build the perfect solution to match your business needs. One of our Product Managers will work with you to determine what areas of your current application workflow need reinforcement and how CSC can provide additional coverage that alleviates the added manual burdens of keeping in compliance. Whether it is strengthening your process at time of application, sharpening your credit refresh dexterity at pre-close or enhancing your quality control post-close, CSC offers a full service solution to help ensure a consistent process that significantly reduces manual intervention.

For more information about CSC's Undisclosed Liabilities Report, please contact us via email at ncd@csc.com.