



## HOPE NOW: Servicer Principles

*As of February 25, 2008*

### Servicers of HOPE NOW support these principles:

- **Early contact to borrowers facing reset** – Outreach to borrowers with adjustable rate mortgages 120 days (minimum) prior to interest rate reset.
- **American Securitization Forum (ASF) guidance** – **member companies are** adopting and implementing the ASF framework for loan modifications.
- **Project Lifeline** – **Member companies are** adopting the principles of this effort to reach most at risk borrowers (90-day plus delinquent), work with agreed upon steps with borrower and if appropriate, put a 30-day “pause” on foreclosures.
- **Outreach to at-risk borrowers who have not been in contact** – Monthly, servicers send outreach letters to at-risk borrowers, those that are 60+ days delinquent and have no previous contact with their servicer. As of February 2008, over one million letters sent. Response rate for first month, 16%. December results increased to 21%. Prior to these letters, these borrowers had not responded to any outreach efforts.
- **National Outreach Tour** – Collaborating with NeighborWorks, non-profits, and servicers to reach at-risk borrowers at local events. Elected officials invited to participate.
- **Port of Entry for Counselors** – Servicers establish 1-800 numbers, fax, and email as direct port of entry available to all HUD-certified housing counseling agencies and their counselors.
- **Servicers Funding Counseling** – Servicers agree to fund counseling sessions through the Homeownership Preservation Foundation’s HOPE Hotline through May 31, 2008.
- **Commitment to Report Results** – Servicers reporting data on: Foreclosure sales, Foreclosure starts, Modifications, Repayment plans, Effectiveness of outreach letters, ASF Fast Track Efforts, Other as needed
- **Resource commitments** –
  - Committees are staffed by HOPE NOW Alliance members.
  - Servicers continue to look at staffing and work process to meet higher than usual demand for inbound calls due to outreach efforts.
- **Adoption of technology solutions for counselors and servicers to work for the best interests of the homeowners.**