SAVING HOMES, BUILDING UNDERSTANDING:

An Evaluation of the Eight Foreclosure Mediation Programs Funded by the Illinois Attorney General

19th Judicial Circuit
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An Evaluation of the Eight Foreclosure Mediation Programs
Funded by the Illinois Attorney General

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INTRODUCTION

In 2013, the Office of Illinois Attorney General Lisa M. Madigan used funds received from a settlement with lenders that had allegedly engaged in fraudulent loan servicing and foreclosure practices to provide grants for the development, administration and evaluation of eight foreclosure mediation programs. Because Illinois is a judicial foreclosure state, the funded programs were to be established in the courts and administered by three non-profit grant recipients: Dispute Resolution Institute, Inc. (DRI) in Carbondale, Resolution Systems Institute (RSI) in Chicago and the University of Illinois College of Law Community Preservation Clinic (U of I) in Champaign. The 19th Circuit program is one of the eight programs that was funded.

As part of the grant, Resolution Systems Institute conducted two comprehensive evaluations of all the programs funded by the Attorney General, both of which can be found on the Resolution Systems Institute website. In 2015, RSI conducted a formative evaluation of the initial six foreclosure mediation programs launched in 2013 and 2014, including the 19th Circuit program. All eight programs were included in the final evaluation, conducted in 2018, which assessed program outcomes and compared each of the eight programs to the others. This is an excerpt of the full 2018 evaluation.

The evaluation of the 19th Circuit program used data from January 1, 2014, through December 2017. The evaluation looked at the percentage of homeowners who had a foreclosure filed against them who contacted the program, the percentage of homeowners who entered the program, the percentage who completed the program and, finally, the percentage who were able to either save their homes or gracefully exit them. It also examined the factors that contributed to program performance.

The evaluation found that the 19th Circuit program did well in helping those homeowners who completed their loan modification packets to save their homes. Further, most homeowners who attended housing counseling said they better understood their situation and how to move forward with their case, indicating that even those who didn’t continue on with the program received valuable information. Most participating homeowners also felt they had voice and that they were treated fairly and with respect. In addition, the program made significant changes to its processes that led to increased participation.

The program was able to achieve the Attorney General’s goal for funded programs to become sustainable. The court and RSI devised a funding strategy to continue the program after its funding through the grant ended on August 31, 2018.

NOTE: Statistical tables can be found in the full evaluation of all the programs.
EVALUATION SUMMARY

EVALUATION OF THE EIGHT FORECLOSURE MEDIATION PROGRAMS FUNDED BY THE ILLINOIS ATTORNEY GENERAL

THE PROGRAM PROCESS:
The homeowners call the program coordinator for intake and make an appointment with the housing counselor in order to participate. They work with the housing counselor to help them complete their loan modification packet. Once this is complete, they attend mediation to discuss their options with a representative from their lender and the lender attorney.

PROGRAM IMPACT
PROGRAMS HAD A POSITIVE IMPACT ON HOMEOWNERS, LENDERS AND THE COURT BY PROVIDING INFORMATION AND HELPING HOMEOWNERS AVOID FORECLOSURE

1,016
Homeowners helped,
15% of all foreclosures filed

202
Foreclosures avoided,
3% of all foreclosures filed

184
Homes saved,
3% of all foreclosures filed

PARTICIPATION
15% of homeowners facing foreclosure contacted the program and 10% participated

OUTCOMES
5 in 10 homeowners completed the program
1/4 of participating homeowners saved their home

SUSTAINABILITY
The 19th Circuit Court has successfully developed a plan to keep the program running after the end of the grant funding. This fulfilled a major goal of the Office of the Attorney General.

PARTICIPANT EXPERIENCE
HOMEOWNERS IN MEDIATION FELT THEY HAD VOICE, THEY WERE TREATED FAIRLY AND WITH RESPECT, AND THE PROCESS WAS FAIR

Could Talk about Concerns 87%
Treated with Respect 99%
Treated Fairly 99%
Process Fair 97%

9/10
Participants were satisfied with their experience

“That we were all able to talk and listen to each other with no interruption or disrespect.”
- Homeowner after mediation

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19TH JUDICIAL CIRCUIT FORECLOSURE MEDIATION PROGRAM

Lake County

OVERVIEW

This is the second evaluation of the 19th Judicial Circuit Foreclosure Mediation Program. The first evaluation, published in 2015, examined the program’s first year and provided recommendations for improvement. This evaluation looks at the program’s outcomes and impacts from January 1, 2014, when homeowners first started contacting the program, through December 2017.

<table>
<thead>
<tr>
<th>Launch Date</th>
<th>December 2, 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Size</td>
<td>On average, 196 homeowners participated per year.</td>
</tr>
<tr>
<td>Type</td>
<td>Multi-step entry, changed to hybrid(^1) in February 2016</td>
</tr>
<tr>
<td>Homeowner Entry Process</td>
<td>Call program coordinator for intake, schedules housing counseling session</td>
</tr>
<tr>
<td>Intake</td>
<td>By program coordinator via the phone</td>
</tr>
<tr>
<td>Pre-mediation</td>
<td>1-2 housing counseling sessions to complete loan modification packet</td>
</tr>
<tr>
<td>Mediation</td>
<td>Unlimited by court rule; usually 1-2 mediation sessions, must complete within 90 days(^2) of completion of pre-mediation.</td>
</tr>
<tr>
<td>Remain in Program During TPP?(^3)</td>
<td>No</td>
</tr>
<tr>
<td>Timing of Foreclosure Stay</td>
<td>Date of service of process until case leaves program</td>
</tr>
<tr>
<td>Homeowner Cost</td>
<td>None</td>
</tr>
<tr>
<td>Lender Additional Filing Fee</td>
<td>$125</td>
</tr>
<tr>
<td>Mediator Payment</td>
<td>$250/case</td>
</tr>
<tr>
<td>Program Staff</td>
<td>1 full-time program coordinator</td>
</tr>
<tr>
<td>Program Rule</td>
<td><a href="#">PART 2.0 - Lake County Residential Real Estate Mortgage Foreclosure Mediation Program</a></td>
</tr>
</tbody>
</table>

\(^1\) Hybrid programs combine the multi-step entry program requirement that the homeowners complete more than one task to participate in the program with the mandatory messaging of the one-step entry programs.

\(^2\) The deadline was extended from 60 days in February 2016.

\(^3\) Trial payment plan; otherwise known as a temporary loan modification.
Distinguishing Features of the Program

The following features differentiate this program from the others in this evaluation:

- The program is a hybrid of a one-step entry program and a multi-step entry program:⁴ Homeowners⁵ are told they must contact the program coordinator, but they also must complete more than one action in order to participate
- Homeowners are required to meet with a housing counselor in order to participate in the program
- The program has short timeframes for completing the document exchange process⁶ relative to the other Attorney General-funded programs
- There is a deadline for completing the mediation sessions
- The stay on the foreclosure process does not continue through the trial payment period

Important Findings

The program helped 1,016 homeowners and saved 184 homes

The program provided 1,106 homeowners with, at minimum, an orientation about the foreclosure process, the mediation program and resources available to them. Of those 1,016 homeowners, 184 (18%) saved their homes.

Program changes since 2014 have led to significant improvements in participation

The program instituted a number of changes to address its very low contact and participation rates. The changes have had a significant effect, raising contact rates from 11% to 17%, and raising the percentage of homeowners who contact the program and then enter it from 66% to 88%.

Judges are offering homeowners a second opportunity to participate

In 2014, only seven homeowners were ordered into the program by the judge. Since then, the judges have offered 197 homeowners a second opportunity to participate. Of those, 156 were helped by a housing counselor, and 41 avoided foreclosure.

Non-compliance remains an issue

The court extended its strict deadlines in order to improve the efficiency and effectiveness of the program. Of particular interest was making it easier for lenders to comply with program requirements and reduce the number of mediations spent dealing with document exchange. The latter was

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⁴ A multi-step entry program invites the homeowners to contact the program, and then requires the homeowners to complete more than one action to participate. A one-step entry program tells the homeowners that they must appear at the initial conference (although there are no penalties for not appearing), and only requires the homeowners to complete one action (appearing at the conference) to participate.

⁵ The term “homeowners” is used in this evaluation – instead of other terms such for those who have borrowed via a mortgage, such as borrowers, debtors or mortgagors – because the programs studied specifically work with those who borrow money to purchase a home.

⁶ Document exchange takes place between when the homeowners first submit a loan modification packet and their lender’s review of that packet. During the process, the lender identifies documents required from the homeowners in order to complete its review, and the homeowners provide them.
successfully addressed, but the former remains an issue. About 50% of cases that exited early after being referred to mediation did so because of lender non-compliance.

**The majority of homeowners who completed the program were able to avoid foreclosure**

Of those who completed the program, 47% reached an agreement to retain their homes. Another 5% reached an agreement to exit gracefully.  

**Homeowners had a positive experience in the program**

In surveys completed after housing counseling and mediation, homeowners indicated they felt they were being provided with good information, had been treated fairly and with respect, and had a positive experience in the program. They wrote particularly positive comments about their experience in housing counseling.

**Assessment of mediators has improved**

In 2014, 15% of homeowners felt their mediator pushed them too hard to get them to settle, and only two-thirds of lender attorneys said they would use their mediator again. Since then, the percentage of homeowners who felt pressed by the mediator declined to below 10%, and lender attorneys who would use their mediator again rose to 82%.

**The program had, by far, the shortest time to completion of all the programs**

The average of 96 days to complete the program is 15 days shorter than the next shortest time in program, and about 25 days shorter than the average for all programs.

**The program has been sustained beyond the grant funding**

The 19th Circuit and Resolution Systems Institute successfully developed a plan to make the program self-sustaining through the use of filing fees.

**PROGRAM DESCRIPTION AND PROCEDURES**

**What Need Was the Program Designed to Address?**

The judges hearing foreclosure cases noticed that there were large numbers of unrepresented homeowners who were trying to obtain loan modifications, but were unable to communicate with their lenders. The homeowners did not have a single point of contact when they spoke with their lender, and they were getting different answers from each person they talked with. Homeowners also complained that their lenders were losing the documents they sent for review.

The program was meant to formalize the interactions between homeowners and their lenders. The court also wanted to require lenders to give homeowners their attention and a clear resolution, whatever that resolution was. No matter what the outcome, the court wanted to give homeowners

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7 A graceful exit, or relinquishment allows the homeowners to transition from their home while avoiding foreclosure.

8 The term “lender” will be used throughout to denote the lender or servicer with whom the mortgage resides.
interested in avoiding foreclosure the opportunity to explore the possibility of a loan modification or other alternative with the assistance of a trained neutral.

**Program Administration**

The program is administered by Resolution Systems Institute (RSI). It is managed by a full-time program coordinator, who is an RSI employee. Program partners are two HUD-certified housing counseling agencies: Affordable Housing Corp of Lake County (AHC) and Consumer Credit Counseling Services of Northern Illinois (CCCS). AHC conducts the vast majority of pre-mediation housing counseling sessions. CCCS began providing this service in December 2014, but maintains a minimal presence in the program. Generally, CCCS helps those homeowners who were already working with them and those who request to work with CCCS instead of AHC. The program has a roster of 23 private mediators trained in foreclosure mediation by RSI. These mediators conduct the mediations.

