



# CLIENT MEETING

September 8, 2022

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Each and every day, we strive to be your  
**TRUSTED PARTNER**

# Meeting Agenda

- Welcome and Introduction Matt Detwiler, SVP, Client Management
- Loan Operations & Default Adam Saab, VP, Early Stage Default  
Adam Wood, VP, Late Stage, Default
- Borrower Operations Lou Sigillo, SVP, Borrower Ops
- SSO Conversions Josh Reicher, Chief Digital Officer
- Risk Management Sara Avery, SVP, Chief Risk Officer
- VA Partial Claim Matt Detwiler
- Conclusion Matt Detwiler



# Loan Operations and Default Strategy

## Refining Loan Operations Team Structure

- Evolving the structure and deepening the bench strength of the Loan Operations team
- Better leveraging the talent of our existing team and fortifying their skills with a handful of several new and very seasoned leaders
- Consistently investing in people, process and technology to deliver excellent service to our clients and their homeowners
- Aligning responsibilities and functional areas in a way that best supports everyone and delivers results

## Our Goal and Approach

- Across default, our goal is to ensure our business continues to run smoothly while also identifying areas of opportunity for evolution and enhancement
- Emphasis on client responsiveness, preventing homeowner harm and making the most of technology
- Ensure Cenlar continues to be client and homeowner friendly in a manner that is both timely and thoughtful
- No stone unturned – do all that we can for homeowners who are in default. If a homeowner wants and has the ability to stay in their home, we will do everything in our power to make that happen
- Leaving nothing on the table – if we've exhausted all of the possibilities or the homeowner isn't working with us, then we move forward

# About Single Point of Contact or SPOC and Early Stage Default



- **SPOC** in Early Stage gives you and your homeowners a direct tie as you need packages. We can accelerate our ability to get packages back, and we have a clear line of communication with the homeowner.
- **Modification timelines and quality control** are improving significantly
  - » Reducing Cycle Time from approval through closing
  - » 95% of modification documents were sent within 15 days, the highest performance in the last three years
- **Client Management Partnership** – Continued partnership with our client management team

## Key Loan Operations Positions

- Established two Default teams
  - Early and Late Stage
    - » Early led by VP **Adam Saab**
    - » Late led by VP **Adam Wood**
- **Jason Schmidt**, Vice President and Head of Claims with specific expertise in gov't. loans
- **Darin Decker**, Vice President of Property Preservation and REO in Late Stage Default
- **Jessica Sharp**, Vice President and Head of Foreclosure
- **Cheryl Young**, Late Stage Default as Vice President of Bankruptcy
- **SPOC** moved from the Contact Center to **Early Stage Default**
- A **newly centralized QA effort** is supporting the lines of business in creating and executing on score cards



## Late Stage Default

- **Lockstep with Early Stage**
- **Bolstered expertise**
  - » **In Foreclosure** with Jessica Sharp working to assure we are adhering to investor and client guidelines and timelines
  - » **In claims and loss analysis** with Jason Schmidt -- focus remains making sure the transaction ends smoothly, with clients getting the right amount of money back in a timely fashion
- **Deeper dive in loss analysis**, examining the case for root cause so that we can mitigate similar losses for our clients going forward.
- Continued focus on **doing right by the homeowner**



# Borrower Operations

# Borrower Operations



## Year-to-Date Results

- Steady Contact Center performance in both the CI and DCC centers all year
- Outperforming GSE standards
- Consistently performing better than MBA
- All-time lows for Call-in Rate
- Complaints and CCM tickets trending down YOY and month over month
- Tasks, email, chat all beating SLAs
- Quality scores on the rise, improving month over month. All-time high in August.

## Borrower Communications, New Print Vendor

- Transition to Venture going well
  - » HELOC statements 8/31 - complete
  - » Billing Statements 9/30
  - » Year End statements 11/30
- Transition brings new options
  - » Color
  - » Customization
  - » Outer envelope messaging
  - » Quicker programming changes
- Escrow Statement redesign
  - » 4th Q
  - » Ready for 1st Q volume

## Borrower Experience/ Employee Experience

- 2022
  - » Paperless Billing web options
  - » IVR Enhancements
    - » Enhanced Agent Screen Pop
    - » Payoffs
  - » BOT Enhancements
  - » Customer Service Digital
  - » DCC Telephony upgrade
- 2023
  - » Client Access to call recordings (1st Q)



