PRESERVING THE AMERICAN DREAM:
BUILDING STRONG COMMUNITIES
OUR MISSION

We are dedicated to guiding consumers onto the path of sustainable homeownership and improving their overall financial health.
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Each business day the Homeownership Preservation Foundation (HPF) helps over 1,500 people enjoy the benefits of home.
MESSAGE FROM OUR CEO

Bienvenido a mi casa! Welcome to my home!

Each business day the Homeownership Preservation Foundation (HPF) helps over 1,500 people enjoy the benefits of home. In 2014 and 2015, more than 870,000 households were served by HPF programming, and millions more found educational materials, local support and referral databases through our websites. At the heart of HPF’s mission is to help these households realize and sustain homeownership for every market segment including, millennials, minority, baby boomers, elders, low-moderate income, Gen X and boomerang borrowers.

We remain best known for our work during the financial crisis, helping consumers sustain homeownership. In 2014, we began to experience increasing demand from callers for financial health and home buying advice and assistance. In response, HPF began to expand and enhance our infrastructure and programming to meet this need. In 2015, HPF launched our Hope to Home programming and became one of the most trusted providers of services and information to help potential homebuyers realize their financial and homeownership dreams.

In many real estate markets, it is less expensive to own than to rent but many Americans still face hurdles in purchasing a home. To address these hurdles, HPF provides a trusted one-stop shop for high quality, independent financial coaching and housing counseling services. As a social enterprise, we work in partnership with the public and private sectors to restore trust in the value proposition of housing finance for all income levels and demographic groups.

This innovative and holistic approach to a consumer’s financial well-being is long overdue in the marketplace. With HPF’s leadership in the counseling community, our expanded model embraces cutting edge technology. “BluePrint by HPF” is a personal financial management tool (PFM) that represents a “game-changer” in how the counseling industry will offer services. I am very proud to introduce these tools to you. In the coming year we will incorporate them into all our programs.

As you will see in this report, the past two years have been exciting for HPF and for our clients—ones marked by continuous improvement and growth. This growth is made possible thanks to the generosity of our partners, funders and the HPF Counseling Network.

I invite you to join us in working toward a nation where everyone has a place to call home and the ability to realize his or her financial dreams. Welcome home.

Sincerely,

DAVID BERENBAUM
Chief Executive Officer
March 2016
WHO WE ARE

AN INDEPENDENT, NATIONAL, TRUSTED RESOURCE

The Homeownership Preservation Foundation (HPF) envisions a nation where everyone has a place to call home and the ability to achieve their financial dreams. HPF is an independent national nonprofit dedicated to guiding consumers onto the path of sustainable homeownership and improving their overall financial health. HPF provides a comprehensive suite of programs and services including financial coaching, housing counseling and mortgage scam victim awareness. HPF also serves as the national call to action for the U.S. Department of the Treasury’s Making Home Affordable Program (MHA). Through these programs HPF has served 8.6 million consumers. This personal, tailored approach is achieved through our national Network of HUD-approved nonprofits.

WHAT WE DO

HPF’s national Network brings these much-needed services to consumers, no matter where they are located, 24 hours a day, 7 days a week and 365 days a year, in more than 200 languages. We have been recognized as an innovative, responsive and effective administrator of a nationally scaled homeownership support operation that provides high-quality services to American homeowners wherever they live, and whenever they need assistance.

We work hard to maintain the confidence and trust that our partners and consumers put in us each and every day. As a result of our work, we are estimated to have helped millions of consumers avoid foreclosure and sustain their loan modifications.
Through our 995HOPE and 995HOME Hotlines we provide support no matter where you live or when you reach out.

Homeownership Preservation Foundation

185 Branch Office Locations in 40 States

Network Partners

ClearPoint Credit Counseling Solutions
GreenPath Debt Solutions
Money Management International
Navicore Solutions

Springboard Nonprofit Consumer Credit Management

Transformance
(formerly CCCS of Greater Dallas)

Note: accomplishments in this report are for the years 2014–2015 unless otherwise noted.
OUR PROGRAMS AND SERVICES

Every business day, HPF serves more than 1,500 consumers from across the country with information, advice and referrals to trusted resources and services in their community. Each and every consumer who would like counseling or coaching receives a unique one-on-one, customized engagement. We learn each consumer’s needs, and what programs and services work best to respond to those needs.