**Eligible Cases**

All homeowners whose residential mortgage foreclosure cases were filed after December 1, 2013, can request entry into the program, so long as they live in the residence or have the right to return to it and are the homeowner of record. Homeowners whose cases were filed prior to the program’s start date were permitted to motion the court to order the case to mediation, so long as there was no judgment against them and no motion for summary judgment was pending. This came into practice in July 2014. In December 2014, judges started ordering cases into the program. Many of those ordered in are homeowners who were unable to complete the requirements for entry or completion of the program when the case was first filed, effectively giving them a second chance to participate.

**Notification and Outreach**

The primary methods the program uses to notify homeowners of their opportunity to participate include information homeowners receive with their summons and a postcard the program coordinator sends shortly thereafter. The program coordinator also attends court calls so that interested homeowners attending the call can talk with her about the program. The court has a web page with information on how to learn more. The program also has a brochure and one-page FAQ that are available at the courthouse, housing counseling offices, local libraries and social service provider offices, and from government officials.

At the outset of the program, staff undertook a number of other efforts to recruit homeowners, as well. The focus was on gatekeeper outreach, meaning spreading the word to other community leaders, so that they could then take the message to those they serve. The program coordinator contacted state and district officials, attended community events and spoke at housing fairs and to church groups. AHC also conducted gatekeeper outreach for the program, focusing especially on reaching the Latino community. In addition, the program coordinator and the judges who work with the program made presentations at county board and township meetings. The court created a public access commercial, and one of the foreclosure judges was interviewed on local access television, as well.
Entry Process

All residential foreclosure cases are stayed for 42 days from the date of service of process or court order. Initially, the homeowners were required to attend a group informational session within 35 days of receiving the summons in order to participate in the program. They then had seven days from the informational session to call AHC to schedule a housing counseling session. This process changed in February 2016. Now, the homeowners must call the program coordinator for intake within 42 days of receiving their summons. However, if the lender attorney doesn’t inform the program coordinator that the homeowners have been served, the program coordinator drafts an order for the deadline to be extended another 42 days, which the judge signs.

When the homeowners call the program coordinator for intake, she determines if they are eligible, discusses their situation with them, and tells them how the program and foreclosure process work. She also outlines what they need to do moving forward. Finally, if the homeowners elect to enter the program, she schedules a housing counseling session, which must take place within 45 days of the intake call. Once the housing counseling session is scheduled, the homeowners are considered to be in the program and the case is stayed an additional 45 days from the date of the intake call.

Program Process

Pre-Mediation Phase

After scheduling their housing counseling session, the homeowners prepare their loan modification packet, which must be complete and provided to their housing counseling agency no later than five business days before the scheduled session. Prior to December 2014, homeowners brought the documents to AHC, which is located in the southeastern part of the county. In December 2014, homeowners gained the option of dropping off their packets at the more centrally-located foreclosure mediation program office or at Mano a Mano, a housing counseling agency in the northwestern part of the county. If the homeowners drop off their packet during business hours, staff at each of the drop off sites review the packet while the homeowners wait and let them know if anything is missing.

Once the homeowners complete the packet, they meet with a housing counselor. During this two-hour session, the housing counselor determines what options might be available to the homeowners, including whether they might be eligible for a loan modification. They also discuss next steps. After the session, the housing counselor submits the packet to the lender.

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9 Lender attorneys must inform the program coordinator of the date of service within five days. Due to difficulty in obtaining lender attorney compliance with this requirement, the court has decided that if lender attorneys do not comply, the judge will sign a court order to stay the case for an additional 42 days.

10 This informational session was available to all homeowners who were behind on their mortgage payments, not just those who had a foreclosure filed against them.

11 This deadline was extended from 30 days in the amended rule.

12 A packet, or loan modification packet is submitted to the lender for review of eligibility for loan retention options. See “Definitions” for a more thorough explanation.
Once the packet is submitted, the lender has 45 days to review the packet to ensure that it is complete and to request missing documents. In practice, the program coordinator often facilitates the exchange of documents. In order to encourage the timely submission of the Plaintiff’s Checklist, the program coordinator emails and calls the lender attorney to remind him or her of the deadline. If the lender attorney does not submit the Plaintiff’s Checklist within the deadline, the case is returned to court due to the lender’s non-compliance. Once the Plaintiff’s Checklist is submitted, the mediation is scheduled.

**Mediation Phase**

The first mediation session must be scheduled within 35 days from the date the program coordinator receives the Plaintiff’s Checklist from the lender attorney. All mediation sessions need to be completed within 90 days of the program coordinator’s receipt of the Plaintiff’s Checklist.

The homeowners and the lender attorney must attend the mediation in person. A representative from the lender must participate as well, but may do so by phone. In about half of the cases, two sessions are required. This is generally because the parties have not completed the document exchange. When the exchange has not been completed, the mediator facilitates the exchange, but also uses the opportunity to discuss possible options for the homeowners. The sessions take about one and a half hours to complete and take place in the program office, which is housed in the 19th Judicial Circuit’s Arbitration Center.

**Termination**

Cases are terminated from the program and returned to court to continue the foreclosure process when:

- The homeowners do not complete the required documentation within 45 days
- The homeowners do not appear for a housing counseling or mediation session
- The homeowners voluntarily withdraw from the program
- The homeowners and their lender do not reach an agreement to any option to avoid foreclosure
- The lender does not comply with program rules

If the homeowners and their lender agree to a temporary loan modification, the case is terminated from the program, and the stay of foreclosure proceedings is lifted. If they agree to another foreclosure avoidance option, the case is returned to court for dismissal.

**JUDGE AND PROGRAM ADMINISTRATION PERSPECTIVES**

The program coordinator and one of the foreclosure judges were interviewed to gain their perspectives on the program.

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13 In the amended rule, this deadline was extended from 60 days from the date the case was referred from housing counseling.
What is Working Well?

In 2015, both the judge and program coordinator pointed to housing counseling as a strength of the program. The judge noted that AHC was very good and very effective. The housing counselors did a good job of communicating with lenders and with the program coordinator. According to the program coordinator, this has changed recently, as will be discussed below.

Once homeowners enter the program, the program does a good job of helping homeowners and lenders come to agreement. The program coordinator noted that most mediators are more than willing to mediate more than one session and work well with her to ensure that they understand the needs of a particular case. While housing counselors have worked diligently to help homeowners explore all of their options and to think realistically about their situations, the mediators have also been trained to reality test options with both parties to ensure that agreements are practical and durable.

The program coordinator also mentioned that the judges are supportive and responsive to the need to make changes to the program. Judges participate in outreach and are active in efforts to make the program work. Both the judge interviewed and program coordinator pointed to the helpfulness of the monthly meetings among judges, program staff, housing counselors and other stakeholders to go over processes and discuss issues.

Beyond that, what works is that the program coordinator spends much of her time prodding homeowners, lenders and housing counselors to complete their required tasks on time. She says that this helps to ensure that deadlines are met and that everyone shows up for mediation.

Challenges

The program coordinator discussed current challenges to the program. The primary challenge is that due to reduced funding, the housing counseling agency, AHC, has scaled back its assistance to homeowners who are entering the program. This has led to fewer cases being resolved before mediation. AHC housing counselors are also missing deadlines. Homeowners should meet with the housing counselors within 30 days of contacting the program coordinator so that they have time to complete their loan modification packet, but the housing counselors are not able to accommodate them within that timeframe because they have taken on other projects that provide funding for the agency. If she could, the program coordinator would hire a full-time housing counselor whose only clients would be the homeowners entering the program.

Response to Earlier Challenges

In interviews for the 2015 evaluation, both the judge and the program coordinator recognized that program usage was too low because the barriers to entry were too high. This led to a series of changes, some of which were instituted prior to that evaluation.

The first change was to expand the program to include cases filed prior to the program’s launch on the homeowner’s motion. This, too, proved difficult for unrepresented homeowners who did not know how to file a motion, so the court changed its rule to clarify that judges could order cases to mediation on the court’s own motion. The court also amended its rule to change how homeowners entered the program. Instead of attending an informational session, the homeowners now enter the program by calling the
program coordinator to conduct intake and to schedule a housing counseling appointment. Additionally, the program started allowing homeowners currently working with Consumer Credit Counseling Services of Northern Illinois to continue working with that agency while participating in the program, thus providing easier access to the program for those homeowners.

Another early challenge was getting both lenders and homeowners to comply with the stringent deadlines for document submissions and packet review. The short deadlines also negatively affected the mediation, as the first mediation often becomes a document exchange facilitation, necessitating further mediation sessions to conduct negotiations. This created issues with the program’s 60-day limitation of the time in mediation. There were times when the mediator and both parties agreed that an additional mediation session would have been helpful and might have resulted in an agreement, but the parties were unable to hold an additional session. To remedy this, the court extended deadlines in the amended rule.

These changes have had a significant impact on the program’s effectiveness. This will be discussed under “Program Performance,” below.

**PROGRAM CHARACTERISTICS**

The 19th Circuit program helped more homeowners than any other program but the 16th Circuit program. Despite having the lowest participation rate, it is still the second largest program after the 16th Circuit program. Judges began referring cases to the program in 2015, with a referral rate higher than any program but the 20th Circuit program. All participating homeowners received housing counseling assistance, but the data indicated that only 52 were represented by an attorney.

**Judicial Circuit Characteristics**

The 19th Circuit serves Lake County, a large suburban Chicago county of about 700,000 residents. The population is 63% non-Hispanic White, 21% Latino/Hispanic and 7% Black/African-American. The median household income for the county is about $80,000, with a poverty rate of 9%. This puts it at about 40% above the national median household income and 14% above the median for Illinois. In May 2018, the foreclosure rate was 1 in 1,063 homes.

**Program Size**

**This program helped the second highest number of homeowners**

The number of filings in the 19th Circuit dropped from 2,129 to 1,445 from 2014 to 2017. Despite the drop, this remained the largest number of filings among the jurisdictions served by the eight programs. During this time, the program helped 1,016 homeowners, with an average of 254 helped per year. An average of 196 participated in the program each year. The number of homeowners helped rose in 2016 and 2017 in response to changes made to the program.
Case Characteristics

Referral Sources
Homeowners first contacted the program after referral from a variety of sources. The sources were more varied in 2015, when homeowners attended informational sessions, which were available to all homeowners who were behind on their mortgage and, therefore, did not all have a foreclosure filed against them. The sources in 2016–2017 were primarily the homeowners’ summons, the judge for their case or a postcard from the program. In 2015, a significant number were referred by their attorney (110), the county (32) and a web search (28).

