



CRFS 2020 CASE STUDY

Covid-19 FHA Loss Mitigation Project



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CRFS Real World Case Study 2020-02

Covid-19 Loss Mitigation Project

- **Client:** Large bank mortgage servicer
- **Challenge:** In April, 2020 HUD issued Mortgagee Letter ML 2020-06 that provided servicers with additional Loss Mitigation options for borrowers who had entered into forbearance as a result of financial distress caused by the Covid-19 pandemic. The client was concerned it did not have enough staff to manage the large influx of claims that would need to be filed over several months as borrowers exited their forbearance window. The project encompassed literally thousands of monthly FHA Loss Mitigation claim submissions under the COVID-19 National Emergency Standalone Partial Claim program.
- **Solution:** Over a period of five weeks CRFS invested in technology upgrades including integration with the FHA Catalyst system and built-out its workforce to greatly expand its Loss Mitigation processing capacity. By the end of those five weeks CRFS had more than quadrupled its Loss Mitigation claims processing capacity, and partnered with the client to supplement their capacity by up to 4,000 monthly claim submissions. In total, CRFS expanded its processing and QC operations to handle more than 10,000 monthly Emergency Loss Mitigation claims.
- **Value Add:** CRFS was able to quickly deploy experienced resources to accommodate the client's surging claims volumes under a highly scrutinized government program, providing them with greatly reduced operational risk. Additionally, integration developed with HUD's Catalyst system allowed for a more streamlined process that kept costs down while maximizing the financial reimbursement for our client.