CFSIC Reserve Activity: Understanding the Financial Impact of the Crisis

Type 1 Claimant Reserves \$112,965,014 Total Reserves Held

\$121,541,521

Includes single-family homes, multiple-family platforms, condos, and PUDs; and all reimbursements

Type 2 Claimant Reserves \$8,576,507 Type 1 Claimant Reserves: Active & Inactive

\$90,920,014 Active

\$22,045,000 Inactive

Type 2 Claimant Reserves: Active & Inactive

\$908,119 Inactive

\$7,668,388 Active

Reserves \$22,953,119

Total Inactive Claimant

Inactive Awaiting Insurance Company Denial/Acceptance

\$9,515,000 (or 41%) of all inactive claim reserves)

Inactive Awaiting Outcome of Litigation \$7,520,421 (or 33%

of all inactive claim reserves)

What Are the Takeaways?

- 74% of CFSIC's inactive claim reserves are being held pending insurance company acceptance or denial, or the outcome of litigation.
- 93% of CFSIC's reserve activity is focused on replacing foundations.
- CFSIC has reached the point where it must temporarily suspend new application activity.

Source

CFSIC August 31, 2019 Incurred Loss Run