As a result, we have created several programs throughout our national infrastructure, which range from providing support to victims of mortgage scams, to assisting our military service members returning home from active duty, to building an outreach program in Puerto Rico.

In addition, HPF has expanded its services to provide comprehensive, extended financial coaching to consumers. Our holistic approach to a consumer’s finances allows us to work with the consumer to jointly develop a path to economic stability.

“"We care deeply about our customers, communities and the efforts of housing counselors such as the Homeownership Preservation Foundation. We see the efforts of counselors such as HPF as a helpful resource that complements our focus to help homeowners stay in their homes. "

JOE OHAYON
SENIOR VICE PRESIDENT FOR GOVERNMENT AND COMMUNITY RELATIONS WITH WELLS FARGO

FOCUS: PUERTO RICO

Communities in Puerto Rico are facing acute financial distress. In response, in 2015 HPF partnered with one of our valued philanthropic funders and CCCS Puerto Rico to bring awareness of and provide housing counseling resources to communities in Puerto Rico. As a result of HPF’s marketing and advertising, over 20,000 consumers from Puerto Rico have accessed information on our programs. In 2016, we will continue to reach out to communities in Puerto Rico, with the goal to ensure every household has access to a trusted place to turn to as they navigate their housing and/or financial crisis.
Our Customized Programs Include

Comprehensive Foreclosure Mitigation Counseling
Since 2004, the Homeowners’ HOPE™ Hotline, 888-995-HOPE™, received 8.6 million calls from individuals and families in financial distress. These consumers are still struggling with housing distress and we remain dedicated to serving each with our best-in-class comprehensive foreclosure prevention counseling.

Anti-Scam
Since 2010, 105,000 homeowners who have been victims of loan scams have called HPF. We will continue to support our dedicated team of specially trained counselors providing this service.

Military Service Member Counseling
Since September 2013, we have counseled more than 4,000 military families. HPF has created more robust reporting to better understand the challenges that military service members face, so that we can enhance this program. HPF will continue to work to ensure that counselors complete training in Servicemember’s Civil Relief Act, USAA and/or Counselor’s Corner military education and training.

Post-Modification Coaching
HPF is the leading nonprofit post-modification coaching provider working with 11 of the nation’s top mortgage servicers to serve 51,000 consumers. Since 2011, on average, those who completed our six- to nine-month financial coaching program saw their credit scores increase by 26 points, their monthly cash-flow increase from a deficit to a $300 surplus and reduced re-default rates by more than 21 percent.

Pre-Purchase Counseling
In 2015, HPF launched our pre-purchase counseling program. Through our HOME Hotline 844-995-HOME™ and www.995Home.org, HPF provides access to trusted, independent pre-purchase counseling through our best in class Network and home buying education through our partner, Framework™. Over 7,000 potential homeowners reached out to HPF’s HOME Hotline since its launch in the summer of 2015.

“HPF’s HOPE Hotline provides critical support for homeowners in need of mortgage help. We appreciate their partnership, and commend their delivery of effective foreclosure mitigation solutions and post-modification counseling.”

Mark Mcardle
Treasury Deputy Assistant Secretary for the Office of Financial Stability
LEGACY OF FORECLOSURE CRISIS

While the economy continues to improve, millions of homeowners still face financial distress and foreclosure, including sustaining mortgage modifications. In 2015, on average, callers to the HOPE Hotline had low credit scores (603) and monthly budget deficits of $412, making it difficult to avoid delinquency. In addition, 63 percent of our callers qualified as low-to-moderate income (LMI).

HEAT MAP: CONCENTRATION OF CALLS FROM 2010—2015
CURRENT CHALLENGES BEING ADDRESSED BY HPF

- As of 2015, almost 8 million Americans have lost their homes to foreclosure.
- As of 2015, 5 to 6 million previously foreclosed borrowers are still struggling to recover from negative consequences associated with the housing crisis.
- Of the nearly 2 million active modifications at the end of the first quarter of 2015, 28 percent were delinquent or in the process of foreclosure.
- A recent survey by the MacArthur Foundation noted that three in five Americans believe we are either “still in the middle” (41 percent) or “the worst is yet to come” (20 percent) in the housing crisis.
- Between 2007—2013 Hispanic homeowners lost 48 percent of their housing wealth, the largest loss of housing wealth of any demographic group.
- Minority communities suffered the most severe losses in homeownership after the downturn. Homeownership rates for minorities are 25.5 percent lower than for whites.

