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Stavvy starts \$40 million in Series A financing with Flagstar Bank

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Boston, MA Stavvy announces a \$40 million Series A funding round. The investment will be used to expand the company's aggressive hiring initiative to accelerate growth in paperless and digital solutions for banking and lending, which has seen explosive demand and interest especially in loan servicing, a critical solution during the COVID-19 pandemic as Americans under financial duress continue to face losing their homes. Stavvy also announces its alliance with Flagstar Bank to provide remote loan modification services.

The round was led by Morningside Technology Ventures, a private equity and venture capital investment firm. At over \$40 million, it is the largest Series A in New England FinTech, LegalTech and PropTech history. Part of this funding will be used to hire several key new team members., including Shane Hartzler, former director for eMortgage strategy and operations at Fannie Mae, who recently joined Stavvy as chief strategy officer.

“Stavvy’s digital technology has helped Flagstar efficiently and securely assist homeowners seeking relief with their mortgage payments due to COVID-19,” said Ken Creech, CIO of servicing for Flagstar. “Thanks to Stavvy, we can process more requests to help customers more quickly, reduce errors in the signature process, and even better, walk homeowners through their loss mitigation closing during this difficult time.”

“This is a historic milestone for Stavvy,” said Kosta Ligris, co-founder of Stavvy. “This funding round bolsters our ability to expand our operations and grow our team with top talent who share in our passion and mission to transform how banking and financial transactions are conducted. Our alliance with Flagstar is a major step toward bringing real estate lending and servicing into the 21st century and has enabled us to assist consumers on a national scale. This is only the beginning of a very exciting journey to transform banking and lending.”

“When we launched Stavvy in late 2019, we had no idea what was in store for the world in 2020. We’re proud of the technology we’ve developed to help homeowners and buyers in this challenging time, and grateful for this opportunity to amplify our services and impact,” said Stavvy co-founder Josh Feinblum. “We look forward to our continued innovation and growth.”

“Stavvy has the technology, team, and strategy to be at the forefront of the global digital transformation of financial services,” said Gerald Chan of Morningside Technology Ventures. “We are confident in Stavvy’s ability to change the lending and banking experience for both institutions

and consumers. We are especially proud to support the company's efforts to enable COVID loan relief during these unprecedented times."

The Series A funding and Flagstar alliance come on the heels of several major announcements from the Boston-based fintech, including Stavvy's recent selection to HousingWire's 2021 Tech100 Mortgage Winners List. In January, Stavvy integrated with ICE Mortgage Technology's Encompass® Digital Lending Platform. In March, Stavvy became a MISMO Certified Remote Online Notarization Provider, and last year launched its native eSign and hybrid transaction tools. To meet growing demand for their technology, Stavvy also recently expanded their staff, growing over 400% in 2020.

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