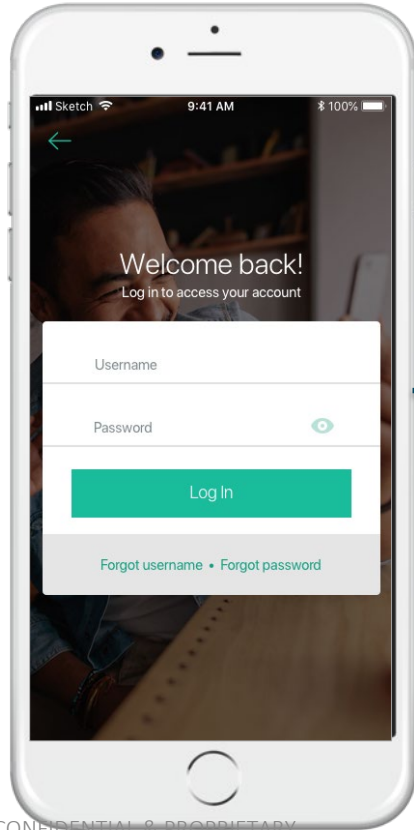
# CenNet – SAML SSO

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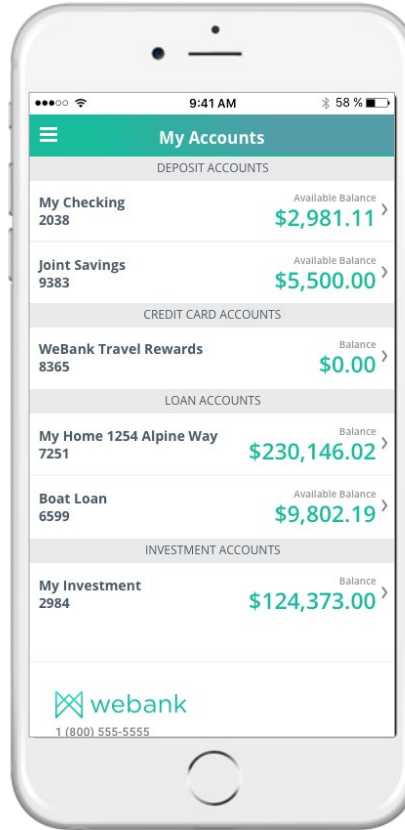
- Widely adopted and secure industry standard SSO enterprise solution
- Fast response time
- Seamless, intuitive user experience
- Increased security since login info never needs to leave your organization
- Dynamic and customizable mobile and desktop experiences
- Deep Linking – Quick access to any CenNet page:
  - » Dashboard
  - » Payment 20.90
  - » My-Home 10.95
  - » My-Loan 210.95
  - » My-Neighborhood 149.16
  - » Goals 23.26
  - » Education 18.92
  - » Secure-Messages 1.41%
  - » Document-Center
  - » Account-Settings

# Native Mobile App embedding CenNet in Web View Flow

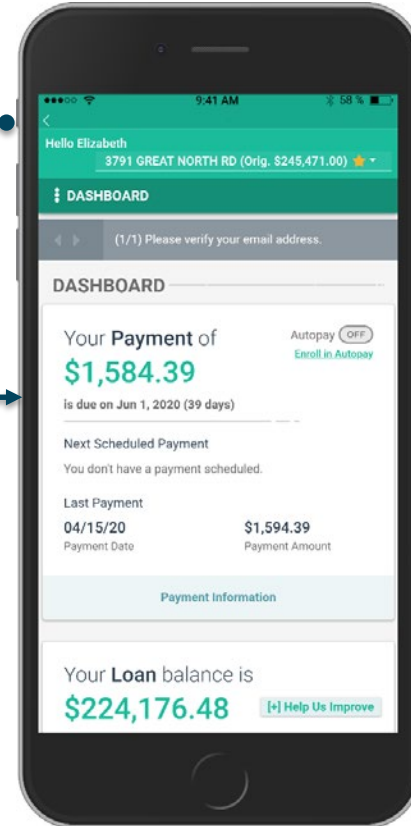
Your Bank Native App – Login



Your Bank Native App – Customer Dashboard



Cenlar CenNet in Mobile Web Viewer



Close  
WebView  
Return Back

Open  
WebView  
with SSO  
Post



# A Culture of Continuous Improvement

# Continuous Improvement and Investments in our Business

*At Cenlar, our success starts and ends with our clients and our commitment to addressing open challenges and continuously improving our operations and business. As a result, we've made significant investments throughout 2021 and 2022.*







## Investing in Skills and Staff

- Developed and implemented a stronger performance management and incentive program
- Implemented and expanding ongoing skills assessments and investments in training and technology
- Significant hiring of new key leadership in IT, Default Operations, Internal Controls and ERM



## Improving Operations

- Engaged independent expertise to evaluate current default operations and recommend improvements
- Initiated a wholesale review of default operations, inclusive of identifying process improvements, enhanced controls and increasing our use of automation
- Initiated a wholesale re-assessment of current operational processes and controls; evaluating improvements and efficiencies in how we manage default operations and ensure maintenance and strong compliance risk management
- Implemented improvements to our Vulnerability & Patch Management and IT Asset Management Programs, both of which have resulted in improved operations and reduction of backlogs



## Strengthening our Risk Environment

- Implemented enhancements to our Issues Management, Operational Change Management and RCSA programs
  - » Seen improvements in timeliness of our issues remediation, including a reduction of ~40% of our findings by July '22
- Working to re-assess the risk and control baselines (RCM's) across the organization, inclusive of implementation of an ongoing control testing program
- Invested in increased staff with risk and compliance expertise in our 1st line business operations



## Improving Monitoring, Reporting & Governance

- Investing in our Management metrics and reporting:
  - » Refreshed our prioritization of KRI's and KPIs; working to implement additional metrics
- Implementing improvements to our IT Governance Framework, Management and Board Reporting
- Working to develop stronger operational metrics and reports, including leveraging additional data inputs
- Strengthening our controls around reporting and data integrity



# COVID Mortgage Assistance Update

## VA Partial Claim Sunset

- Sunset effective October 28, 2022
- ALL partial claims must be submitted no later than October 28, unless a correction to a prior submission
- Cenlar will stop offering the program on Monday, September 12, 2022 to allow for modification documents to be generated and returned, and the claim filed by October 28
- Homeowners will flow into the next option in the waterfall, the Refund Mod
- The Refund Modification will continue to function as it does today, which requires our clients to buy these out of pools in order to complete the modification process



# THANK YOU

*for your time!*



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