<table>
<thead>
<tr>
<th>Referral Source</th>
<th>#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notice with summons</td>
<td>316</td>
</tr>
<tr>
<td>Judge/Court order</td>
<td>204</td>
</tr>
<tr>
<td>Attorney/Lender</td>
<td>148</td>
</tr>
<tr>
<td>Postcard</td>
<td>80</td>
</tr>
<tr>
<td>Web/Word of mouth</td>
<td>78</td>
</tr>
<tr>
<td>Government/Non-Profit agency</td>
<td>47</td>
</tr>
<tr>
<td>Other</td>
<td>26</td>
</tr>
</tbody>
</table>

Judges ordered 20% of homeowners into the program
After referring only seven cases into the program in 2014, the judges made a concerted effort to order more cases in. Over the next three years, the judges ordered 197 cases into the program, 20% of the total homeowners who were referred to the program or contacted it on their own. This overall number obfuscates annual differences in referral rates, which rose dramatically in 2015, but declined over the next two years.

<table>
<thead>
<tr>
<th>Judicial Referrals by Year</th>
<th>#</th>
<th>% of contacts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>7</td>
<td>3%</td>
</tr>
<tr>
<td>2015</td>
<td>88</td>
<td>31%</td>
</tr>
<tr>
<td>2016</td>
<td>61</td>
<td>25%</td>
</tr>
<tr>
<td>2017</td>
<td>48</td>
<td>20%</td>
</tr>
</tbody>
</table>

The judges also ordered 74 cases back into the program after the homeowners weren’t able to comply with program requirements.

What does this mean?
The judges successfully expanded the program to homeowners who did not respond to the notice of mediation with their summons, offering them a second opportunity to participate. This has not only allowed more homeowners to receive information that is helpful to them in navigating the foreclosure process, but also led to more homeowners being able to avoid foreclosure.

Services Received
All participating homeowners were required to sit down with a housing counselor to go over their finances and learn about the available options for their homes. Information about how many homeowners had legal counsel is incomplete. The data indicates that attorneys represented at least 52 homeowners who entered the program. Most of them were private counsel.

Wish to Keep Home
Little data is available on whether the homeowners wanted to keep their home. Only 162 homeowners provided that information. Of those, 158 wanted to keep their homes and four did not.
Reason for Default
Even less information is available on the reason homeowners defaulted on their mortgage. Of the 53 who provided a reason, 32 lost their job, 16 lost income or were earning less, and 4 had credit debt or increased expenses.

PROGRAM PERFORMANCE
The performance of a foreclosure mediation program is determined by a number of factors as cases move through the program:

- The proportion of homeowners facing foreclosure who participate\(^\text{14}\)
- How many of those homeowners complete the program by having their packets reviewed and negotiating with their lenders
- How many of those outcomes are positive – either retentions or relinquishments, with an emphasis on homes retained
- How well homeowners are served in other ways, including increasing their understanding of their situations and ensuring they are treated well

<table>
<thead>
<tr>
<th>PERFORMANCE SNAPSHOT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Launch – December 2017</td>
</tr>
<tr>
<td>Impact</td>
</tr>
<tr>
<td>The program helped 1,016 homeowners, with 202 avoiding foreclosure and 184 saving their home</td>
</tr>
<tr>
<td>Participation</td>
</tr>
<tr>
<td>On average, 196 homeowners participated each year</td>
</tr>
<tr>
<td>Outcomes</td>
</tr>
<tr>
<td>25% of participants kept their homes</td>
</tr>
<tr>
<td>47% did not complete the program</td>
</tr>
<tr>
<td>54% of homeowners who completed the program avoided foreclosure</td>
</tr>
<tr>
<td>91% of homeowners who avoided foreclosure kept their homes</td>
</tr>
<tr>
<td>Agreement Rate</td>
</tr>
<tr>
<td>43% of cases referred to mediation reached agreement</td>
</tr>
<tr>
<td>Participant Experience</td>
</tr>
<tr>
<td>Homeowners felt respected and treated fairly; the great majority were satisfied with their experience and the outcome</td>
</tr>
<tr>
<td>Time in Program</td>
</tr>
<tr>
<td>Cases averaged 96 days to complete the program</td>
</tr>
</tbody>
</table>

Program Impact
Program impact is defined, for this evaluation, as the percentage of homeowners facing foreclosure who have been assisted in some way by the program. This includes providing information to the

\(^{14}\) The terms “homeowners facing foreclosure” or “homeowners with a foreclosure filed against them” will be used throughout this section to denote the full population of homeowners who would have received a notice of mediation. These homeowners include those who are ineligible for the program because they don’t fit the requirements laid out in the rule.
homeowners about the foreclosure process and possible options for their home, helping them to submit their loan modification packets, and facilitating negotiations with their lender.

Because the calculations are based on all homeowners facing foreclosure and not just those eligible to participate, the impact of the program is understated. The percentages provided here are lower than they would be if only eligible homeowners were included in the filing numbers. The program’s overall impact is further understated because a number of cases that were filed during the evaluation period are still open and, therefore, do not have an outcome.

All of this means that the percentages discussed below are not precise. They do, however, help to place the program’s impact relative to the other programs in the study.

**Homeowners Helped**

The program had the lowest impact of the eight programs

The 19th Circuit program benefitted 1,016 of the 6,918 homeowners who had a foreclosure filed against them during the evaluation period, or 15%. This places it at the bottom of the Attorney General-funded programs. This percentage belies the significant increase in impact that took place after the rule was amended in February 2016, however, as will be discussed later.

<table>
<thead>
<tr>
<th>Circuit</th>
<th>Homeowners Helped (% of foreclosures filed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Circuit</td>
<td>64%</td>
</tr>
<tr>
<td>6th (Champaign)</td>
<td>50%</td>
</tr>
<tr>
<td>6th (Macon)</td>
<td>46%</td>
</tr>
<tr>
<td>16th Circuit</td>
<td>27%</td>
</tr>
<tr>
<td>17th Circuit</td>
<td>17%</td>
</tr>
<tr>
<td>19th Circuit</td>
<td>15%</td>
</tr>
<tr>
<td>20th Circuit</td>
<td>20%</td>
</tr>
<tr>
<td>21st Circuit</td>
<td>53%</td>
</tr>
</tbody>
</table>

**WHAT DOES THIS MEAN?**

The program was designed to provide homeowners with significant assistance at the outset. This was initially the role of the informational session, so that all homeowners who contacted the program were provided information that could help them navigate the foreclosure process. However, the session proved to be a significant hurdle to both contact and participation, and was eliminated in hopes that more homeowners would be helped.

The proportion of homeowners who contacted the program did rise after the informational session was eliminated. However, homeowners who contacted the program after the 2016 rule change received less information at intake. This is the tradeoff. Nonetheless, all homeowners who contacted the program
were informed of the resources available to them, learned about their options for their homes and received information on the foreclosure mediation program. Further, the homeowners who made it to their housing counseling session spent two hours going over their financial records, learning how to work with their lender and being apprised of their options and the foreclosure process.

**Foreclosure Avoidance and Home Retention**

The program helped more than 200 homeowners avoid foreclosure

In the 19th Circuit, 202 homeowners avoided foreclosure through the program. This amounts to 3% of all those who had a foreclosure filed against them. Of these, 184 saved their homes.

<table>
<thead>
<tr>
<th></th>
<th>Homeowners Avoiding Foreclosure (% of foreclosures filed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>16%</td>
</tr>
<tr>
<td>6th (C)</td>
<td>18%</td>
</tr>
<tr>
<td>6th (M)</td>
<td>11%</td>
</tr>
<tr>
<td>16th</td>
<td>6%</td>
</tr>
<tr>
<td>17th</td>
<td>5%</td>
</tr>
<tr>
<td>19th</td>
<td>3%</td>
</tr>
<tr>
<td>20th</td>
<td>6%</td>
</tr>
<tr>
<td>21st</td>
<td>22%</td>
</tr>
</tbody>
</table>

**Homeowners Saving Home**

Most of the homeowners who avoided foreclosure were able to save their home. Thus, 184 homeowners who had a foreclosure filed against them were able to save their home through the program.

<table>
<thead>
<tr>
<th></th>
<th>Homeowners Who Saved Home (% of foreclosures filed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>13%</td>
</tr>
<tr>
<td>6th (C)</td>
<td>14%</td>
</tr>
<tr>
<td>6th (M)</td>
<td>8%</td>
</tr>
<tr>
<td>16th</td>
<td>5%</td>
</tr>
<tr>
<td>17th</td>
<td>5%</td>
</tr>
<tr>
<td>19th</td>
<td>3%</td>
</tr>
<tr>
<td>20th</td>
<td>5%</td>
</tr>
<tr>
<td>21st</td>
<td>17%</td>
</tr>
</tbody>
</table>
WHAT DOES THIS MEAN?

It appears that participation rates affect the overall program impact, as the 19th Circuit program’s relatively low participation rate has led to a lower percentage of homeowners avoiding foreclosure.

Participation

Program participation is one of the most important performance indicators for a foreclosure mediation program. If homeowners are to be helped by the program, they first need to participate in it. Note, however, that when considering a program’s overall effectiveness in bringing homeowners into the program, it should be acknowledged that a 100% participation rate is neither possible nor desirable. Many homeowners are not interested in or capable of avoiding foreclosure. Those homeowners are better served by the court process.

In the 19th Circuit program, homeowners are currently considered to participate if they first contact the program coordinator for intake, and then meet with a housing counselor after completing their loan modification packet. This means homeowners can start the process to enter the program and not complete it. Thus, the program has two tasks in bringing homeowners into the program. The first is encouraging homeowners to make first contact with the program. The second is getting homeowners to participate once they have contacted the program.

Contact Rate

The program’s low contact rate has risen significantly since 2014

Although the 19th Circuit program still has the lowest percentage of homeowners contacting the program of the eight Attorney General-funded programs, the rate has risen from 11% in 2014 to 17% in 2017.
Conversion of Contacts to Entries

The program's conversion rate has risen substantially

Over the course of the evaluation period, 77% of homeowners who contacted the program completed the steps to enter it. However, the percentage significantly increased after the rule change in February 2016. In 2014, only 66% of homeowners who contacted the program completed the steps to enter it. This declined to 63% in 2015, but rose substantially after the rule was amended to make it easier for homeowners to enter the program. In 2016, the percentage rose to 92%; in 2017 it was 88%. This means that it went from having the worst conversion rate to the best of the four multi-step entry/hybrid programs.

Effect of the Rule Change on Participation

The 19th Circuit amended its foreclosure mediation rule in February 2016 to make it easier for homeowners to participate in the program. As seen above, the rule change had an effect on the percentage of homeowners contacting the program and a dramatic effect on the percentage who then entered the program after contacting it. Overall, the probability of a homeowner contacting the program after the rule change was 1.2 times greater than before. The probability of entering rose tremendously: homeowners who contacted the program after the rule change were 4.9 times more likely to enter the program than they were before the rule change.15

What does this mean?

The data shows that the court has successfully addressed two of its biggest challenges: getting homeowners to make the first contact, and then getting them to take the necessary steps to participate. It did so by making it easier to make first contact with the program and by lowering the barriers to entry.

One reason the rule change did not have as dramatic effect on the contact rate is that the court had already done much to increase the number of homeowners given the opportunity to participate by ordering more cases into the program in 2015.

