

APRIL 20-26, 2007

QUOTE OF THE WEEK
"...selling \$500 million yachts is much better than selling laundry detergent."
— Paul Beaton; See A15

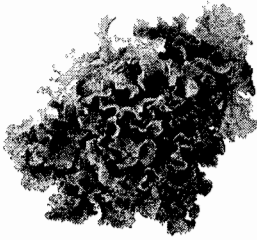


street talk

Going green

Some restaurateurs are taking Gov. Bill Ritter's green philosophy seriously.

Look at the overall picture:



Mad Greens is growing.

Banks, credit unions offer foreclosure advice

BY RENEE MCGAW
DENVER BUSINESS JOURNAL

As various bills to address Colorado's foreclosure problem wind their way through the state Legislature, banks have been jumping into the fray with their own attempts to help strapped homeowners.

JPMorgan Chase Bank was the first lender involved in the Colorado Foreclosure Hotline, a statewide free hotline for homeowners in danger of foreclosure. The hotline — at 1-877-601-HOPE — started last October.

Callers are connected with local counselors to help them resolve their foreclosure issues, using a variety of solutions, including selling the home before foreclosure, creating a repayment plan and modifying the mortgage.

This month, the Colorado Housing Division

'We found that borrowers were more likely to disclose certain information to a nonprofit housing counselor than they would to their lender.'

Debra Bustos

Vice president of national community relations, JPMorgan Chase Bank

released data that showed that at least 80 percent of the more than 7,000 people who had called the hotline in the previous five months had avoided foreclosure.

"Ultimately, we want to demonstrate to the customers that they're valuable to us and that we want to keep them as customers," said Debra Bustos, vice president of national community relations for JPMorgan Chase Bank in Denver, who played a key role in developing the hotline beginning in 2005.

The hotline works along the lines of JPMorgan Chase Bank's Homeownership Preservation Office, which is run from offices in Ohio and Indiana, Bustos said. The idea is to have designated bank staff working with housing counselors to solve customers' mortgage problems.

"We found that borrowers were more likely to disclose certain information to a nonprofit housing counselor than they would to their lender," Bustos said.

SEE FORECLOSURE ADVICE, A35

FORECLOSURE ADVICE: Programs include Steps to Success, Home Loan Payment Relief

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U.S. Bank and Wells Fargo also have lent their support to the hotline, along with the Division of Housing, the Colorado Association of Realtors, Freddie Mac and the Colorado Mortgage Lenders Association.

Wells Fargo recently contributed \$25,000 to the hotline and conducted a training session with foreclosure counselors to help them work better with Wells customers and staff, according to spokeswoman Cristie Drumm.

"The biggest problem, for all lenders, is getting borrowers to call" when they're in trouble, Drumm said.

Wells also recently launched a program it calls Steps to Success, which offers a variety of online and in-person services to help its customers better handle their finances.

"It's our educational mission to help nonprime borrowers better manage their credit, and ultimately get to be prime borrowers," said Greg Osborne, regional vice president of Wells' Home Mortgage division. "We believe that the best defense for foreclosure is education."

Credit unions are getting involved, as well. Greenwood Village-based Bellco Credit Union, one of the state's biggest credit unions, last year began offering a product initiated by the Credit Union National Association (CUNA)

called the Home Loan Payment Relief (HLPR) Mortgage. The idea is to help first-time and lower-income members, who might otherwise be frozen out of the market, qualify for mortgage loans.

The HLPR Mortgage features an interest rate 1 percent below the national average for a traditional three-year adjustable rate mortgage (ARM), locked for three years. Later increases are capped at 1 percent per year, up to 5 percent for the life of the loan.

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