“My counselor, Mandy, was extremely professional and disciplined during the interview. She did a great job and helped me create a better picture of my overall situation. Her report that she sent reflected exactly what we discussed. She gave me excellent advice and I very much appreciate her help.”

PHIL FROM VIRGINIA
**HPF FACTS**

**SINCE INCEPTION, HPF HAS CONNECTED**
more than 3.3 million families
**TO LOCAL SOCIAL SERVICE AND HOUSING COUNSELING ORGANIZATIONS**

2014: 600,000 referred | 2015: 500,000 referred

**HPF COUNSELED HOMEOWNERS**

**HOUSEHOLD BREAKDOWN**

- **MARRIED WITH DEPENDENTS**: 29%
- **SINGLE ADULT**: 26%
- **MARRIED WITHOUT DEPENDENTS**: 15%
- **FEMALE-HEADED SINGLE-PARENT HOUSEHOLD**: 13%
- **MALE-HEADED SINGLE-PARENT HOUSEHOLD**: 4%
- **OTHER**: 13%

**REASON FOR DEFAULT**

- **REDUCTION OF INCOME/UNEMPLOYMENT**: 54%
- **ILLNESS**: 11%
- **EXCESSIVE OBLIGATIONS**: 9%
- **MARITAL/RELATIONSHIP PROBLEMS**: 6%
- **DEATH**: 4%
- **PAYMENT ADJUSTMENT**: 2%
- **OTHER**: 14%

**AGE RANGE**

- 25-34: 6%
- 35-44: 20%
- 45-54: 31%
- 55-64: 27%
- 65+: 16%

**RACE BREAKDOWN**

- **WHITE, NON-HISPANIC**: 49%
- **AFRICAN AMERICAN**: 29%
- **HISPANIC**: 16%
- **ASIAN**: 3%
- **OTHER MULTIPLE RACE**: 3%

**LOW-MODERATE INCOME**

- **YES 63% NO 37%**

**MINORITY INDICATOR**

- **YES 51% NO 49%**

**GENDER**

- **FEMALE**: 59%
- **MALE**: 41%

**AVERAGE CREDIT SCORE**

603

**1,500**

AVERAGE SERVED PER BUSINESS DAY IN 2015

**400,000**

TOTAL SERVED IN 2015
Freddie Mac greatly values the partnership we have shared with HPF since 2013. We appreciate that we can always rely on the HPF team to support us with data, trends and client feedback that helps us to achieve our shared goal of providing borrowers with quality housing counseling.

DAVID SOLOMON
DIRECTOR OF CUSTOMER AND BUSINESS MANAGEMENT, FREDDIE MAC
We highly value the work of HPF’s team in helping distressed homeowners avoid foreclosure and sustain modifications. The effective use of post-modification counseling has helped reduce our re-default rates.

LORI MALLON
VP CREDIT PORTFOLIO MANAGEMENT, FANNIE MAE
KEYS TO OUR SUCCESS

GOLD STANDARD QUALITY CONTROL AND TRAINING PLATFORM

HPF developed this proprietary platform with the help of experts in the field of human interaction. This platform creates specific protocols aimed at providing the counselor or coach with the empathetic listening skills needed to quickly develop a level of trust with the consumer. Through this work we help consumers gain the needed confidence and understanding to manage their finances, thus positioning them for long-term financial security and successful homeownership.

Our Gold Standard Quality Control and Training Platform is also critical to HPF’s track record of bringing programs to scale across the country. Our Quality Control team evaluates counselor and consumer interaction throughout our participating network partners. This includes comparing performance and providing continued opportunities to improve outcomes. As a result, our surveys show HPF’s network of agencies continues to be effective at driving strong consumer experience and measurable consumer outcomes.

SECURE, ADAPTABLE DATA COLLECTION AND CLIENT MANAGEMENT SYSTEM (CMS)

HPF’s HopeNet data collection and management portal is unique in our industry. It maps all sessions from our network into one secure database and reports on information at a national, regional, state and local level. This database has been instrumental in our ability to track program effectiveness and make improvements where needed. It has also allowed us to aggregate and share data with third-party researchers, philanthropic partners and financial services industry stakeholders. This secure platform will serve as the foundation for our national CMS system to be launched in 2016.

