

For Immediate Release

Contact: Keosha Burns, 202.589.2427

Aleis Stokes, 202.557.2741

HOPE NOW: Industry Tops ONE MILLION Loan Workouts Since July '07

Nearly three times more loan workouts than foreclosure sales.

Washington, D.C. – March 3, 2008 –Approximately 1,035,000 homeowners have received loan workouts and been able to stay in their homes since July 2007, according to the most recent study by HOPE NOW.

Eighteen HOPE NOW servicers, covering almost two-thirds of the mortgage industry for both prime and subprime loans, provided the data. The study found:

- Loan modifications made up nearly 50% of subprime loan workouts in January compared to 35% in the fourth quarter and 19% in the third quarter.
- Loan modifications increased 16% in January compared to December.
- Since July 2007, 1,035,000 homeowners have received loan workouts. This includes 758,000 repayment plans initiated and 278,000 loan modifications.

“This study found that nearly three times as many homeowners have received a loan workout through loan modifications and repayment plans compared to the number of completed foreclosure sales,” said Faith Schwartz, Executive Director of HOPE NOW. “We are pleased with this progress and we will continue to focus vigorously on reaching homeowners at-risk in order to avoid foreclosure.”

“Fast Track” modifications for subprime loans whose rates are scheduled to reset, announced by Treasury Secretary Henry Paulson and HUD Secretary Alphonso Jackson on December 6, were operationally launched on January 1. Servicers have been working diligently to implement the “Fast Track” modifications during January and February.

Further, interest rates have declined dramatically in the last two months. Most “Fast Track” pre-reset rates now are not much higher than post-reset rates. HOPE NOW will have “Fast Track” data available in subsequent reports. **Please note: “Fast Track” modifications for January are included in the data above.**

If you are having difficulty paying your mortgage, call your servicer or the Homeowner's HOPE Hotline, 1.888.995.HOPE, immediately to explore what options are available to you. The 888-995-HOPE Hotline is provided by the Homeownership Preservation Foundation.

Attachments: HOPE NOW: Results in Helping Homeowners Fact Sheet
Results graphs

Or click [here](http://www.fsround.org/media/pdfs/JanuarydataFS.pdf), (www.fsround.org/media/pdfs/JanuarydataFS.pdf)

###

HOPE NOW is an alliance between counselors, mortgage market participants, and mortgage servicers to create a unified, coordinated plan to reach and help as many homeowners as possible. The members of this alliance recognize that by working together, they will be more effective than by working independently. The Department of the Treasury and the Department of Housing and Urban Development encouraged these leaders to form this alliance, which includes, American Bankers Association, American Financial Services Association, American Securitization Forum, Assurant, Inc., Aurora Loan Services, Avelo Mortgage, LLC., Bank of America, CCCS Atlanta, Inc., Carrington Mortgage Services, Chase, Citigroup Inc., Consumer Bankers Association, Consumer Mortgage Coalition, Countrywide Financial Corporation, EMC Mortgage, Inc., Fannie Mae, The Financial Services Roundtable, First Horizon Home Loans and First Tennessee Home Loans, Freddie Mac, GMAC ResCap, Home Loan Services, Inc. (d/b/a First Franklin Loan Services & NationPoint Loan Services), Homeownership Preservation Foundation, HomeEq Servicing, Housing Partnership Network, The Housing Policy Council, HSBC Finance, Indymac Bank, LandAmerica Financial Group, Inc./LoanCare Servicing Center, Litton Loan Servicing, MERS, Mortgage Bankers Association, National City Mortgage Corporation, Nationstar Mortgage, LLC., NeighborWorks America, Ocwen Loan Servicing, Option One Mortgage Corporation, PMI Mortgage Insurance Co., Saxon Mortgage Services, Securities Industry and Financial Markets Association, Select Portfolio Servicing, Inc., State Farm Insurance Companies, Strategic Recovery Group, LLC., SunTrust Mortgage, Inc., Washington Mutual, Inc., Wells Fargo & Company, and Wilshire Credit Corporation.

Visit www.HOPENOW.com for more information.