Outcomes

The homeowners who enter the program will end with one of four outcomes:

- Leave the program before completing negotiations with their lender
- Reach an agreement to retain their home

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15 See Statistics Appendix in the full evaluation for more details.
- Reach an agreement to relinquish their home without a foreclosure judgment
- End negotiations without an agreement

As with participation, the program cannot and should not expect 100% of homeowners entering the program to complete it with an agreement to avoid foreclosure. Some homeowners will not qualify for any available option, some may find that they cannot afford options that are offered, and some may decide their best option is to leave the program and go through the foreclosure process. So, the effectiveness of the program at producing desirable outcomes is determined more by how it measures against other programs than against a particular ideal percentage.

Homeowners were slightly more likely to get to the point at which they could discuss their options with their lender than to exit early. Almost 3 in 10 reached an agreement to avoid foreclosure. If homeowners completed the program, they were very likely to keep their homes.

Program outcomes examined for the 19th Circuit program include:

- Program completion rate and reasons for non-completion
- Foreclosure avoidance rate
- Types of home retention and relinquishment
- Effect of services on outcomes
- Effect of the rule change on outcomes

### Overall Outcomes

The homeowners who entered the 19th Circuit program were more likely to get to the point at which they could discuss their options with their lender than to exit early. Once they did, they were more likely to reach an agreement to avoid foreclosure than to leave the program without an agreement.

### Completion Rate

**About half of participating homeowners completed the program**

The 19th Circuit program had the second lowest rate of completion of all eight programs. Of the homeowners who entered the program, 53% were able to complete it. The percentage of homeowners who completed the program dropped from 59% in 2015 to 50% in 2017.

<table>
<thead>
<tr>
<th>Outcomes (n = 735)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement: Retention</td>
<td>185</td>
<td>25%</td>
</tr>
<tr>
<td>Agreement: Relinquishment</td>
<td>18</td>
<td>2%</td>
</tr>
<tr>
<td>No Agreement</td>
<td>172</td>
<td>23%</td>
</tr>
<tr>
<td>Closed: Program Not Completed</td>
<td>345</td>
<td>47%</td>
</tr>
<tr>
<td>Other</td>
<td>15</td>
<td>2%</td>
</tr>
</tbody>
</table>
WHAT DOES THIS MEAN?
As will be seen below, this relatively low completion rate was due in part to the program’s strict deadlines and, in part, to lenders not complying with them. It is probable that the participation rate is having an effect on the completion rate. The drop in completion rate may be due to the greater percentage of homeowners entering the program and the ease of entry. This may have meant that some less motivated homeowners told the program coordinator they were continuing forward into the program, and then decided against it. However, the drop in completion rate is not as large as the increase in participation rate, indicating that the two aren’t completely dependent on each other.

Reasons for Non-Completion
Most homeowners who did not complete the program did not provide complete documentation on time.
Homeowners most often exited early because they did not provide their documentation on time. This was the reason for 43% of the non-completions. Another 27% of homeowners voluntarily withdrew, and most homeowners who withdrew did so because they knew they wouldn’t be able to comply with the deadline. Another 4% didn’t comply with the housing counselor. This, too, was most likely due to their not providing their documents on time, although some may not have appeared for a housing counseling session. This means that as many as 73% of homeowners who left the program early did so because they didn’t comply with the program’s deadlines for document submission.

Another 7% of cases were closed out of the program because the lender either didn’t comply with deadlines or didn’t appear for a mediation session, and the case did not return to the program by order of the court. This included at least half of the cases that exited after the housing counselor referred the case on to mediation, but before mediation was completed. (A significant number of other cases were returned to the program after the lender did not comply.)
### Reasons Homeowners Leave Program (n=349)

<table>
<thead>
<tr>
<th>Reason</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowners didn’t provide full documentation on time</td>
<td>151</td>
<td>43%</td>
</tr>
<tr>
<td>Homeowners voluntarily withdrew</td>
<td>95</td>
<td>27%</td>
</tr>
<tr>
<td>Homeowners did not appear for a session</td>
<td>53</td>
<td>15%</td>
</tr>
<tr>
<td>Lender did not comply</td>
<td>26</td>
<td>7%</td>
</tr>
<tr>
<td>Homeowners didn’t comply with housing counselor</td>
<td>15</td>
<td>4%</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>2%</td>
</tr>
</tbody>
</table>

**WHAT DOES THIS MEAN?**

The percentage of homeowners who didn’t provide documents on time grew in 2016 and 2017, despite lengthened deadlines for homeowners to submit documents. As with other programs, the reason homeowners did not provide complete documentation cannot be completely understood from the available data because homeowners did not always communicate their withdrawal from the program. Therefore, the reason for the increase in homeowners not submitting their documents is not known. However, as noted above, it may be an artifact of the change in the program entry process.

Homeowners who were counted as voluntarily withdrawing were the ones who told either the housing counselor or the program coordinator of their decision not to continue with the program. According to the program coordinator, these were generally homeowners who were not able to complete their documentation on time due to the program’s short deadlines. The ones who were marked as not completing their documentation or not appearing for a session may have had the same problem and just not communicated it to the housing counselor or program coordinator. It is not clear, then, how many homeowners left the program because they could not comply with the program deadlines, and how many left because they decided it was better to let the foreclosure process continue, or because they achieved a satisfactory outcome on their own.

Lender noncompliance is an issue in this program as well. Because of the deadlines set for both document exchange and mediation, when a lender doesn’t comply with the deadline, the case is returned to court, leading the judge to return the case to the program.

**RECOMMENDATION:** If the court wants to keep the deadlines in the existing rule, the judges should continue to order back in cases that exited the program early. Judges should also communicate their expectations to the lenders to ensure compliance so that the cases don’t exit early.

**Foreclosure Avoidance**

The 19th Circuit program has the lowest foreclosure avoidance rate, at 28% of participating homeowners, which is 1% below that of the 16th Circuit program. The rate has declined in 2016 - 2017, a decline that corresponded to an increase in the percentage of homeowners who didn’t complete the program.
WHAT DOES THIS MEAN?
The comparatively low rate of both retentions and relinquishments is almost identical to that of the 16th Circuit program, which is the program that is the closest comparison to the 19th Circuit program in terms of the process taken to achieve outcomes.

Types of Retentions
Almost all the homeowners received a loan modification, most of which started out as temporary before being converted to permanent modifications at the end of the trial payment plan. A handful each reached agreement for reinstatement of the loan, forbearance and a repayment plan. Two were able to receive assistance through the Hardest Hit Fund.

Types of Voluntary Relinquishments
Short sales were the most common form of voluntary relinquishment. Of the 16 relinquishments agreed upon, ten were short sales, three were deeds in lieu, two were for the lender to help the homeowners relocate (cash for keys) and one was for a consent judgment.
**Outcomes of Cases Closed Prior to Referral to Mediation**

15% of homeowners who avoided foreclosure did so without being referred to mediation

Homeowners are most likely to be referred to mediation at the end of pre-mediation, though many exit the program before referral. About 15% of homeowners who achieve some form of retention or relinquishment option do so prior to being referred to mediation.

**WHAT DOES THIS MEAN?**

The housing counselors got positive results in the majority of cases: they helped 61% of homeowners to complete their packets, and helped 30 to reach agreement to keep their homes. As in the other programs, most of the homeowners who leave the program without completing it do so before referral to mediation.

**Outcomes of Cases Referred to Mediation**

The most likely outcome of cases referred to mediation is an agreement

In all, 43% of the homeowners who were referred to mediation reached an agreement with their lender. In most of those cases, the homeowners reached an agreement to retain their home. Another 41% discussed options with their lender but left the program without an agreement. Only 13% exited without fully discussing their options with their lender.

**WHAT DOES THIS MEAN?**

The agreement rate for homeowners who completed mediation was 11% higher than the agreement rate in the 16th Circuit program, which is the most directly comparable to the 19th Circuit program, and was is in the middle for programs nationally.\(^1\)

**What Affects Outcomes?**

In the 19th Circuit program, attorney representation had no effect on outcomes. Neither did extending deadlines for document submission, packet review or mediation. Ordering cases back in to the program did have an effect.

**Attorney Representation**

The effect of attorney representation was negligible in the 19th Circuit program. The homeowners who had an attorney were neither more likely to complete the program nor to avoid foreclosure. This pattern, which differs from all other programs, may be due to incomplete data, as information on whether homeowners were represented by an attorney was not available for all cases.

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\(^1\) For national statistics, see: Jennifer Shack and Heather Scheiwe Kulp. *Foreclosure Mediation by the Numbers*. Resolution Systems Institute (September 2012).
Extending Deadlines
The court extended deadlines in response to complaints by lender attorneys about the short timeframe for reviewing loan modification packets, as well as to the high number of homeowners who either withdrew or dropped out of the program because they couldn’t complete their packets on time. In theory, this should have increased the completion rate for the program. It did not. The completion rate declined over the past two years. The reason for this isn’t known, but, as noted earlier, may be due to the higher percentage of homeowners entering the program. Some less motivated homeowners may have told the program coordinator they were continuing with the program, but later decided against it. It also appears that lender non-compliance remained an issue after the rule change, as 50% of non-completions after referral to mediation were due to the lender not complying with the rule.

Orders to Return to Program
During the evaluation period, 80 cases were ordered back into the program after they had been removed from the program for lack of compliance either by the homeowners or their lender. This had the effect of allowing 46 homeowners to fully negotiate with their lenders and 20 to save their homes.

Time in Program
The 19th Circuit program has the shortest time to completion of any of the programs

<table>
<thead>
<tr>
<th>Average Days in Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>In program – completed</td>
</tr>
<tr>
<td>96</td>
</tr>
</tbody>
</table>

**WHAT DOES THIS MEAN?**
When designing the program and writing the rules, the court placed emphasis on the speedy completion of the program, establishing strict deadlines for the homeowners and their lender to complete the packet, review it and conduct document exchange. The program also limited the mediation process to 60 days. This led to a very short average time in program of 63 days for completed cases. The 2016 rule change lengthened the timeline for cases to be in the program. This led to a 50% longer average time in program; however, the program still had the shortest time to completion of any of the eight Attorney General-funded programs. Thus, the court was able to ease the time restrictions on the program participants while still achieving its goal of an efficient program process.

Sustainability
One of the Attorney General’s main goals for the grant was for the programs it funded to become self-sustaining. The 19th Circuit program achieved this goal. The court and program administrator, Resolution Systems Institute, worked together to devise a plan that allowed the program to continue in the absence of grant funding. It will be funded through filing fees and continue to be administered by RSI.
Participant Experience

The homeowners completed surveys at the end of the informational session (when applicable), after they completed housing counseling and, along with the representative from the lender and the attorneys, at the end of each mediation session.

Informational Session Survey

In 2014 - 2015, homeowners were required to attend an informational session in order to participate in the program. These sessions were presented by the housing counselors from AHC. After the session, homeowners were asked to complete a survey about the session. In all, 1,254 did.

