



EXPERIENCE. RESULTS.

Partnerships in Today's Default Environment

- Opportunity:
 - Deliver better outcomes for consumers
 - Increase borrower contact rates
 - More potential borrower touch-points available today
- Necessity:
 - Servicers are struggling to keep pace with loss mitigation volume
 - Loss mitigation volume will remain high in the near-term

Servicer - Credit Counseling Partnership as an Example

- Benefits of Credit Counseling are proven as a standalone service
 - Single counselor can comprehensively counsel about 1,200 homeowners/year
 - 75% of homeowners that reach out within 3 months after becoming delinquent on their mortgage avoid foreclosure
- Value proposition grows when performed as a collaborative effort
 - Early outreach through HOPE NOW Alliance resulted in 22% response rate.
 - 97% of those that went through counseling reached a retention or non-foreclosure liquidation option
- To be effective requires coordinated flow of information on a common platform
 - Results in faster work-out decisions
- Proactive emphasis on potential at-risk borrowers in addition to delinquency situations offers total solution

Targeted Technology as Partnership Enabler

- Prerequisite to operate at scale
- Ease of use and accessibility make solutions repeatable
- Workflow – facilitates information transfer between the parties in actionable format
- Offer transparency – loan information and proper treatments

Best Practices for Loss Mitigation Partnership Models

- Focus energies on partnerships where interests align
- Partnership collaboration requires coordination:
 - Define the total borrower interaction process up-front
 - Confirm roles/responsibilities across loss mitigation timeline
 - Feedback loop helps everyone – Servicer, Partner and Borrower
- Use technology wisely
 - Over-engineered solutions take too long to deliver and are too rigid
 - Speed to loss mitigation resolution is key driver