

PRODUCING QUALITY WORK ON TIGHT DEADLINES

Top 3 mortgage lender leverages AIS default servicing solutions to complete 7,000 bankruptcy loan audits in 45 days

THE PROBLEM TO SOLVE

A leading mortgage lender that serves nearly four million customers acquired servicing rights for a new portfolio of approximately 7,000 bankrupt loans. To meet regulatory requirements, audits needed to be conducted and ledgers created for each loan to ensure every post-bankruptcy filing transaction was accurate. When outsourcing previous projects like this to other vendors, the lender experienced timeliness issues, quality errors and scalability problems. In addition, most of these vendors were hesitant to take on this project, due to the complexity and stringent deadline. However, AIS accepted the request to complete the audits within 45 days from the date of acquisition. Quality was of the utmost importance, as errors could lead to financial implications or incorrect accounting for the life of the loan.

THE AIS SOLUTION

Based on the requirements outlined by the lender, AIS on-boarded a team of 65 associates in four phases. The new team members were quickly integrated with a group of experienced associates which consisted of trainers, team leaders and subject matter experts. Resources were divided into three teams and assigned individual milestones.

- **Contractual Reconciliation**

AIS converted various types of input files (Excel, Notepad and PDF) into an MS Excel spreadsheets. In addition, the team prepared the contractual chronology of payment transactions ranging from bankruptcy filing date to the current date.

- **Post-Petition Payment Reconciliation**

The team reviewed and corrected post-bankruptcy payment transactions based on filed Proof of Claim, Payment Change Notifications, Agreed Order and Post-Petition Fee Notifications.

- **Maintenance of Records**

Based on the case information in AIS's proprietary bankruptcy database, the lender's system was updated regularly, and the changes were reflected on the spreadsheets. In addition, all events were documented in the lender's case management system and the payment ledger was uploaded in a PDF format.

- **Payment Adjustment**

The lender's Payment Application System was updated with all necessary cash adjustments.

AIS's global capabilities enabled 24x7 availability for questions and changes to the process. In total, 6,797 loans were reviewed, of which 6,169 payment ledgers were prepared within the 45-day window and at a quality rate of 99%.