

Four out of five clients who ***meet*** with a housing counselor successfully avoid foreclosure.



**Colorado** Foreclosure  
Hotline  
1-877-601-HOPE





# Meeting Expectations

from the Colorado Foreclosure Hotline Manager

When the Colorado Foreclosure Hotline was launched, more than two years ago, not one member of the Colorado Foreclosure Prevention Task Force anticipated the magnitude or the severity of the situation at hand. Foreclosures skyrocketed across the state of Colorado; calls to the Hotline have only increased with each month of its existence; and even now, at the end of 2008, there seems no definitive end to the situation.

But the Colorado Foreclosure Hotline and its partnerships were forged with purpose; and despite extenuating circumstances, we—our staff and our partnering housing counseling agencies—continue to meet and even exceed those expectations laid before us in October 2006.

In 2008, calls to the Hotline increased an average of 20 percent per month over calls placed to the Hotline in 2007. Increased call volume and constant changes in client-type have little impacted the effectiveness of housing counseling, however. The Colorado Foreclosure Hotline and our HUD-approved housing counselors continue operating with an 80 percent success rate, assisting four out of five homeowners avoid foreclosure and reach some sort of positive resolution with their lender.

As we continue tackling Colorado's foreclosure situation in 2009, the Colorado Foreclosure Hotline also will continue to meet expectations, time and time again. Through the Hotline, housing counseling has become the mainstay of foreclosure prevention in Colorado, and we will continue to save homes across the state.

**WE BUY HOUSES**

303- [redacted] -5354

**WE BUY HOUSES**

Any Condition  
or Situation

303- [redacted] -4604

**Avoid Foreclosure**

888-7 [redacted] SOLD

**WE <sup>DO NOT</sup> BUY HOUSES!**

**CASH**

(303) [redacted] -6019

**WE <sup>DO NOT</sup> BUY HOUSES**

303- [redacted] -5354

**STAY IN YOUR HOME!**

**Avoid foreclosure**

303- [redacted] -2598

**AVOID**

**Foreclos**

**AVOID**

**Foreclosure!**

# ***Meeting*** **Needs**

foreclosures in the state of Colorado

The Colorado Division of Housing tracks two types of foreclosure events. Foreclosure filings occur when a property enters the foreclosure process. A completed foreclosure, also known as a foreclosure sale, occurs when a property reaches the end of the foreclosure process and is sold at public auction. Many properties that enter the foreclosure process are withdrawn from the process before being sold at public auction.

Completed foreclosures in Colorado were set to decline during 2008. It is estimated that Colorado finished the year down 13 percent with approximately 22,000 completed foreclosures. During 2007, there were 25,350 completed foreclosures.

It is also estimated that Colorado finished the year with an annual total of 40,256 foreclosure filings, or a 1 percent increase. Last year, in 2007, the state reported 39,915 foreclosure filings.

Total foreclosure numbers are still up significantly from 2003 levels. Since 2003, foreclosure filings have increased 194 percent from 13,573, and completed foreclosures have increased 251 percent from 6,258.

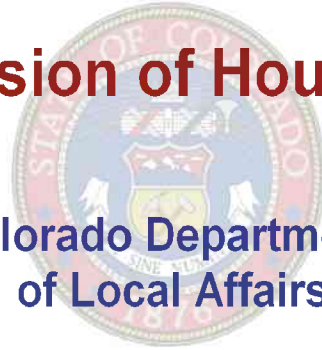
The most significant foreclosure activity is on the Front Range of Colorado. Among metropolitan counties, Adams, Arapahoe, Weld, Pueblo, and Denver counties consistently topped the list for the worst foreclosure rates during 2008.

In the mountains and on the Western Slope, foreclosure rates were considerably lower. Mesa County reported much lower foreclosure rates on average than any other metropolitan area of the state. In Garfield County, Moffat County, and Rio

Blanco County, where the oil and gas industry have provided a high demand for housing, the foreclosure rates were the lowest in the state.