Homeowners who attended the informational session rated it highly, with 76% giving a rating of “excellent” for the session overall. The goals of the session were to help the homeowners understand their options, the foreclosure mediation program and how to contact AHC. More than three-quarters said they very much understood all of these.

Homeowners found the sessions to be informative, with almost all leaving with a greater understanding of their options and of how the foreclosure mediation program works. Most felt they understood these very well. Most homeowners who commented on what they liked about the session mentioned the information they received:

- “Very Informative.”
- “Very concise and thorough explanation of the options and how to proceed.”
- “Information and options.”
- “I learned more about what to do about the house.”
- “Great presentation of information.”
- “Concise information. Very knowledgeable presenter.”
- “Learned about answers to questions that I didn’t know to ask.”
- “Options that I wasn’t aware of before class.”

Homeowners also appreciated that the housing counselors presented the information in simple terms they could understand:

- “Easy to Understand. Explained well.”
- “What I like the most is that [the housing counselor] was very clear explaining everything. The information will be very useful. Thanks.”
- “The knowledge of Instructor and how well she presented and made it easy to understand.”
- “How it was taught in simple words in group.”
- “Explained everything in English not Bankish.”
- “Presenter was well-spoken and explained well for easy understanding.”

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17 All homeowners completed a survey at the end of the informational session, whether they were eligible for the program or not.
Many homeowners wrote about the way the housing counselors made them feel. This is a theme throughout the mediation program process as well, demonstrating how much this matters to homeowners:

- “Relaxed presenter made me very comfortable.”
- “The presenter laid the information out in a non-judgmental fashion. Fact-based and compassionate.”
- “Low stress/ non-confrontational.”
- “Friendly and not belittling.”
- “That someone cares.”
- “La buena disposicion de las personas del grupo AHC.” [The nice disposition of the people from AHC.]
- “No judgments!”

A few had the same thought – that they now had hope:

- “Hope for the future.”
- “Gives me hope.”
- “Gave me a feeling of way out.”
- “Very informative. Provided hope.”

Homeowners who commented on what they did not like about the session tended to note that the information was a lot to take in within such a short amount of time. Although the quick pace was seen by others as a positive aspect of the session, it was difficult for some homeowners:

- “Too much info in short time.”
- “Lot of information – which was overwhelming but I feel it was all necessary.”
- “Retaining all the information – being sure all is understood and learning how to proceed. There was an attorney in the audience and he even misquoted what he thought he heard relating to timeline responses.”
- “Fast paced but I understand it’s a lot of content within a short time.”

**NOTE:** Due to the homeowners’ very positive response to the informational session and their satisfaction with the amount of information they obtained from it, the 2015 evaluation recommended that the program create videos for the homeowners, if the informational sessions were going to be eliminated. The program did this, and all homeowners who contact the program are told of the videos. As of October 1, 2018, the videos had been viewed almost 900 times. There is no data on who viewed the videos, so it is not known what percentage of homeowners who contacted the program viewed it.
Pre-Mediation Session Survey

Homeowners were very satisfied with their experience in housing counseling and felt that they gained information that helped them understand their options and how to work with their lenders. They also all felt they were treated very fairly and “very much” with respect. Their high regard for the process is also telling in their comments, which were not only positive, but lengthy.

Pre-Mediation: Procedural Justice

This evaluation assessed how the homeowners felt they were treated by examining their experience of procedural justice. Procedural justice is considered to be one of the most important aspects of a party’s experience with the justice system. Its presence or lack thereof has a significant impact on parties’ satisfaction with the justice system and their perception of its fairness. Research has found that the most important characteristics of procedural justice are voice (the sense that one’s voice has been heard in the process) and respect (the sense that one’s feelings, ideas, and positions have been treated with respect in the process).

Because housing counseling is not a dispute resolution procedure, the procedural justice questions were limited to those about how the homeowners felt they were treated:

- Did the counselor treat you with respect?
- Did the counselor treat you fairly?

Almost all homeowners felt they were treated very much with respect and fairly

Almost every homeowner who responded to the survey felt they were treated “very much” with respect and “very much” fairly. Two said they were treated “somewhat” with respect and “somewhat” fairly.

More than a third of homeowners talked about how the housing counselors treated them. Some representative comments were:

- “[The housing counselor] was extremely kind and respectful.”
- “[The housing counselor] was very kind, understanding, very helpful!”
- “The way she [the housing counselor] treated us like real people even if we are having financial struggles.”
- “We were treated in a professional, dignified and respectful manner.”

<table>
<thead>
<tr>
<th>Pre-Mediation: Respect and Fairness (n=366)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treated with respect</td>
</tr>
<tr>
<td>Treated fairly</td>
</tr>
</tbody>
</table>

18 The housing counselor handed the homeowners the survey after they completed the final session. The counselor left while the homeowners completed the survey, and asked the homeowners to put it in a box by the door as they left. In all, 366 homeowners in 358 of 728 cases responded to the survey. This is a 46% response rate.


20 Id.
• “I truly appreciate the compassion and understanding! I felt very comfortable and relieved as this has been very stressful.”
• “[The housing counselor] was superb - she couldn't have been better or more understanding.”
• “It is good to know she cares and is on my team.”
• “The openness. No bullsh**ting! She’s very honest!! I felt like myself, not nervous.”
• “Amazingly personable, attentive and responsive to all questions.”

What does this mean?
The homeowners’ responses and comments demonstrate that they felt that they were being treated with the respect the court hoped the mediation program would provide.

Pre-Mediation: Understanding
Almost all homeowners who met with a housing counselor left with a greater understanding of their options and how to work with their lenders. Most felt that they gained “very much” understanding.

<table>
<thead>
<tr>
<th>Pre-Mediation: Increase in Understanding (n=366)</th>
<th>Very much</th>
<th>Somewhat</th>
<th>No, understood before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understand options better than before</td>
<td>79%</td>
<td>20%</td>
<td>1%</td>
</tr>
<tr>
<td>Understand how to work with lender better than before</td>
<td>77%</td>
<td>22%</td>
<td>0%</td>
</tr>
</tbody>
</table>

More than two-thirds of homeowners who commented on what they liked about the housing counseling session said they appreciated the amount of information they received:

• “Full explanation of process and what to expect.”
• “She explained to me better what the bank is looking for.”
• “Counselor was very helpful in understanding the situation and explaining the options.”
• “The sessions were very thorough. The counselor spoke clearly and gave examples of what was expected of the borrower getting paperwork into their office and what the lender also expected of the borrower.”
• “[The counselor] went over every piece of paperwork with us and explained every process we will be going through very clearly and with patience. It was very helpful.”
• “Very thorough - thank you for all your advice and answers to our questions. Much easier than working with the bank.”
• “[The counselor] is tremendously knowledgeable and explained everything in detail and left nothing for us to worry about. She’s a gem!”
• “Went over all documents/ program thoroughly. Provided action items. Went through the process and what to expect.”
• “[I liked] knowing and understanding all my options and possible outcomes through a foreclosure process.”
• “I feel much better after the counselor fully explained the process.”
**WHAT DOES THIS MEAN?**

One of the most important goals for the court and for the program was that all homeowners who entered the program gained a better understanding of their situations and how to move forward. With almost every homeowner saying their understanding increased, the program did well in this respect.

**Pre-Mediation: Satisfaction**

Most homeowners were *very satisfied* with their experience in pre-mediation.

<table>
<thead>
<tr>
<th>Pre-Mediation: Satisfaction (n = 366)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Very Satisfied</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>How satisfied are you with your</td>
</tr>
<tr>
<td>overall experience?</td>
</tr>
</tbody>
</table>

*The homeowners who marked “very unsatisfied” most likely meant to mark “very satisfied,” as all their other responses were positive.

As mentioned above, most homeowners who commented about what they liked about housing counseling talked about how they were treated or how informative the session was. There were a few, however, who talked about the emotional impact the session had on them. They talked about feeling less stressed, being reassured, being able to put their worries aside. A couple talked about how they no longer felt alone, while two others talked about becoming more optimistic and less scared.

**WHAT DOES THIS MEAN?**

Overall, housing counseling was very much appreciated by the homeowners, who felt they were being treated with kindness, patience and respect. They believed they were learning a lot from the session, which sometimes led them to feel more comfortable, less stressed and less alone.

**RECOMMENDATION:** Continue to require all homeowners to attend housing counseling at the outset of the program.

**Mediation Session Survey**

All participants had an experience of procedural justice and most were satisfied with the process and outcome. Mediators were largely seen as helpful and non-coercive, although 11% of homeowners felt the mediators pushed too hard. Lender representatives and lender attorneys who completed the survey

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21 Mediators handed the participants the surveys to complete at the end of each session, then left the room while they completed them.

- 417 homeowners responded for 273 cases. The total number of cases mediated was less than 334 cases; thus the response rate is at least 82%.
- 275 lender representatives responded for 273 cases. The total number of cases mediated was less than 334 cases; thus the response rate is at least 82%.
- 80 homeowner attorneys responded; the response rate is unknown
- 280 lender attorneys responded for 275 cases, for a response rate of at least 82%.
after the 2015 evaluation had fewer reservations about the neutrality and expertise of mediators than those who responded before the evaluation.

**Mediation: Procedural Justice**
As with housing counseling, the homeowners who participated in mediation were asked about their experience of procedural justice. In this context, they were asked questions that explored whether they felt respected and whether they felt they had voice:

- **Were you able to talk about the issues that were most important to you?**
  - Response Scale: All, Most, Some, None
- **Did the mediator understand what was important to you?**
  - Response Scale: Very Much, Somewhat, Not at All
- **Did the mediator treat you with respect?**
  - Response Scale: Very Much, Somewhat, Not at All
- **Did the mediator treat you fairly?**
  - Response Scale: Very Much, Somewhat, Not at All
- **Was the mediation process fair?**
  - Response Scale: Very Much, Somewhat, Not at All

**Homeowners felt they had an experience of procedural justice**
Most homeowners felt they had voice, in that they were able to talk about all or most of their issues and concerns and that they felt the mediators understood what was important to them. Most felt they were treated with very much respect and very fairly.

Homeowners and homeowner attorneys were less likely than lenders and lender attorneys to feel they were able to talk about the issues and concerns that were important to them. Interestingly, the reverse was true about whether they believed that the mediator understood what was important to them. Almost all homeowners and homeowner attorneys felt that the mediators treated them very fairly and with very much respect. Fewer participants believed the process was fair.

**Able to Talk about Issues and Concerns**
Although 87% of homeowners felt they were able to talk about all or most of their concerns, less than two-thirds felt they could talk about all of them. The pattern was similar for their attorneys. In contrast, 89% of lender representatives and 85% of lender attorneys felt they were able to talk about all of their issues and concerns.
Understanding, Respect and Fairness

The participants were asked three questions about the mediator that helped to gauge their experience of procedural justice:

- Did the mediator understand what was important to you/your side?
- Did the mediator treat you with respect?
- Did the mediator treat you fairly?

The response options were Very Much, Somewhat and Not at All.