COMMITMENT TO DATA CAPTURE, ANALYTICS AND REPORTING

HPF has a long-standing commitment to tracking the effectiveness of our work. HPF conducts robust consumer surveys which provide important insights into how consumers work with our counselors and coaches and with their lenders and servicers. In 2014 and 2015, as we continued to expand our programming, we also expanded our consumer surveys to ensure that the standard of care people expect from HPF was not compromised during our expansion.

HPF’S MULTI-STAGE FINANCIAL COACHING

This proven, effective engagement will create the foundation for our future programming. More than 1,000 consumers each month who are looking to enter homeownership are already reaching out to HPF’s newly launched HOME Hotline™. It is our responsibility to provide them with best-in-class, accessible and trusted information and support as they build their financial capability and gain access to sustainable homeownership. Our expanded digital platform, combined with our best-in-class financial coaching, will serve as the foundation of our work moving forward.
COUNSELING WORKS!

- 70 percent of homeowners who receive housing counseling are more likely to avoid foreclosure.
- **COUNSELED BORROWERS WERE 67 PERCENT MORE LIKELY TO REMAIN CURRENT ON THEIR MORTGAGE** nine months after receiving a loan modification than non-counseled borrowers.
- Counseling reduces the delinquency rate of first-time homebuyers by 29 percent.
- HPF’s best-in-class multi-stage post-modification financial coaching has provided exciting results. On average, those who completed our six- to nine-month financial coaching program saw their credit scores increase by 26 points, **THEIR MONTHLY CASH-FLOWS INCREASE FROM A DEFICIT TO A $300 SURPLUS** and reduced re-default rates by more than 21 percent.

COUNSELOR OF THE YEAR

Each year, HPF recognizes one outstanding housing counselor who goes above and beyond to help homeowners. Tiffany Cabral is a housing counselor at Money Management International (MMI) and was chosen from more than 400 counselors for her commitment to guiding and empowering consumers. Ms. Cabral began her career as a financial management and credit-counseling counselor at MMI in 2009. She then transitioned to the role of housing counselor, and is part of MMI’s Counselor Education Program where she volunteers to lead financial workshops and mentors other counselors.

She is a Certified Consumer Credit Counselor with National Foundation Credit Counselor (NFCC), a Certified Housing Counselor with NFCC, is FICO Certified and is also a Certified Counselor Educator.

COACH OF THE YEAR

As HPF has expanded its services, it created a Coach of the Year award to recognize the work and commitment to consumers in a new facet of its business. This inaugural award was presented to Sunshine Hefferon for her outstanding customer service to homeowners. Ms. Hefferon has held a variety of roles at GreenPath over the years, and is currently supporting the Post-Modification Program.

She is a Certified Housing Counselor with NFCC and specializes in foreclosure prevention counseling, post-loan modification counseling and debt management counseling.
“My coach was extremely helpful and understanding. I was able to have a better understanding of the offer made to me by my mortgage company. The mortgage company was not explaining it to me in a way that I could comprehend. But HPF did and I am extremely grateful.”

LADONNA FROM GEORGIA
A PARADIGM SHIFT: HOPE TO HOME

FROM THE 8 MILLION potential young adults looking to purchase their first home in the coming years, the boomerang borrowers ready to get back into the market, to the growing senior and retiree population looking to downsize, the need for access to trusted financial advice and sustainable housing opportunities persists. HPF recognizes this need and is working collaboratively with leaders in both the financial capability and the financial services industries to create a powerful, effective national model in response.

In 2014, HPF began to receive calls from consumers who were not yet homeowners but were coming to HPF in search of information and assistance, as they began to rebuild their financial lives and position themselves to become homeowners.

In 2015, HPF launched its Hope to Home Campaign and pre-purchase counseling program. At the time of launch, HPF was already receiving more than 1,000 calls from potential homebuyers each month. In order to better serve these consumers, we launched the HOME Hotline™, 844-995-HOME™ and 995home.org™ website—sister resources to our nationally recognized resources such as the Homeowners’ HOPE™ Hotline and the 995hope.org website. More than 7,000 potential homeowners reached out to HPF’s HOME Hotline from September through December 2015 alone.
STATS TO CONSIDER

• By 2035, millennials are expected to form more than 30 million new households.

