



CRFS 2021 CASE STUDY
COVID-19 FNMA Deferment Claim Project



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CRFS Real World Case Study 2021-01

COVID-19 FNMA Deferment Claim Project

- **Client:** Large non-bank mortgage servicer
- **Challenge:** In May, 2020 Fannie Mae under the direction of the Federal Housing Finance Agency (FHFA) in partnership with Freddie Mac issued a new Lender Letter (LL-2020-07) that provided servicers with additional retention workout options for borrowers who were impacted by a hardship related to COVID-19. The goal of the program was to allow borrowers to return their mortgage to a current status after up to 12 months of missed payments. Our client was concerned it did not have enough fully trained staff to manage the large influx of claims that would need to be filed over several months as eligible borrowers entered the program. The project encompassed more than 1,000 monthly Fannie Mae COVID-19 claim submissions.
- **Solution:** Within four weeks of commencing the project, CRFS was able to allocate staff for and deliver required training to the team tasked with managing the program. By the time the first referral file was delivered, CRFS had built-out its workforce such that it could handle up to 1,000 FNMA Deferment claims, more than tripling its claims processing capacity. At present, CRFS has further expanded its processing and QC operations to handle more than 1,500 monthly claims.
- **Value Add:** CRFS was able to quickly deploy experienced resources to accommodate the client's increasing claims volumes under a newly implemented GSE workout program, providing them with greatly reduced operational risk. Additionally, the staffing and operational solution put in place by CRFS controlled costs while maximizing the financial opportunity for our client.