## Division of Housing

### Colorado Department of Local Affairs



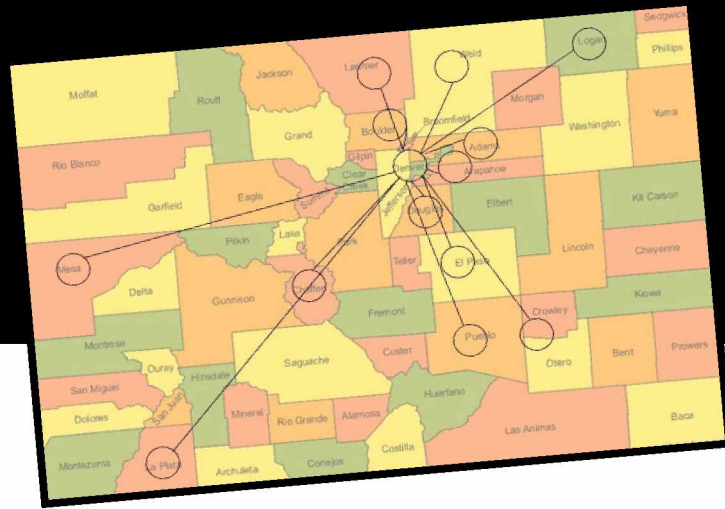
Statewide, the Colorado Foreclosure Hotline has provided needed services for the households that have foreclosed or are in danger of foreclosing. The greatest difference in foreclosure activity due to the Hotline's services can be found in the number of

completed foreclosures, as the Hotline is often most effective in helping homeowners withdraw from the foreclosure process once they have defaulted.

The Colorado Foreclosure Hotline continues to monitor the rate of foreclosures in Colorado, working closely with the Division of Housing.

# Meeting Partners

the creation of the Colorado Foreclosure Hotline



The Colorado Foreclosure Hotline is a collaborative project out of the Colorado Foreclosure Prevention Task Force, a consortium of government, industry, non-profit, and community groups to present a unified front in combating the growing problem of foreclosures in the Colorado single-family residential market. The Hotline was launched on October 11, 2006 by the Task Force in response to recommendations made by the Colorado Blue Ribbon Panel on Housing. It is the first and most successful statewide foreclosure hotline in the country, and this method of providing housing

counseling has been the mainstay of recent foreclosure prevention efforts.

Currently, the Hotline has a robust network of 26 non-profit, HUD-approved housing counseling agencies across Colorado and, through these partnerships, assists callers based on location and need. To utilize the Hotline, callers simply dial 1-877-601-HOPE, enter the zip code of their endangered property, and they are then automatically routed to the housing counseling agency nearest them. This method is justified by the Task Force's belief that all real estate is local. Areas with particularly high call-volume are assisted by the Hotline's Call Center, based in Denver. The Call Center also assists homeowners with quick answers to basic foreclosure questions.

The Call Center operates out of Brothers Redevelopment in Denver, one of the Hotline's HUD-approved housing counseling agencies. During the institution of the Hotline, management responsibilities were placed up for bid to the existing housing counseling network. Select individuals from the Task Force acted as a selection committee, to which Brothers Redevelopment and other agencies submitted proposals for the Hotline administration. Brothers Redevelopment was selected as the hub for the Hotline.



The primary goal of the Hotline is to reduce the number of foreclosures in Colorado by developing and maintaining a network that serves as both a consumer referral service and a data repository for borrowers experiencing some form of delinquency or foreclosure.

The Hotline achieves these goals in a number of ways. The first is by increasing borrower contact with the lender by use of the media or by direct





contact from a housing counselor, a tactic that has been shown to be the most effective method for reaching positive workouts with lenders.

The Hotline also implements an intervention model that provides a swift response to delinquencies by connecting borrowers with non-profit housing counselors who can provide information regarding options when facing foreclosure.

Thirdly, and uniquely, the Hotline continues to nurture its centralized network of non-profit housing counseling agencies that can provide mortgage and homeownership education and resources specifically pertaining to a homeowner's location. Additionally, the Task Force includes and promotes housing resources across the state of Colorado outside of its network of HUD-approved housing counseling agencies. These organizations are not directly involved in the Hotline routing system or housing counseling, but do offer information and assistance to clients to the Hotline when referred by a housing counselor.

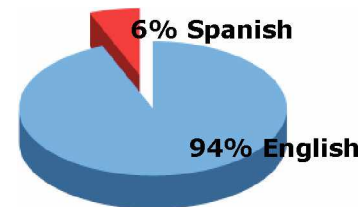
# Meeting Clients

who calls the Colorado Foreclosure Hotline

The Colorado Foreclosure Hotline's Call Center is able to collect a variety of demographic information, granting perspective on what types of homeowners are calling the Hotline. Approximately 20 to 30 percent of all calls placed to the Hotline are routed to the Call Center for data collection purposes. A Call Center representative asks general questions regarding property location, loan type, lender utilized, and other valuable questions, before transferring the call to the nearest housing counseling agency. Using this information, combined with some information collected from each agency's U.S. Department of Housing and Urban Development quarterly report, Call Center staff is able to provide an accurate depiction of the Hotline's outreach, utilization and effectiveness.