• As reported in 2015, nearly 30 percent of millennials are overdrawing on their checking accounts.

• As reported in 2015, even with inadequate financial knowledge, only 27 percent of millennials are seeking professional advice.

• In 2015, 23 million older adults are economically insecure.

• Over the next two decades the number of adults aged 70 or older will increase by 91 percent, driving demand for housing that accommodates aging populations.
TRANSFORMING COUNSELING AND COACHING

HPF is working to transform counseling and coaching to increase financial capability and homeownership readiness. HPF’s expansion in 2015 was based on feedback from our coaches, counselors, external stakeholders and consumers reaching out through our HOPE and HOME hotlines. We learned of a demand for innovative digital solutions that would strengthen the consumer engagement and drive effective counseling and coaching models.

In 2015, HPF partnered with a leader in cutting-edge financial management solutions. Through this partnership, HPF is proud to announce the launch of our HPFConnect Portal and Blueprint by HPF, our consumer-focused portal and personal financial management (PFM) application. The combination of our new digital platform and one-on-one coaching, integrated into our Client Management System (CMS), will transform the counseling industry.
Our new platform will drive the following enhancements to today’s consumer experience, and the effectiveness and efficiency of housing counseling and financial coaching platforms:

**IMPROVING DELIVERY OF COUNSELING AND COACHING**

An integrated support system will be created that combines counseling and coaching with a best-in-class personal financial management (PFM) application accessible through computers, tablets or mobile devices.

A common CMS platform will be delivered to nonprofit housing counseling agencies working with HPF to further enhance data capture and reporting capabilities, as well as promote efficiency and consistency within HPF’s programs and services.

Integration of financial data from the PFM into a secure CMS will facilitate data aggregation, analysis and reporting internally and externally, ensuring continuous improvements and enhancements.

**ELEVATING THE CONSUMER EXPERIENCE**

Integration of a financial management tool that auto-populates directly from consumer’s accounts will enable accurate and dynamic data for coaches and consumers to analyze, understand and use to create a plan for long-term financial health.

HPFConnect will positively improve the consumer’s experience by providing a secure one-stop shop that integrates financial management tools with one-on-one coaching, uniquely tailored to the consumer.

**LEADER IN OUR FIELD**

HPF is a recognized leader in the industry—one that seeks solutions through working collaboratively with nonprofit and private-sector stakeholders to have the greatest impact possible. We take our responsibility to grow and lead very seriously. In addition to working directly with consumers, in 2015 HPF took a leadership role in efforts to integrate housing counseling into the mortgage marketplace. We orchestrated the third convening of housing counseling organizations and stakeholders in July, worked with investors and financial services stakeholders on integrating homeownership education and counseling as a compensating factor in more accommodative underwriting, and led the effort to secure appropriations for National Foreclosure Mitigation Counseling and HUD counseling in 2015.

HPF’s leadership and involvement was critical to maintaining this needed funding, as well as promoting the importance and success of pre- and post-homeownership counseling.
HPF’s critical work is made possible by the hard work and commitment of our staff and our strong partnerships around the country.

Thank you to our philanthropic, business and nonprofit partners. Collectively we make a difference!

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Bac Home Loan Services
Bank of America, NA
Bank of America Foundation
Carrington Mortgage Services, LLC
Chase Home Finance, LLC
Citibank
Clearpoint Credit Counseling Solutions
Fannie Mae
Freddie Mac
GreenPath Debt Solutions
Housing Partnership Network
HSBC
Indymac Bank
JPMorgan Chase
JPMorgan Chase Foundation
MetLife Foundation
Money Management International
Nationstar Mortgage LLC
Navicore Solutions
NeighborWorks America
Ocwen Financial Corporation, Inc.
PennyMac
PNC Bank, National Association
PNC Mortgage
Santander Bank
Select Portfolio Servicing
Seterus
Specialized Loan Servicing
Springboard Nonprofit Consumer Credit Management
Springleaf Financial
Suntrust Mortgage
Transformation (Formerly Consumer Credit Counseling Service of Greater Dallas)
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U.S. Department of Housing and Urban Development (HUD)
Wachovia Mortgage, FSB
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