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The Colorado Foreclosure Hotline Quarterly Report
Fourth Quarter, 2007 (October-December)
January 29, 2008

One Year of the Hotline

In October of 2006, the Colorado Foreclosure Prevention Task Force Launched the Colorado Foreclosure Hotline the primary goal here will be to look at outcomes and characteristics of foreclosure counseling in Colorado in the early months of the hotline's operations compared to recent months.

The Colorado Foreclosure Hotline is a project of the Colorado Foreclosure Prevention Task Force, a collaborative effort by government, industry and community groups to present a unified front in combating the increasing foreclosure issue in the Colorado single-family residential market. The Hotline is designed at the highest level to increase borrower contact with their lender and ultimately to create positive outcomes for clients dealing with foreclosure.

The Task Force launched the Hotline on October 11, 2006. From inception to December 2007, 25,949 calls have been placed to the Hotline, but Since January 1, 2008, the hotline has received over 8,305. calls Housing counseling agencies across the state are feverously working to assist Hotline-referred homeowners in avoiding foreclosure.

Methods

Data for this report has been collected from a variety of sources. Outcome data is primarily composed of results from housing counseling reports required by the U.S. Dept of Housing and Urban Development. Other data is compiled from hotline telephony data and call center statistics.

In some cases, data provided in this report is a sampling of calls made to the Colorado Foreclosure Hotline between October 1, 2007 and December 31, 2007, and may not include every call. Outcome information is not an indication of future outcomes for calls placed to the Colorado Foreclosure Hotline as every call is unique. Information provided throughout the report does not necessarily represent the entire state of Colorado regarding foreclosures, but is information gleaned from clients of the Colorado Foreclosure Hotline. In cases where data is dependant on borrower responses, the information reported is deemed to be accurate, though accuracy is not guaranteed.

Hotline Structure

Through Colorado's robust network of housing counseling agencies the Foreclosure Prevention Hotline disperses callers based on location and need. By simple entry of a zip code, callers are automatically routed to their nearest housing counseling agency. Areas with high call volumes are assisted by the Hotline's Call Center, headquartered in Denver. Call Center representatives assist homeowners with quick answers to more basic questions about foreclosure, and can work between homeowners and local agencies to refer potential clients to the most appropriate resources.

The Hotline's growing network currently includes 26 non-profit counseling agencies across the State so that homeowners in need of foreclosure prevention counseling can reach a trained professional at the local level. This particular method of local housing counseling has been the mainstay of pre-purchase counseling for many years; but as foreclosure numbers began to increase, housing counselors saw their caseloads shift from pre-purchase to post-purchase. Working with post-purchase clients at the local level can alleviate some of the frustration that homeowners experience in dealing with the complex issue of foreclosure.

2007 Fourth Quarter

The following data is based primarily on activity from the Colorado Foreclosure Hotline from October 2007 to December 2007, and cannot be seen as depicting current foreclosure activity in Colorado. This report, however, is representative of the facts faced when facing foreclosure, as well as tasks involved in assisting foreclosure prevention. The data was compiled in conjunction with 23 housing counseling agencies who receive referrals through the Hotline.

For the fourth quarter, 4,136 calls were directly routed to the 24 Hotline agencies. It is important to note that the Hotline now consists of 26 housing counseling agencies, two of which were not added until the end of the fourth quarter, thus their counseling data is not taken into consideration in this report. Individually, the Call Center received 1,762 calls; approximately 487 of those calls were referred to a partner agency, and the remaining 1,275 calls were fielded by Hotline staff.

The following is a breakdown of calls to each of the Hotline's housing counseling agencies:

