

FORMAT - RETURN OF QUALITY CONTROL PLAN LETTER

PURPOSE: To notify applicant mortgagee that Quality Control Plan does not meet the requirements of the Direct Endorsement program.

PREPARED BY: Mortgagee Approval Specialist, with appropriate assistance from technical branches.

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Appendix 11

FORMAT

TO: Mortgagee Name  
Address  
Ten Digit Mortgagee Number (I.D.)

The purpose of this letter is to inform you that we have received and reviewed your application to participate in the Department's Direct Endorsement program.

The Quality Control Plan which you have submitted does not meet the requirements of the Direct Endorsement program. As outlined in the Single Family Direct Endorsement Program Handbook, HUD Handbook 4000.4, the Quality Control Plan must adequately cover four elements: Maintaining HUD published underwriting guidelines; a system of corrective measures; system integrity; and a system of case review. To qualify for Direct Endorsement approval, your Quality Control Plan must be modified to include these four elements and the Plan must be implemented accordingly. The modified Plan should be resubmitted to this office.

HUD's review of the Quality Control Plan was solely for the purpose of determining whether the Plan addresses the Direct Endorsement Program requirements. HUD's review was not for the purpose of approving the adequacy of any other provisions.

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