All of the Colorado Foreclosure Hotline's services are available in English and Spanish, so demographic information is collected for both populations and then combined for a complete analysis.

**Caller Language Preference**



**Loan Product**

ARM	43%
Fixed-Rate	44%
Unsure	13%

**Lenders Utilized**

Countrywide	29%
Wells Fargo	16%
Citi	13%
JP Morgan Chase	13%
Washington Mutual	9%

**Referral Source**

Television	37%
Word of mouth	15%
Radio	11%
Online	9%
Lender	8%

**Months Delinquent**

Current	35%
1 month	8%
2 months	17%
3 months	17%
4 months	12%
5+ months	14%

Typically, calls to the Hotline follow the demographic trends of foreclosure filings across the state. Denver County almost always appears as a high call volume area due to concentrated population and the size of the county.

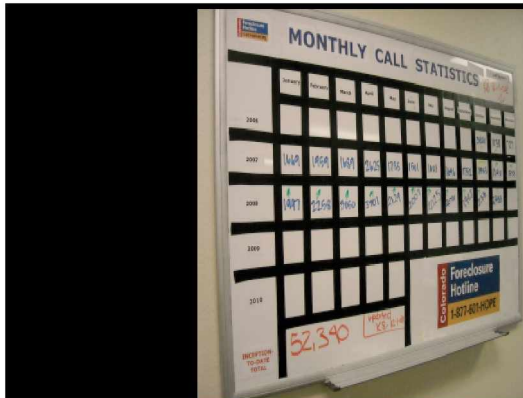
However, though such counties as Adams and Arapahoe also appear in these average percentages, the rates of calls from these counties began to taper as the filing rates fell later in the year. The opposite is true of El Paso County, as call volume began to climb in correlation with an increased number of foreclosure filings.

**Counties**

Denver	28%
El Paso	19%
Arapahoe	19%
Adams	17%
Jefferson	15%



The Colorado Foreclosure Hotline routes calls seven days a week, 24 hours a day. Housing counseling agencies have a return-call time of 1-3 business days, granting help to callers as soon as possible.



# Meeting Success

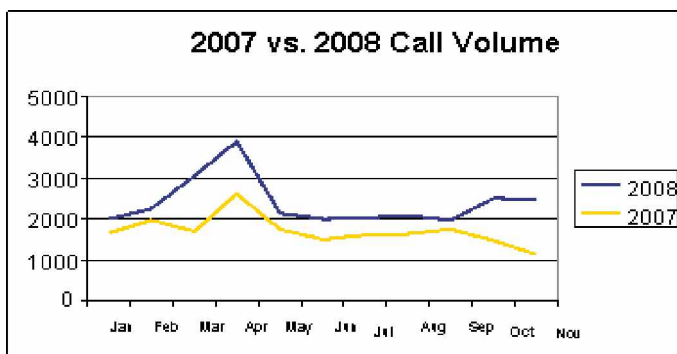
a year of achievement for the Colorado Foreclosure Hotline

*From October 2007 to September 2008, 25,548 calls were placed to the Hotline, for an inception-to-date total of **52,340**.*

Adams County Housing Authority	1,029	Northeast Denver Housing Center	1,229
Boulder County Housing Authority	656	NEWSED Community Development Corp.	638
Brothers Redevelopment, Inc.	2,931	Neighbor to Neighbor	222
City of Aurora	828	Pikes Peak Foreclosure Prevention Partnership	342
CCCS of Pueblo	239	Rocky Mountain Mutual Housing Association	159
Catholic Charities of the Diocese of Pueblo	231	CCCS of S. Colorado Springs	279
CCCS of N. Colorado	1,350	Southwest Improvement Council	788
Del Norte Community Development Corp.	1,790	Tri-County Housing, Inc.	31
Douglas County Housing Partnership	146	Upper Arkansas Area Council of Governments	90
Grand Valley Housing Initiative	84	Neighborhood Housing Services of Pueblo	8
Housing Resources of Western Colorado	99		
Housing Solutions for the Southwest	69	English Call Center	11,498
CCCS of N. Colorado Springs	230	Spanish Call Center	582