Adams County Housing Authority	180
Boulder County Housing Authority	144
Brothers Redevelopment, Inc.	418
City of Aurora Community Development Division	159
Consumer Credit Counseling Services of Pueblo	34
Catholic Charities of the Diocese of Pueblo	25
Consumer Credit Counseling Services of Northern Colorado	267
Del Norte Community Development Corporation	371
Douglas County Housing Partnership	---
Grand Valley Housing Initiative	17
Housing Resources of Western Colorado	14
Housing Solutions for the Southwest	7
Consumer Credit Counseling Services of N. Colorado Springs	43
Northeast Denver Housing Center	236
NEWSSED Community Development Corporation	130
Neighborhood Housing Services of Pueblo, Inc.	8
Neighbor to Neighbor	15
Pikes peak Foreclosure Prevention Partnership, Inc.	65
Rocky Mountain Mutual Housing Association	33
Consumer Credit Counseling Services of S. Colorado Springs	39
Southwest Improvement Council	151
Tri-County Housing, Inc.	8
Upper Arkansas Area Council of Governments	---
Call Center	1,672
Spanish Speaking Calls	100

Total Calls in Fourth Quarter

Of those 4,136 calls, the following is a breakdown of referral sources to the Hotline:

News/TV	29%
Word-of-Mouth	14%
Newspaper	11%
Online	11%
9News	9%
Public Trustee	9%
Real Estate Agent	5%
Spanish TV	4%
Lawyer	3%
Brochure	2%

The average monthly call volume for the fourth quarter was 1,769 calls, with the highest call volume being in April and the lowest call volumes in November and December. The high volume in April is attributed to the longstanding running of a PSA campaign; and the low volumes in November and December follow normal holiday patterns.

The following is a breakdown of monthly call volume for 2007:

January	1,669
February	1,959
March	1,689
April	2,625
May	1,785
June	1,501
July	1,601
August	1,646
September	1,752
October	1,463
November	1,140
December	1,553
Total Calls in 2007	20,363

The following zip codes are representative of the top-five caller locations and account for 70 percent of Hotline callers:

80229	23%
<i>Adams County/Denver</i>	
80022	15%
<i>Adams County/Commerce City</i>	
80015	15%
<i>Arapahoe County/Aurora</i>	
80104	9%
<i>Douglas County/Castle Rock</i>	
80233	8%
<i>Adams County/Denver</i>	

A borrower's mortgage delinquency status determines the effectiveness of housing counseling and loss mitigation activities. There was an increase in the number of callers to the Hotline that were

current on their mortgage, partially due, perhaps, to national media attention surrounding the Hotline and the foreclosure issue.

The following is a breakdown of callers' mortgage delinquency status:

4 months	5%
In foreclosure	5%
5 months	8%
1 month	11%
2 months	16%
3 months	22%
Current	32%

The following mortgage companies were those top-five companies from which Hotline callers reported owing in the fourth quarter:

CountryWide	29%
Wells Fargo	14%
Citi	11%
Washington Mutual	11%
Chase	9%
Option One	6%
Litton Loan	5%
Franklin First	4%
Homecomings Financial	3%
Ocwen	3%
ASC	2%
Wilshire	2%

Note that servicer shares tend to reflect overall market share for each servicer. The task force monitors servicers in order to identify which mortgage companies should be targeted for improved communication between counselors and loss mitigation offices at each servicer's offices.

Fourth Quarter Outcomes

The following information is based upon reports from each partner agency as is required to be reported to the U.S. Department of Housing and Urban Development (HUD) on an annual basis. These outcomes are in addition to those callers who received general foreclosure-related information by calling the Hotline.

Regarding positive outcomes, when a counselor is assisting a homeowner facing foreclosure, there are many factors to consider. In most cases the ideal situation for the client would be to sustain their homeownership experience, and this goal is the reference point for all of the Hotline's professionally-trained housing counselors. In situations where homeownership maintenance may not be in the best interest of the client, a housing counselor's role is to facilitate smart decisions in short order. The success rate of a typical housing counselor must include a mixture of those cases where homeownership was preserved as well as those situations where asset and credit preservation was achieved.

Accordingly, the Hotline's 80 percent success rate is translated from this particular definition of a positive outcome.

The following is a breakdown of housing counseling outcomes for the fourth quarter:

Brought mortgage current	9%
Mortgage refinanced	2%
Mortgage modified	8%
Received second mortgage	1%
Initiated forbearance agreement/repayment plan	8%
Executed deed-in-lieu	2%
Sold property/pre-foreclosure sale	14%
Mortgage foreclosed	10%
Currently receiving foreclosure prevention counseling	25%
Partial claim	0%
Bankruptcy	11%
Other	10%
Total	100%