The homeowners were more likely to believe the mediator understood them than to feel they had the opportunity to talk about their issues and concerns, with 89% saying the mediator “very much” understood them. A similar percentage of their attorneys thought the same. Interestingly, the opposite is true of the lender representative and lender attorney. This differs from the other programs in the study.

<table>
<thead>
<tr>
<th></th>
<th>Mediator Understood</th>
<th>Mediator Treated You with Respect</th>
<th>Mediator Treated You Fairly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner</td>
<td>89%</td>
<td>97%</td>
<td>97%</td>
</tr>
<tr>
<td>Lender</td>
<td>79%</td>
<td>96%</td>
<td>92%</td>
</tr>
<tr>
<td>Homeowner Attorney</td>
<td>91%</td>
<td>100%</td>
<td>98%</td>
</tr>
<tr>
<td>Lender Attorney</td>
<td>85%</td>
<td>96%</td>
<td>93%</td>
</tr>
</tbody>
</table>

Fairness of Process

Most participants viewed the process as at least somewhat fair, with two-thirds believing it to be very fair.
Of the 192 homeowners who commented on what they liked about mediation, 56 mentioned procedural justice issues, showing again how important this was to them. Among their comments were:

- “Everything was friendly and fair.”
- “I believe he was fair and pushed to help resolve the matter.”
- “Our mediator. . . was a very kind patient man.”
- “The respect and overall knowledge.”
- “I liked that I was treated with respect even when my feelings got in the middle.”
- “Everybody was civil and pleasant.”
- “All parties were respectful and considerate of each other during this mediation.”
- “The way that all parties respect us. The mediator is a professional and very patient.”
- “Mediator fair and respectful.”
- “Fair and respectfully done.”
- “All parties were every courteous and helpful.”

**WHAT DOES THIS MEAN?**

The mediators provided a procedurally just process to all parties. Importantly, they provided voice to homeowners and treated them with respect, which, anecdotally, was missing from homeowners’ interactions with their lenders. However, the participants were less likely than in other programs to believe the process was very fair.

Lenders and lender attorneys were more likely to feel they were able to talk about their issues and concerns than homeowners and their attorneys. This is likely due to homeowners having a broader range of issues and concerns than lenders. Homeowners and their attorneys also viewed fairness differently than lenders and their attorneys. While lenders and their attorneys were about as likely to view the process to be fair as to believe the mediator treated them fairly, homeowners and their attorneys were much less likely to see the process as being fair than to believe the mediator treated them fairly. This is likely due to their views of the process being colored by the difference in their expectations about how much they would able to negotiate with their lenders, compared to the reality of what was possible. This was seen particularly in the homeowners comments about their experience, as will be seen.
**Mediator Skills**

Three questions were asked to gain an understanding of the mediators’ skills:

- Was the mediator active enough in helping you to work out the issues in the dispute?
  - Response options: Yes, No
- Did the mediator push you too hard to get you to settle?
  - Response options: Yes, No
- If given a choice, would you use this mediator again? (Attorneys only)
  - Response options: Yes, Possibly, No

**Mediators were active enough; some homeowners felt the mediator pushed too hard**

Effective mediation requires the mediator to walk a fine line between being actively involved in assisting the parties without pushing them into a possible result they do not want. The results show that for some homeowners, their mediators did not walk that line well. Almost all of the participants believed that their mediators were helpful and active in the process; however, 43 of 417 homeowners, or 11%, believed their mediator pushed them too hard to settle. This is higher than in the 16th Circuit and 17th Circuit programs, the two others for which a significant number of homeowners responded to mediation session surveys.

<table>
<thead>
<tr>
<th></th>
<th>Mediator Active Enough</th>
<th>Mediator Did Not Push Too Hard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner</td>
<td>96%</td>
<td>89%</td>
</tr>
<tr>
<td>Lender</td>
<td>96%</td>
<td>95%</td>
</tr>
<tr>
<td>Homeowner Attorney</td>
<td>98%</td>
<td>98%</td>
</tr>
<tr>
<td>Lender Attorney</td>
<td>97%</td>
<td>94%</td>
</tr>
</tbody>
</table>

**Most attorneys would use their mediator again**

This question was asked as another measure of the mediator’s ability. Since homeowners do not have the experience necessary to answer this question knowledgeably, only the attorneys were asked this question. Although most attorneys during the evaluation period said they would, 49 of 280 lender attorneys (17%) had reservations, answering either “possibly” (12%) or “no” (5%). This percentage has declined since 2014, when 33% of lender attorneys had reservations about their mediator.

<table>
<thead>
<tr>
<th></th>
<th>Use Mediator Again?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner Attorney</td>
<td>Yes, 95%</td>
</tr>
<tr>
<td>Lender Attorney</td>
<td>Yes, 82%</td>
</tr>
</tbody>
</table>

- Yes
- Possibly
- No
**Comments about the Mediators**

As predicted by 95% of them saying they would use the mediator again, homeowner attorneys were largely positive in their comments about their mediators. Although one criticized their mediator’s passivity, and another thought the mediator should have deferred to the attorneys when addressing sensitive information, 12 others had positive comments, including:

- “Good understanding of the issues and helpful in helping craft a resolution.”
- “Very even-handed treatment. Great skills in reviewing options, what was discussed.”
- “Professional, pleasant, knowledgeable, fair.”
- “He acted knowledgably and it was evident he wanted the bank to consider alternatives to getting a resolution.”

The lender attorneys were more balanced in their perceptions of the mediators. In answer to why they would or would not use their mediator again, 30 had positive things to say about the mediators, including:

- “He was very professional and courteous to all parties.”
- “The mediator was very polite and helpful through the mediation process.”
- “He was very fair and neutral during mediation.”
- “Understood all the issues very helpful in explaining situation to the borrowers.”
- “Friendly; good at recapping and letting parties have private conversations to discuss issues.”
- “[The mediator]’s knowledge of mortgage foreclosure law was invaluable in discussing the issues related in the session.”

However, nine others were not as impressed by the mediators for their case:

- “Mediator provided legal advice to borrower that was inappropriate, over my objection.”
- “Perceived bias on behalf on the mediator i.e. negative comments.”
- “The mediator wasn’t very prepared for this session and seemed like she hadn't conducted a session before.”
- “He was not neutral at all. He was unwilling to understand the lender’s position or allow it to reasonably explain its story. He did not foster negotiation or cooperation and sought to force the lender into an agreement. Threatened report of no cooperation for no valid reason.”

Of the 192 homeowners who provided positive comments, 55 indicated their appreciation for their mediator in their comments. The homeowners only had positive comments about the mediator, such as:

- “Mediator asked questions I did not think of to ask.”
- “Mediator was very clear and respectful.”
- “The process and person have been very professional.”
- “Knowledgeable mediator.”
- “The mediator was very professional, balanced and pragmatic with her observations, suggestions and guidance.”
- “The mediator was helpful and very concerned about our situation and the steps we could take to rectify our situation.”
- “[The mediator] was very fair, knowledgeable and made me feel at ease. I’m thankful that he was present.”
- “Mediator was professional, courteous and sensitive to the frustration of a homeowner being in a foreclosure mediation meeting.”

The lender representatives who commented on the mediator were more likely to be complimentary than critical. This is much different than what was found in the 2015 evaluation, when the lender representatives had only negative things to say about the mediators. Since that evaluation, the lenders have had only positive comments:

- “One of the most impartial mediators in Illinois.”
- “Fair mediator - Good determination on the action going forward.”
- “Our Mediator was very knowledgeable very respectful and extremely helpful. I felt very comfortable with his presence and I’m glad he was present.”
- “Mediator was friendly and helpful.”
- “The mediator seemed well-versed in mortgage lending and servicing.”
- “Mediator was great - facilitated open communications.”
- “Mediator did a great job at keeping all parties focused on the issues at hand.”
- “The mediator understood the financials and provided fair and alternate solutions.”

This contrasts with what was said prior to the 2015 evaluation:

- “Perceived bias on behalf of mediator.”
- “The actual mediation session itself was longer than needed the lender felt the mediator asked repetitive questions of the borrower in the beginning of the mediation session which took up a lot of our time that was needed to discuss more important issues and concerns. The questions asked were discussing an emotional standpoint which took up 40-45 mins of the mediation even the borrower seemed confused by the repetitive questions.”
- “Mediator not willing to reach out to HUD advisor but reached out on behalf of the other side when they requested.”
- “Pretty much everything about the way the mediation was conducted. The mediator was not neutral and showed favoritism to the other party.”
- “The mediator did not act like a neutral third party. He discussed his own personal views during the mediation session and caused the session to last longer than necessary. He was combative and didn't listen to our explanations.”

**What does this mean?**

Although in 2015, most participants indicated that their mediator was doing a good job, there were some red flags. Homeowners believed that their mediator was pushing too hard, and a significant number of lenders and their attorneys viewed the mediators as biased. These appear to have been addressed. The percentage of homeowners who thought their mediator pushed too hard dropped, and
the percentage of lenders and their attorneys who thought the mediators were biased for the homeowners also declined. This is seen most forcefully in their comments.

**RECOMMENDATION:** The program should continue to have periodic trainings or workshops for mediators.

**Mediation: Satisfaction**
Most participants were satisfied with the process and the outcome, with lender representatives and lender attorneys being more likely to be “very satisfied” than homeowners and homeowner attorneys. All groups were more likely to be satisfied with the mediation than to be satisfied with the outcome.

**More than 9 in 10 participants were satisfied with their experience in mediation**
The majority of lender representatives and lender attorneys were very satisfied with their experience, while 43% of homeowners and 48% of their attorneys felt the same way. Homeowners and their attorneys were also slightly more likely than lenders and their attorneys to be unsatisfied or very unsatisfied with their experience, with 9% and 10% saying so, respectively.

<table>
<thead>
<tr>
<th>Satis w/ process</th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Unsatisfied</th>
<th>Very Unsatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner</td>
<td>43%</td>
<td>48%</td>
<td>7%</td>
<td>2%</td>
</tr>
<tr>
<td>Lender</td>
<td>59%</td>
<td>37%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Homeowner Attorney</td>
<td>48%</td>
<td>42%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Lender Attorney</td>
<td>58%</td>
<td>36%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Lender representatives and attorneys were much more likely to be satisfied with the outcome than homeowners and their attorneys
Homeowners and their attorneys were much less likely to be satisfied with the outcome than they were with the process. Nonetheless, 74% of homeowners and 68% of their attorneys said they were “very satisfied” or “satisfied” with the outcome. This is a higher percentage than reached an agreement for a retention option, indicating that many of the homeowners felt mediation was beneficial, even if they could not, in the end, save their home. In contrast, lender representatives and lender attorneys were just as likely to be satisfied with the outcome as with the process.