On average, calls in the 2008 portion of the fiscal year were up 28 percent per month to calls in 2007. The following is a breakdown of monthly call volume for 2008 compared to the breakdown of calls in 2007:

	<b>2008</b>	<b>2007</b>
<b>January</b>	1,997	1,669
<b>February</b>	2,258	1,959
<b>March</b>	3,050	1,689
<b>April</b>	3,901	2,625
<b>May</b>	2,129	1,758
<b>June</b>	2,008	1,501
<b>July</b>	2,025	1,601
<b>August</b>	2,076	1,646
<b>September</b>	1,968	1,752



## FY 2007-08 Resolutions

Brought mortgage current	15%
Mortgage refinanced	4%
Mortgage modified	7%
Received second mortgage	1%
Initiated forbearance/repayment	10%
Deed-in-lieu	2%
Short sale	23%
Referred to housing agency	4%
Partial claim	1%
Bankruptcy	14%
Entered into debt management	5%
Referred to legal	2%
Withdrew from counseling	2%
Mortgage foreclosed	17%

**Of those clients who completed their counseling sessions, more than 80 percent avoided foreclosure, reaching some positive resolution.**

We would like to thank Mike Rosser for volunteering his time and experience to the Hotline, dedicating himself to raising funds for the Hotline. We are so appreciative of his efforts.



# Meeting Donors

funding the Colorado Foreclosure Hotline

The Hotline receives funds in a number of ways, claiming past financial partners such as: the National Association of Realtors; the Colorado Association of Realtors; the Colorado Mortgage Lenders Association; JP Morgan Chase; Citi Mortgage; Wells Fargo; US Bank; Bank of the West; Freddie Mac; Fannie Mae; the Colorado Bankers Association; the Independent Bankers Association; the Colorado Housing and Finance Authority; the Colorado Division of Housing; the Colorado Attorney General; the Colorado General Assembly; and the US Department of Housing and Urban Development. In-kind partnerships have been formed with the Colorado Broadcasters Association; Channel 9 News; Brothers Redevelopment; and the Federal Reserve Bank of Kansas City. The total amount fundraised since inception is depicted in this chart:

Date-2006	Funder	Amount
6/30/2006	Colorado Association of Realtors	\$ 30,000.00
7/5/2006	JP Morgan Chase	\$ 5,000.00
9/30/2006	JP Morgan Chase	\$ 7,500.00
<b>Total For FY 06</b>		<b>\$ 42,500.00</b>
11/10/2006	Fannie Mae	\$ 2,500.00
11/10/2006	Freddie Mac	\$ 50,000.00
1/3/2007	US Bank	\$ 25,000.00
2/13/2007	Colorado Mortgage Lenders Association	\$ 13,158.00
3/20/2007	Robert McReynolds (Donation)	\$ 500.00
4/27/2007	City and County of Denver	\$ 150,600.00
4/27/2007	City and County of Denver	\$ 29,400.00
5/11/2007	JP Morgan Chase	\$ 7,500.00
5/17/2007	Colorado Mortgage Lenders Association	\$ 16,357.00
7/26/2007	JP Morgan Chase	\$ 20,000.00
7/26/2007	Colorado Association of Mortgage Brokers	\$ 500.00
8/12/2007	US Bank	\$ 20,000.00
9/28/2007	Land Title Guarantee	\$ 5,000.00
<b>Total for FY07</b>		<b>\$ 340,515.00</b>
10/1/2007	City and County of Denver	\$ 125,000.00
11/9/2007	CAREB Foundation	\$ 15,000.00
12/28/2007	CHFA	\$ 50,000.00
12/17/2007	Wells Fargo	\$ 10,000.00
12/20/2007	Land Title Association of Colorado	\$ 1,500.00
1/30/2008	PMI Foundation	\$ 10,000.00
1/3/2008	Division of Housing	\$ 41,500.00
2/4/2008	City and County of Denver	\$ 103,327.19
2/25/2008	Aurora Loan Services	\$ 5,000.00
4/25/2008	Vectra Bank	\$ 1,000.00
5/22/2008	CARHOF Foundation	\$ 60,000.00
6/26/2008	Bank of the West	\$ 5,000.00
7/31/2008	Wells Fargo	\$ 10,000.00
8/27/2008	National Association of Realtors	\$ 10,000.00
10/8/2008	Citi	\$ 50,000.00
<b>Total for FY 08</b>		<b>\$ 497,327.19</b>
10/14/2008	US Bank	\$ 20,000.00
10/20/2008	CHASE	\$ 20,000.00
<b>Total for FY 09</b>		<b>\$ 40,000.00</b>



Previously funds were raised for all costs related to the Hotline: administrative; marketing and outreach; technology and communication; with remainder given to the partner agencies on a per client counseled basis. With the establishment of the National Foreclosure Mitigation Counseling Program (NFMC) in 2007, payment to housing counseling agencies was no longer facilitated through the Colorado Foreclosure Hotline. Additionally, special grant monies are now raised for marketing and outreach efforts. Looking at a solely administrative and operative budget, the Hotline accumulates approximately \$180,000 in expenses per year.

