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For immediate release -- Thursday, February 28, 2008
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"Iowa Mortgage Help" Will Aid Home Owners Struggling with Mortgage Payments

**Federal grant of \$1.5 million will enhance home owner counseling statewide.
"Iowa Mortgage Help Hotline" effort builds on foreclosure hotline established last fall.**

Des Moines The state of Iowa has received a federal grant of \$1,503,757 to help homeowners who are struggling to pay their mortgage, Iowa Attorney General Tom Miller and Iowa Finance Authority (IFA) Executive Director Bret Mills said Thursday.

Miller and Mills said the grant will enable the creation of the "Iowa Mortgage Help" initiative that will increase the capacity of foreclosure-prevention counseling agencies around Iowa and will include a multimedia statewide awareness campaign. The efforts will supplement and expand the work of the "Iowa Foreclosure Hotline" established last September – which will now be called the "Iowa Mortgage Help Hotline." The toll-free number remains 877-622-4866.

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Education Project

Iowa Mediation Service

Iowa Legal Aid

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General

Iowa Finance Authority

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"The Hotline already has received about 8,000 calls and is handling about 700 cases," Miller said. "Iowa Mortgage Help will increase public awareness of the service and multiply the calls, but it also will multiply the assistance of local housing counseling groups around the state. This is an important cooperative response in Iowa to the mortgage foreclosure crisis."

IFA Executive Director Mills said: "We want Iowans to call the Mortgage Help Hotline if they are currently struggling or as soon as they think they may be headed toward financial difficulty. Our counselors have more resources available to help people who are in the early stages of mortgage delinquency. Ideally, we'd like to talk with Iowans before they miss a mortgage payment."

LOCAL COUNSELING AGENCIES

Center for Siouxland

Citizens for Community
Improvement

Community Housing
Initiatives

Family Housing Advisory
Services

Family Management Credit
Counselors, Inc.

Operation Threshold

United Neighbors, Inc.

Iowa Mediation Service

Mills said Congress approved \$180 million in funding in December for mortgage foreclosure mitigation counseling programs. State housing finance agencies and other eligible organizations around the nation were able to seek the funds on behalf of state and local efforts.

In Iowa, Mills said IFA submitted the grant application in partnership with the Attorney General's Office, Iowa Mediation Service (IMS), the Iowa Home Ownership Education Project (IHOEP) and Iowa Legal Aid. The funds will enhance counseling services around the state as well as the Hotline organized by IMS and the Attorney General's Office last fall. The goal of the initiative is to assist as least 7,000 Iowans before the grant expires at the end of the year.

A statewide multimedia campaign will launch later this month encouraging financially challenged Iowans to call the Iowa Mortgage Help Hotline for assistance. Hotline operators will gather basic data and will refer the callers' cases to one of eight local counseling agencies that are part of Iowa Mortgage Help. The certified counselors then will gather more in-depth financial information and will determine the level of counseling that is needed.

If a caller's situation only requires fairly basic counseling, such as help with managing personal finances, the case will be handled by the local counseling agency. If a caller's situation is more complex – and requires interaction with the mortgage servicer or lender – the caller will likely receive further assistance from Iowa Mediation Service to facilitate a loan modification, if possible.

Nationally, research shows that nearly 50 percent of people who are unable to pay their mortgage never contact their lender or seek assistance from a trained counselor. The state officials said the goal of Iowa Mortgage Help is to be sure people get assistance if they need it.

Governor Chet Culver said: "I commend the coordinated effort of these state and local agencies. Thanks to their hard work, we are hoping that thousands of Iowa homeowners will realize the best solution to their financial situation."

Notes to media:

Media may download a high-resolution jpeg of the Iowa Mortgage Help logo from the newsroom at www.IowaMortgageHelp.com.

Following is a list of local counseling agencies that are part of the Iowa Mortgage Help initiative, including contact information for each organization.

Iowa Mortgage Help initiative local counseling agencies

Iowa Home Ownership Education Project, Johnston

Contact: Stephanie Preusch, 515-229-7737

Center for Siouxland, Sioux City

Contact: Jonette Spurlock, 712-252-1861 ext. 12

Citizens for Community Improvement, Des Moines

Contact: Sharon Zanders-Ackiss, 515-255-0800

Community Housing Initiatives, Spencer

Contact: Jeni Hanselman, 712-262-5640 x26

Family Housing Advisory Services, Council Bluffs

Contact: Donna McFadden, 712-322-4436

Family Management Credit Counselors, Inc., Waterloo

Contact: Katy Hackett, 319-234-6695

Operation Threshold, Waterloo (Also offices in Independence and Grundy Center)

Contact: Barbara A. Grant, 319-291-2065

United Neighbors, Inc., Davenport

Contact: Dawn Mutum-Plies, 563-322-7363 Ext. 205

Iowa Mediation Service, West Des Moines (also offices in Spencer, Mason City, Cedar Rapids)

Contact: Mike Thompson, 515-331-8081

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