

FORECLOSURE ALTERNATIVES FOR TROUBLED HOME LENDING ASSETS

A global bank's home lending portfolio was losing significant value every month. The bank had a multibillion dollar portfolio of delinquent mortgages and a requirement to determine what actions to take—whether to foreclose, modify, or cancel the loans—which called for complex decisions. Foreclosure was in neither the bank's nor the borrower's best interests. However, there were many technical and operational challenges blocking an optimal solution that was both efficient and fair. Palantir resolved these challenges, enabling the bank to maximize value and contribute to a more transparent and efficiently-priced housing market.

THE PROBLEM

The home lending environment presents a complex and dynamic data universe. The bank had multiple systems of record and dozens of huge-scale data sources, all of which were necessary to comprehend the full details of the home lending problem. Complicating matters further, these data sources were disparate, disconnected, and full of dirty data. The bank also wanted to integrate external data sources such as on-market house listings, Valuations, Automated Valuation Models, market forecasts, and others. If it did not improve its ability to study its home lending assets, the bank would continue to incur substantial losses. However, building a bespoke IT solution to solve the bank's home lending problems would have taken as long as two years, and the mortgage crisis required an immediate response.

PALANTIR'S SOLUTION

Palantir's engineers delivered an operational solution within three months. After identifying strategic initiatives with the bank, they used Palantir's data fusion platforms to integrate over thirty distinct data sets, and provided them to domain experts for cross-functional collaboration. The platforms continued to integrate over a terabyte of data each month. Bank analysts received a daily priority list of loan-level actionable information. The bank's strategy analysts leveraged Palantir's enterprise analytics and visualization tools to build advanced solutions incorporating multiple systems and pushed insights to operations teams. As a result, the bank now had accurate loan-level pricing, enabling it to make smarter decisions. Using Palantir's Home Lending solution, the bank increased the efficiency of its short sales process. By reducing borrowers' debt and avoiding many foreclosures, the bank realized hundreds of millions of dollars in savings, stabilizing the financial system and helping the broader economy.

PALANTIR'S IMPACT & RESULTS

- » By making better decisions faster, the customer is realizing **hundreds of millions of dollars in savings**.
- » Strategies developed with Palantir Home Lending **avoided significant losses** on foreclosure depreciation.
- » The bank's partnership with Palantir yielded data on **how to accomplish national economic recovery objectives**, stimulating local communities, and **addressing one of the critical drivers of the financial crisis**.
- » **The customer started additional programs with Palantir** in parallel with Strategy, IT, and Operations.

FOR MORE INFORMATION

www.palantir.com