At its inception, creators of the Hotline anticipated a two-year life for the program. Looking ahead, the need for the Hotline is even greater than before. Hotline management continues to seek new funding avenues to keep the services operating at peak efficiency, ensuring that the Hotline experiences long-term success. Donors are now recognizing the need to fund, not just housing counseling, but the Hotline's administration and operation as it serves as housing counseling agencies' greatest referral service.



*Donations to the Colorado Foreclosure Hotline can be made through Brothers Redevelopment, Inc. For more information on funding the Hotline, contact Sarah Noel at sarah@coloradoforeclosurehotline.org.*

# Meeting the Public

publicity for the Colorado Foreclosure Hotline

The Hotline's largest promotional partners are the Colorado Association of Realtors and the Colorado Broadcasters Association. Through partnerships with the Colorado Broadcasters Association, the Hotline has produced and broadcasted more than \$1,259,576 worth of Public Service Announcement airtime, made possible by \$100,000 in grants from the Colorado Association of Realtors Housing Opportunity Foundation. The Public Service announcements air in both English and Spanish and are broadcasted through a variety of mediums across the State of Colorado.

Additionally, the local Channel 9 News station (KUSA) actively promotes the Hotline through news stories; news flashes; community resource lists; and creative programs such as Mortgage Line Nine, where borrowers can call into a number

to receive immediate advice from a housing counselor and schedule a more in-depth, one-on-one appointment with that housing counselor or another local Hotline housing counseling agency.

Print collateral, such as English and Spanish fliers and informational kits, currently are supported through a partnership with the Colorado Division of Housing. Additional funds for targeted mailings and other print outreach methods must be raised through various other partnerships. The Colorado Foreclosure Prevention Task Force also manages a Hotline website ([www.coloradoforeclosurehotline.org](http://www.coloradoforeclosurehotline.org)) and a monthly internal newsletter called the Hotline Update.

The Hotline participated in 32 outreach events across Colorado in 2008, serving as the driving

force behind the planning of many of those events. Hosting events has involved partnerships with state and federal agencies, as well as local resources in various communities.

Aside from established news partnerships, the Hotline has been featured in a number of publications across the nation, including but not limited to:

***AP Newswire***  
***CNN Money***  
***The Denver Post***  
***Forbes Magazine Online***  
***MSNBC Nightly News***  
***Rocky Mountain News***  
***USA Today***  
***The Washington Post***  
***World Magazine***

The public also can learn more about the Hotline by visiting our blog at [www.coloradoforeclosurehotline.blogspot.com](http://www.coloradoforeclosurehotline.blogspot.com) or by visiting our YouTube page at [www.youtube.com/user/ColoFCTaskForce](http://www.youtube.com/user/ColoFCTaskForce).

### "Closing in on 2009's job-loss record

WASHINGTON, D.C. (AP) — The unemployment rate is expected to rise again this month, pushing it to a new record high, according to a report from the U.S. Labor Department.



The report, released Wednesday, says the unemployment rate rose to 4.6 percent in July from 4.5 percent in June. The Labor Department says the economy added 172,000 jobs in July, but that the number of unemployed people also rose by 172,000.

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# 'No end in sight' to crisis

## Sen. Salazar touts \$14 billion measure against foreclosures

By John Heilbrunn



WASHINGTON, D.C. (AP) — Sen. Ken Salazar (R-Colo.) says there is no end in sight to the economic crisis, but he touts a \$14 billion measure to help homeowners avoid foreclosure.

Salazar, who is chair of the Senate Committee on Banking, Housing and Urban Affairs, says the measure would provide \$14 billion in new money to help homeowners who are struggling to pay their mortgages.

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# Foreclosure forum offers hope, help

Figures tell hundreds of homeowners they can still avoid losing their property.



By John Heilbrunn

WASHINGTON, D.C. (AP) — A community meeting in Washington, D.C., Wednesday offered hope and help to hundreds of homeowners who are struggling to pay their mortgages.

