

For Immediate Release

Press Only Contact: Aleis Stokes, 202.557.2741

**HOPE NOW Mortgage Servicers Provided Nearly 503,000 Loan Workouts
For Homeowners In First Quarter of 2008**

Nearly 1.4 million Loan Workouts Since July 2007

Washington, D.C. – April 28, 2008 – Almost 503,000 homeowners were able to stay in their homes during the first quarter of 2008 because of loan workouts provided by mortgage servicers according to a report released today by HOPE NOW.

The report estimates that on an industry-wide basis:

- Servicers provided loan workouts for about 1,376,000 homeowners since July 2007.
- Of the 502,500 prime and subprime loan workouts that servicers provided to homeowners during the first quarter of 2008, approximately 323,000 were repayment plans and 179,500 were loan modifications.
- During the first quarter of 2008 loan modifications represented 44% of all subprime loan workouts, which is double the 2007 rate.
- In March loan modifications were 49% of all subprime workouts.

“Mortgage servicers continue to focus on doing everything possible to help troubled homeowners avoid foreclosure,” said Faith Schwartz, executive director of HOPE NOW. “HOPE NOW is providing a way for homeowners to find real solutions so that they can stay in their homes. While there is still more work to be done, concrete progress is being made and HOPE NOW members will continue their efforts and work to help as many borrowers as possible.”

Please click [here](http://www.hopenow.com/MarSummarytable.pdf) (<http://www.hopenow.com/MarSummarytable.pdf>) for the summary table.

Hybrid ARM Resets

Results, representing 61% of the market, on subprime ARM workouts and foreclosures for loans resetting in the first quarter of 2008 are as follows:

- There were 431,171 subprime 2/28 and 3/27 loans that were scheduled to reset during the first quarter of 2008.
- Of the loans that were current at reset, only 553 have entered the foreclosure process.
- 14,418 of these loans have been modified and nearly 64% were modified for 5 years or more.
- 203,000 of these loans (47%) were paid in full through refinancing or sale.

On December 6, the American Securitization Forum (ASF) announced a plan to fast-track solutions for subprime ARM borrowers who could afford their starter rate but could not afford the reset rate. This plan has minimized foreclosures for borrowers who could afford their starter rate. With recent reductions in short-term interest rates, the reset shock has become much smaller than it was in December, so far fewer homeowners need modifications to avoid unaffordable resets.

Homeowners who are having trouble making their mortgage payments should call their servicer or the HOPE Hotline, 1-888-995-HOPE, immediately to explore what options are available. The 888-995-HOPE Hotline is provided by the Homeownership Preservation Foundation.

There is no cost to borrowers for using HOPE NOW and the 1-888-995-HOPE Hotline. Borrowers should be wary of sources that offer help but require a fee.

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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. For more information on HOPE NOW, and to see the full membership of the Alliance, please visit www.HOPENOW.com.