



## Planet Home Lending Top 10 QC Trends – April 2024

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Planet Home Lending would like to share the top defects we have identified during our monthly Pre-Purchase Quality Assurance and Post-Purchase Quality Control.

- 1) 4506C Form – completed incorrectly.
- 2) Other REO Documentation – missing PITI documents to calculate expenses for other properties owned or missing Lease Agreements/proof of rent.
- 3) Gift Documentation – missing Gift Letter or proof of transfer of gift funds to borrower/closing.
- 4) Large Deposit Documentation – missing.
- 5) Fraud Report – missing, incomplete, or alerts not addressed (i.e. possible undisclosed REO's, etc.)
- 6) Income Calculations – hourly/bonus/commission income not calculated correctly or supporting documentation missing.
- 7) Verification of Employment – missing pre-closing VVOE or acceptable alternative documentation.
- 8) Escrow/Settlement Instructions – missing.
- 9) Assets – missing Settlement/Closing Disclosure documenting net proceeds from sale of current home or other REO.
- 10) Exclusionary Lists – LDP/GSA or SAM were not checked for all participants (primarily Appraiser and Settlement Agent).

Sellers are expected to verify the accuracy and integrity of the information used to support the lending decision of all loans closed. In addition, Sellers are expected to adhere to all agency and PHL guidelines, provide all supporting documentation for the completeness of a loan file, and deliver a closed loan package that is compliant to all state and federal regulations.

Please share this feedback with your Operations team so that they may perform extra due-diligence around these topics, reduce findings and overall risk.