<table>
<thead>
<tr>
<th>Satis w/ outcome</th>
<th>Very Satisfied</th>
<th>Satisfied</th>
<th>Unsatisfied</th>
<th>Very Unsatisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowner</td>
<td>29%</td>
<td>45%</td>
<td>18%</td>
<td>9%</td>
</tr>
<tr>
<td>Lender</td>
<td>51%</td>
<td>44%</td>
<td>3%</td>
<td>2%</td>
</tr>
<tr>
<td>Homeowner Attorney</td>
<td>23%</td>
<td>45%</td>
<td>24%</td>
<td>8%</td>
</tr>
<tr>
<td>Lender Attorney</td>
<td>51%</td>
<td>43%</td>
<td>3%</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Positive Comments about the Mediation**
When asked what they liked about mediation, homeowners were pleased not only with procedural justice issues and the mediators, but were happy to have the opportunity to communicate with their lenders and to obtain information:

- “Being able to talk directly with the bank on what we need so we can get it turned in.”
- “Knowing what docs with further explanation on what was needed.”
• “Able to talk somewhat with lender.”
• “It brings all parties together helps make the process better.”
• “Understood where the lender was in the process.”
• “Very helpful and good information. Took the pain out of dealing with the issue.”
• “That we were all able to talk and listen to each other with no interruption or disrespect.”
• “Appreciated our communication.”
• “That everyone finally got together at the same time.”
• “I learned more about what I need to know to resolve this situation.”
• “The fact that there was someone available to make sure I understood my position, could clarify questions and answers.”
• “Every detail was explained and all questions were answered.”

Others appreciated procedural aspects:

• “Mediator allowed us to reschedule to obtain proof of disputed amount and to be represented by our counsel.”
• “2nd mediation was nice and short – Agreement made quickly.”
• “That we were able to get a continuance.”

Negative Comments about the Mediation

Homeowners who commented on what they did not like had complaints that appear to be similar to those that led the courts to start the program:

• “Nothing with mediation – just didn't like that lender didn't notify that I needed other docs.”
• “It was unfortunate that the plaintiff didn't show for our scheduled appt. at 1:30 on 6/20/14. We were able to organize a conference call which made communication somewhat difficult.”
• “Lender/server rep spoke in private on phone about us. I would appreciate being privy to the conversation about us and why being offered a loan modification with 6.65% interest rate is fair. The market loan rate is 4.15%.”
• “Based on the fact that I and my husband were to be at mediation to discuss options with the lender it was unfair that the lender never picked up the phone and three attempted calls went to "on hold" music.”
• “BOA gave misinformation to AHC and myself and did not have authority to do anything. It was like a customer service call with [lender representative] being unempowered, uninformed and disinterested.”

Other homeowners were unhappy with what they saw was the one-sided nature of the mediation or the outcome:

• “Basically one-way mediation. We plead case and mortgage company or underwriter makes decision.”
• “We couldn't get to them to go lower with the monthly payment so I'm unhappy about these I was hoping to have help on their side but the mediator helped us a lot.”
• “The outcome! 😞 I felt like I had no alternatives.”
• “The mortgage company don't be flexible enough to help us to lower the payment that help us keep our house!”
• “Bank was unwilling to negotiate. Was just a formality for the bank.”
• “Unfortunately the Bank just did not have an option for us.”
• “I wish I knew I could keep my home today.”
• “No se decidio nada. [Did not decide anything.]”

Some lenders and lender attorneys initially found the overall process to be difficult, primarily because there was not enough time to complete review or document exchange. An example comment is, “There was insufficient time to conduct a proper review of the loan modification. The mediation program rules do not provide enough time to the Plaintiff to conduct and complete a review of an applicant's borrower loan modification application.” No comments of this type were made after the rule was amended to extend the document exchange period.

WHAT DOES THIS MEAN?
Although the participants were satisfied with the process, they were less satisfied than in the other programs in the study. The lenders and lender attorneys, in particular, were less satisfied. Their early comments indicated that this was because they thought the deadlines for review and document exchange were too short and the mediators were too inexperienced or biased, both issues which their later comments and survey responses indicate have been appropriately addressed.

PARTICIPANT CHARACTERISTICS
Given that the foreclosure crisis has hit Black/African-American and Latino/Hispanic homeowners particularly hard, it is a concern that the racial and ethnic makeup of those who participate in and complete the programs be similar to the racial and ethnic makeup of the county they serve. Further, the program was interested in knowing whether the most vulnerable homeowners were being served.

Race/Ethnicity of Participants
Latino/Hispanic homeowners are under-represented in the program overall, with a much lower percentage participating than their proportion of the population in the county. However, once in the program, they are more likely to complete the program and to save their homes than non-Hispanic White and Black/African-American homeowners.

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22 Debbie Gruenstein Bocian, Wei Li, and Keith S. Ernst, FORECLOSURES BY RACE AND ETHNICITY: THE DEMOGRAPHICS OF A CRISIS. Center for Responsible Lending, (June 18, 2010).

23 Because there is no accurate data on individual homeowners facing foreclosure in Lake County, the racial and ethnic makeup of the county is used instead of the racial and ethnic makeup of those facing foreclosure.

24 The race/ethnicity presented is for the primary homeowners only. There were no cases in which homeowners were of different races/ethnicities. The data is from 309 of 782 homeowners who entered the program (40%).

25 P=0.001
WHAT DOES THIS MEAN?
The racial/ethnic makeup of the homeowners who contacted the program could be representative of the makeup of those against a foreclosure has been filed. The high percentage of Latino/Hispanic homeowners saving their home may just be an artifact of the small number of homeowners overall who both provided their race/ethnicity and saved their home. The difference in percentages between Latino/Hispanic and non-Hispanic White homeowners not statistically significant.

Income Level of Participants
At least three-quarters of participating homeowners had a household income below the county median of $79,886. Despite this, these homeowners were almost equally likely to save their homes as those earning the median or more.

<table>
<thead>
<tr>
<th>Entered</th>
<th>Completed</th>
<th>Saved Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$20,000</td>
<td>11.7%</td>
<td>12.6%</td>
</tr>
<tr>
<td>$20,000 - $34,999</td>
<td>17.5%</td>
<td>14.9%</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>22.7%</td>
<td>21.8%</td>
</tr>
<tr>
<td>$50,000 - $74,999</td>
<td>21.7%</td>
<td>20.7%</td>
</tr>
<tr>
<td>$75,000 - $99,999</td>
<td>13.3%</td>
<td>11.5%</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>9.7%</td>
<td>16.1%</td>
</tr>
<tr>
<td>$150,000+</td>
<td>3.6%</td>
<td>2.3%</td>
</tr>
</tbody>
</table>

Generally, the homeowners who entered the program were equally likely to save their home regardless of their income. With the exception of those making $20,000 - $35,000, who were much less likely to save their homes, and those making more than $100,000, who were more likely to, all participating homeowners had about a 1 in 4 chance of saving their homes.

<table>
<thead>
<tr>
<th>Entered</th>
<th>Saved Home</th>
<th>% Who Saved Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$20,000</td>
<td>36</td>
<td>9</td>
</tr>
<tr>
<td>$20,000 - $34,999</td>
<td>54</td>
<td>5</td>
</tr>
<tr>
<td>$35,000 - $49,999</td>
<td>70</td>
<td>17</td>
</tr>
<tr>
<td>$50,000 - $74,999</td>
<td>67</td>
<td>17</td>
</tr>
<tr>
<td>$75,000 - $99,999</td>
<td>41</td>
<td>9</td>
</tr>
<tr>
<td>$100,000-$149,999</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td>$150,000+</td>
<td>11</td>
<td>2</td>
</tr>
</tbody>
</table>

WHAT DOES THIS MEAN?
Income level appears to not be directly correlated with the probability of saving one’s home.
Age of Participants
Most primary homeowners were in their 40s and 50s.

<table>
<thead>
<tr>
<th>Age of Homeowners</th>
<th></th>
</tr>
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<tbody>
<tr>
<td>&lt;30 years</td>
<td>4</td>
</tr>
<tr>
<td>30-39</td>
<td>41</td>
</tr>
<tr>
<td>40-49</td>
<td>83</td>
</tr>
<tr>
<td>50-59</td>
<td>110</td>
</tr>
<tr>
<td>60-69</td>
<td>61</td>
</tr>
<tr>
<td>70-79</td>
<td>19</td>
</tr>
<tr>
<td>80+</td>
<td>2</td>
</tr>
</tbody>
</table>

DISCUSSION AND RECOMMENDATIONS

The 19th Circuit program had the lowest contact and participation rates of the Attorney General-funded programs, but made changes that significantly raised both. The program changed its messaging to the homeowners to make it more directive, reduced hurdles to participation and increased judicial referrals. Once in, the program is using its two-part process to successfully achieve its goals of helping homeowners to understand their situation; to keep their homes; and to provide them with a positive, respectful experience.

Program and Rule Changes Have Improved Participation

The 2015 evaluation found that participation was the program’s biggest issue. A much lower percentage of homeowners facing foreclosure contacted the program, and then participated in it than in any other program. That evaluation identified three reasons for the low participation rate: the introductory message to the homeowners, high hurdles to participation, and a low judicial referral rate. All three of these issues have been addressed, with positive effects on the program.

Change in Introductory Message

The 2015 evaluation found that the single-step entry programs had much higher participation rates. The difference appeared to be partially about the message homeowners receive. The single-step entry programs and the 16th Circuit program, the multi-step program with the highest contact rate, all sent a notice to the homeowners that said the program was “mandatory” and told the homeowners they must take action, either to appear for their session or call the program coordinator. No program actually mandated homeowner participation. The 19th Circuit program, on the other hand, told homeowners they had the opportunity to participate and urged them to “act quickly.” Homeowners were not given a date to attend an informational session. Nor were they given a specific date by which they must do so in order to participate.

The evaluation recommended the program change its message to one that required homeowners to contact the program. The program did so, adopting the same language as the 16th Circuit program.
Change in Entry Requirements
The court wanted to ensure that the homeowners understood the process before beginning the program so that the process would be more efficient. This led to the court requiring that homeowners attend an informational session prior to entering the program. Although the homeowners who attended the informational sessions really appreciated them and learned what the session wanted them to learn, only 11% of homeowners facing foreclosure attended. To remedy the low contact rate, the court removed informational session attendance as a requirement to enter the program. Instead, the program adopted the process used in the 16th Circuit program, and homeowners now only need to call the program coordinator for an intake conference.

Judges Now Refer More Cases to Mediation
The 2015 evaluation found ample evidence that more homeowners could be helped than contacted the 19th Circuit program after receiving their summons. In the 21st Circuit program, where 68% of homeowners responded to a mandatory summons, about 14% of all homeowners facing foreclosure kept their homes through the mediation program. This contrasted with 2% in the 19th Circuit program and showed that too many homeowners were self-selecting out of the process. The 20th Circuit program addressed this issue by ordering homeowners into the program at a later date. This was very successful, as homeowners were more likely to retain their homes when ordered in than when they entered in response to the notice of mediation that accompanied their summons.

In 2015, the judges started referring more cases into the program, offering homeowners a second opportunity to participate. The percentage of homeowners ordered into the program rose from 3% to 31% in 2015 before declining to 20% in 2017.

These three changes have had a significant effect on contact rate and the rate of converting contacts to entries, raising the first from 11% to 17%, and the latter from 66% to 88%.

