

# TRID and Loan Package Documentation Defects Comprise Over 68-Percent of Reported Defects

POMPANO BEACH, Fla., June 6, 2017 (SEND2PRESS NEWSWIRE) – [ACES Risk Management](#) (ARMCO), the leading provider of financial quality control and compliance software, announced it has released the ARMCO Mortgage QC Industry Trends Report for the fourth quarter of 2016 and calendar year 2016.



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## Some of the report's noteworthy findings include:

- Over 68 percent of defects reported in 2016 involved TRID-related and/or loan package documentation issues
- The benchmark Critical Defect Rate increased slightly, from 1.27 percent in Q3 2016 to 1.50 percent in Q4 2016
- In fourth quarter 2016, purchase transactions among the subject group comprised 51 percent of the benchmark data, up from 48 percent in the previous quarter

"The data suggests lenders are getting more adept at complying with critical TRID-related issues. However, new areas of concern are beginning to spring up and an early correlation can be linked to a more purchase-focused market," said Phil McCall, COO of ARMCO. "Lenders need to learn from their own defects

if they want to protect themselves against compliance-related issues, but they also need to stay apprised of changing trends if they want to mitigate the increased risk of fraudulent activity that is inherent with a purchase-driven market.”



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Each quarter, ARMCO releases the ARMCO Mortgage QC Industry Trends Report, which is based on post-closing quality control loan data captured by the company’s ACES Analytics benchmarking software. The ACES Analytics benchmarking dataset includes post-closing quality control data from over 65 lenders, comprising more than 75,000 unique loans selected for random full-file reviews. Defects are categorized using the [Fannie Mae loan defect taxonomy](#). The company issues a one-year analysis for the calendar year with each fourth quarter Mortgage QC Industry Trends Report.

Each ARMCO Mortgage QC Industry Trends report includes easy-to-read charts and graphs, a summary that outlines ARMCO’s overall findings, a breakdown of defect rates for each Fannie Mae loan defect category, and a short conclusion. The current and previous reports also contain an analysis of the top credit-related critical defects, which is now a regular feature of the report.

To obtain a copy of the report, please visit <http://www.armco.us/knowledge/mortgage-qc-industry-report-2016-q4>.

**About ARMCO:**

ARMCO – ACES Risk Management delivers web-based audit technology solutions, as well as powerful data and analytics, to the nation’s top mortgage lenders,

servicers, investors and outsourcing professionals. A trusted partner devoted to client relationships, ARMCO offers best-in-class quality control and compliance software that provides U.S. banks, mortgage companies and service providers the technology and data needed to support loan integrity, meet regulatory requirements, reduce risk and drive positive business decisions.

ARMCO's flagship product, ACES Audit Technology™, is available at any point in the mortgage loan lifecycle, to any size lender, and is user-definable. ACES standardizes audit requirements, ties pre-funding reviews to post-closing quality control audits, enables seamless trend analysis, identifies credit, compliance and process deficiencies and helps create manageable action plans.

For more information, visit <http://www.armco.us/> or call 1-800-858-1598.