The meeting was part of a forum on foreclosure prevention, organized by the U.S. Department of Housing and Urban Development.

The forum was held at the U.S. Capitol building in Washington, D.C. It was the first of a series of forums that will be held in other cities across the country.

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# Meeting Staff

the Colorado Foreclosure Prevention Office



The Colorado Foreclosure Prevention Office, often called the Call Center, is managed out of Brothers Redevelopment in Denver, with a staff of four. These individuals are responsible for the Hotline telephony, partner agency relations, reporting, fundraising, and marketing.

*From left to right*

**Germán Zaráte**  
**Kait Thompson**  
**Sarah Noel**  
**Stephanie Riggi**



**Stephanie Riggi** has been a member of the Hotline since before its inception, and now serves as the manager. Her role includes outreach and support to all partner agencies; review of potential partners; reporting; and working with funders. Stephanie also works directly with the board and staff of Brothers Redevelopment. Before joining the Hotline, Stephanie was a manager for Johnny Carino's, Inc. She completed a degree from the University of Northern Colorado in May 2006. Stephanie is married to Jack, and they have a dog, Tenaya.

**Sarah Ann Noel** joined the Task Force team in January 2008 as the marketing and public affairs coordinator. She produces promotional and internal communications collateral; coordinates events across the state; and assist with private fundraising and grant funding. Before coming to the Hotline, Sarah earned her master's degree in journalism from Ball State University in Indiana while writing for their Alumnus magazine. Sarah is married to Trevor, and they have a dog, Roscoe.



**Germán Zaráte** is the bilingual coordinator, serving as a representative for both the Spanish and English Call Centers. He also assists in translating foreclosure-related materials into Spanish; serves as a representative to the Spanish-speaking community through media and events; and creates reports for the Hotline. German earned the United States equivalent of a law degree from the University Benito Juarez in Oaxaca, Mexico, and moved to the United States in 2004. He is married to Amanda, and they have two daughters, Nayeli and Esperanza.

**Kait Thompson** is the partner agency relations representative for the Hotline. She is responsible for the oversight of 26 partners agencies across the state, including their reporting, referral database placement, and understanding of the Hotline. Kait received a bachelor's degree in clinical psychology and criminal justice from Western State College in Gunnison. She volunteers for CASA as a special advocate for children in abuse and neglect court cases. She also purchased her first home in 2008!





# Meeting Challenges

the next year of the Colorado Foreclosure Hotline


The model of networking housing counseling agencies continues to prove successful, particularly in light of recent Federal grant monies. The Hotline serves as a substantial referral source for those agencies receiving funding on a per-client basis. Awareness of the effectiveness has significantly increased in the past year, with calls up an average of 28 percent per month, and, in the case of November 2008, up 55 percent from November 2007. Currently some housing counseling agencies are reaching capacity, booking appointments up to two or three weeks in advance.

There continues to be both substantial need and increased demand for services provided through the Colorado Foreclosure Hotline. Experts on the Colorado Foreclosure Prevention Task Force


anticipate a need for the program through at least 2009, and possibly mid-way through 2010.

With daily changes in the mortgage industry and the real estate market, the Hotline and its staff must remain flexible and up-to-date in order to best communicate with the network of housing counseling agencies.

Looking ahead, this can only be achieved with assistance from new funding avenues that choose to recognize the importance of supporting the Hotline's administration and operation. To keep the Hotline alive and successful is to support housing counseling and homeowners across Colorado.



# How can you help the Hotline?

1. Pass out a flier.
  2. Refer a neighbor or family member.
  3. Donate funds through Brothers Redevelopment.
  4. Attend an upcoming Task Force meeting.
  5. Co-sponsor an event.
  6. Include the Hotline on your website.
  7. Display the Hotline phone number.
  8. Keep us updated on housing information.
  9. Support your local housing counseling agency.
  10. Offer a counselor training.
- 



The FY 2007-2008 annual report was made possible by:

The Colorado Division of Housing, whose mission is to ensure that Coloradoans live in safe, decent, and affordable housing by helping communities meet their housing goals;

And Brothers Redevelopment, the non-profit agency that headquarters and manages the Colorado Foreclosure Hotline. Brothers Redevelopment works alongside more than two dozen housing counseling agencies statewide in administering the Hotline since its October 2006 inception.

**Colorado**

**Foreclosure  
Hotline**

**1-877-601-HOPE**