



**For Immediate Release**

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**HOPE NOW Hails Broad Effort to Refinance and Modify Mortgage Loans**  
*Alliance Members Agree to Streamlined Solution for Many Subprime Borrowers  
with Adjustable Rate Mortgages*

Washington, D.C. – December 6, 2007 – Today, the HOPE NOW Alliance announced its support for a proposal unveiled today by Treasury Secretary Henry Paulson and HUD Secretary Alphonso Jackson. This solution freezes the rate on a certain category of subprime adjustable rate mortgages, scheduled to adjust in the next several years.

Under the plan, borrowers with subprime loans with interest rates scheduled to adjust between January 2008 and July 2010, who are current on their mortgage payments and have been no more than 60 days late in the past year, and who would be unable to afford their new mortgage payment, could have their rates frozen at the introductory rate for a period of five years.

“Today’s announcement builds on what the industry was already doing, and demonstrates what the public and private sectors can do when we work together to keep people in their homes,” said Faith Schwartz, Executive Director of HOPE NOW. “Under the leadership of Secretaries Paulson and Jackson, servicers and investors will work together to be more efficient in providing relief, and will free up resources to better help those most-troubled borrowers who need individual attention.”

The Mission for HOPE NOW is to maximize the preservation of homeownership while minimizing foreclosures, and assist borrowers who have the willingness and wherewithal to remain in their homes but need some help to do it. The goal is to keep people in their homes and, when that is not possible, prevent foreclosure.

Homeowners having difficulty paying their mortgage should contact their servicer immediately. Another alternative would be to contact the Homeowner’s HOPE™ Hotline, 888-995-HOPE. The 888-995-HOPE Hotline is provided by the Homeownership Preservation Foundation.

**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, America's Community Bankers, Assurant, Inc., Bank of America, CCCS Atlanta, Inc., Citigroup Inc., Consumer Bankers Association, Consumer Mortgage Coalition, Countrywide Financial Corporation, EMC Mortgage, Inc., Fannie Mae, The Financial Services Roundtable, First Horizon National Corporation, First Tennessee Home Loans, Freddie Mac, GMAC ResCap, Homeownership Preservation Foundation, Housing Partnership Network, The Housing Policy Council, HSBC Finance, JPMorgan Chase & Co, National City, NeighborWorks America, Mortgage Bankers Association, Option One Mortgage Corporation, PMI Mortgage Insurance Co., Securities Industry and Financial Markets Association, State Farm Insurance Companies, SunTrust Mortgage, Inc., Washington Mutual, Inc., Wells Fargo & Company. More companies and organizations are expected to join in the coming months.

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