RECOMMENDATION: Maintain the hybrid entry process and continue to work with judges to have them refer cases to the program when the homeowners missed their first opportunity to participate, but otherwise demonstrate motivation to work with their lender.

Compliance Remains an Issue
In the 2015 evaluation, it was noted that the program’s strict deadlines were leading to non-compliance by both homeowners and lenders, while the first mediation session became a document exchange meeting. The deadlines were extended in order to address these issues. The change has had an effect on when the parties reach agreement, with more happening before the first session (which reduces costs), but program completion rates have not increased. This is partially due to the need to return cases to court if the lender doesn’t return the Plaintiff’s Checklist on time. It also may be due, in part, to the housing counselors having a reduced role in helping homeowners with document exchange. Judges are referring cases back into the program when they have exited early, particularly when the reason for the early exit was lender non-compliance. This has helped almost one-quarter of those homeowners to avoid foreclosure.
RECOMMENDATION: The judges should continue to order cases back into the program. The court and program should examine ways to enhance housing counselor participation.

Two-Part Process Is Appreciated by Homeowners
The court wanted homeowners to have help navigating the process and completing their documents. Housing counseling was intended to provide this. According to both homeowners and the program coordinator, this aspect of the program is working very well. All homeowners who attend housing counseling receive extensive guidance about their options and an explanation of the mediation process. This points to even homeowners who don’t complete the program getting to understand their situation better, and their survey responses back this up. Homeowners almost all indicated they were very satisfied with this process, and that they learned a lot about their options and how to work with their lender. Their appreciation of their meeting with the housing counselor was very evident in the numerous glowing comments about the meeting and the counselor on the post-session survey.

Once referred on to mediation, homeowners have the opportunity to have the face-to-face communication with their lenders that the court envisioned. Homeowners have appreciated this opportunity, as well as the respect with which they were treated. Those who commented on the lack of flexibility by their lenders or their lenders’ non-appearance also commented on the respect with which they were treated or the helpfulness of the mediation and their mediator, showing that the mediation mitigated the effects of the lenders’ decisions or behavior. Further, the program enjoys a high agreement rate in mediation.

RECOMMENDATION: Maintain the two-part process that is currently in place.

The Majority of Homeowners Who Completed the Program Avoided Foreclosure
Once homeowners complete their documents, the program works very well. Of those who stay in the program, 47% reach an agreement to retain their homes and 5% agree to a relinquishment option. This percentage has declined since 2014, however. The reason for the decline is not known, but is seen in the 16th Circuit and 17th Circuit programs as well.

Homeowners Had a Positive Experience
As important as how many homeowners avoid foreclosure, if not more so, is whether the homeowners have a positive experience in the program. From the informational session onward, homeowners wrote of their appreciation of their experiences. In their comments, they wrote of the care, respect and courtesy with which they were treated at each stage of the process. They wrote of the wealth of information they received and the ability to communicate with their lenders. In their survey responses, they consistently gave positive ratings to the process, their housing counselor and their mediator.

Mediator Skills Appear to Have Improved
The 2015 evaluation found that although most of the participants gave high marks to the mediators, a larger percentage than in other programs felt coerced by their mediator. Further, lender representatives
and lender attorneys were less satisfied with the mediators than in other programs. The program appears to have effectively addressed this. The percentage of homeowners who thought their mediator pushed them too hard to settle dropped, and the percentage of lenders and their attorneys who thought the mediators were biased for the homeowners also declined, with their comments changing from complaints about the mediators’ bias or lack of knowledge to praising the mediators’ fairness and expertise.

**RECOMMENDATION:** Continue to provide learning opportunities to mediators so that they maintain a good understanding of their role in foreclosure cases and stay up-to-date on their knowledge and skills.

**CONCLUSION**

The 19th Judicial Circuit Residential Mortgage Foreclosure Mediation Program effectively addressed the issues that caused it to have a very low participation rate. The percentage of homeowners who contact the program has increased, along with the percentage who complete the steps to participate. Judicial referrals increased dramatically, offering more homeowners the opportunity to avoid foreclosure. Housing counseling is helping all homeowners to gain understanding about their options and how to work with their lenders. Homeowners also report that they are being treated fairly and with respect by both housing counselors and mediators. The program should now focus on addressing compliance and figuring out how to address the effects of the diminished role of housing counseling due to reduced funding.
DEFINITIONS

DEFINITIONS SPECIFIC TO THIS EVALUATION

Circuit: In this evaluation, the term “Circuit” refers to one of the 24 Judicial Circuits in Illinois. Some of those circuits are made up of multiple counties and others are single-county circuits. All the foreclosure mediation programs in this evaluation serve particular counties in their circuit, with the exception of the 1st Circuit program, which served all the counties in the circuit. The counties the other programs serve are designated in the evaluation.

Foreclosure: This evaluation uses the term “foreclosure” as it is used in the vernacular, to refer to both the process of foreclosing on a home by a foreclosure action that is filed in court as well as the final act of a lender obtaining ownership of a home as the result of a court granting foreclosure.

Foreclosure avoidance: After a foreclosure lawsuit is initiated, the options are that the foreclosure process will continue, resulting in foreclosure judgement and sale, or the lender and the homeowners may agree to some foreclosure alternative. Alternatives where the homeowners retain possession of their home are known as retention agreements. Alternatives where the homeowners vacate the property are known as relinquishment options.

Homeowners: The term “homeowners” is used in this evaluation – instead of other terms such for those who have borrowed via a mortgage, such as borrowers, debtors or mortgagors – because the programs studied specifically work with those who borrow money to purchase a home.

A further distinction is drawn between the use of the term “the homeowners” and “homeowners.” “The homeowners” refers to the person or people who have taken out a mortgage to own a single home. For example, “The homeowners decided to work through a foreclosure mediation program to try to keep their home.” Likewise, “homeowners” is used as the plural of “the homeowners.” For example, “Homeowners attend housing counseling sessions before meeting with lenders.” While this system may create moments of grammatical confusion, it is intended to differentiate between the owner(s) of a particular home who are defendants in a case concerning that home as compared to a group of people who all own homes. Thus, when discussing data, such as “homeowners entering the program,” the evaluation is not quantifying individual people who own homes, but rather, homes.

Lenders: The term “lenders” is used in this evaluation to refer to the various creditor entities that may be involved in foreclosure mediation, such as banks and servicers.

FORECLOSURE TERMS

Document exchange: The term “document exchange” is used to describe the period between when the homeowners first submit a loan modification packet and their lender’s review of that packet. During that time, their lender may request additional documents from the homeowners in order to have the necessary information to review the packet. If this process does not move swiftly enough, the documents become “stale” and updated versions must be submitted.
**Graceful Exit/Relinquishment:** With a graceful exit or relinquishment option, homeowners avoid foreclosure, while transitioning out of the home. Options include

- **Cash for Keys:** With a cash for keys program, the lender offers the homeowners cash to vacate the property quickly, leaving the property in good condition. This cash can assist the homeowners with expenses such as moving costs and security deposits in rented homes.

- **Consent Foreclosure:** The lender and the homeowners may agree to a consent foreclosure, where the homeowners will have no right of redemption and the lender agrees not to file for a deficiency judgment.

- **Deed in lieu:** With a deed in lieu of foreclosure, the lender lets the homeowners give the title to the property back, transferring ownership back to the lender. A lender will not accept a deed in lieu of foreclosure if there are any other liens on the property. The lender may require that the homeowners try to sell the property for 90 days first before approving a deed in lieu. One benefit of deed in lieu is that the lender may agree to waive the deficiency judgement, releasing the homeowners of liability under the mortgage.

- **Short Sale:** In a short sale, the lender agrees to let the homeowners sell the property to a new buyer for an amount less than what the homeowners currently owes the lender.

**HAMP** (Home Affordable Modification Program): A federal government program that helped homeowners obtain loan modifications from participating lenders. Most large lenders participated; a “HAMP review” was their first step in considering a loan modification. HAMP ended in 2016.

**HHF** (Hardest Hit Fund): A state-administered federal program that provides mortgage assistance to homeowners who have experienced at least a 15% reduction in income due to a hardship event and who meet the eligibility criteria. The assistance is meant to allow those eligible for the program to avoid foreclosure while they work to regain financial stability.

**Loan modification packet:** In order to be considered for a retention option, the homeowners must submit a Request for Mortgage Assistance (RMA) Application. The RMA Application allows the lender to evaluate the homeowners for foreclosure prevention alternatives. The RMA Application requires detailed information, including borrower details, property details, income worksheets, a hardship affidavit and tax forms.

**Retention:** An alternative to foreclosure that allows the homeowners to retain possession of the home. Options include:

- **Forbearance:** A forbearance reduces or suspends mortgage payments for a period of time. Therefore, a forbearance can be helpful to homeowners experiencing a temporary hardship. At the end of the forbearance period, the homeowners must bring the loan current.  

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Modification: Those Homeowners who wish to remain in their home can ask to be evaluated for a loan modification. Their lender will run a net present value test, which measures the benefit to the investor of a loan modification, part of which is the homeowners’ ability to pay a new loan amount. Loans are modified based on a “waterfall analysis,” meaning that their lender will evaluate a series of changes to the loan (capitalizing arrearages, reducing interest rate, extending amortization term, forbearing principal and/or reducing payment) to see if the homeowners’ payment can be made affordable.

Redemption: Redemption is when the homeowners pay off the whole loan. In Illinois, the right to redeem, or to pay the balance of the mortgage and fees, expires seven months after service of summons or three months after judgment, whichever comes later.

Reinstatement: Reinstatement is when homeowners catch up on all missed payments and fees. Reinstatement ends the foreclosure suit so that the homeowners are up-to-date on the mortgage. Homeowners can only reinstate once every five years.

Temporary loan modification: If the homeowners are approved for a modification, they must first complete a three-month trial payment plan (TPP). It is not necessary for the homeowners to sign the trial modification agreement; they just have to start making timely payments to accept it. During the TPP, the amount the homeowners owe their lender continues to accrue. Payments are held in a suspense account until the amount of a full payment under the mortgage note is reached, which is when the payments are applied. After three payments, the TPP should be converted into a permanent modification. Conversion to permanent modification can sometimes be stalled, which the homeowners should not be penalized for. After the permanent modification is in place, arrearages are capitalized and interest will start to accrue at the reduced rate. In the case of a proprietary modification not under a government program, the lender may still require a trial period.

FORECLOSURE PROGRAM TYPES

Hybrid: This term is used to describe the 16th Circuit program. In this program, homeowners receive a notice of mediation that says they must contact the program coordinator in order to participate, but they also must file an appearance. Thus, it is a hybrid of the one-step entry and multi-step entry models.

27 National Consumer Law Center, training material slides on file with Resolution Systems Institute.
28 Id.
29 Id.
31 Id.
32 National Consumer Law Center.
33 National Consumer Law Center.
Multi-step entry: The term “multi-step entry” is used in this study to describe a program in which the homeowners receive a notice of mediation with their summons that tells them they have the opportunity to participate in the mediation program. They then must complete two or more steps to participate. The 17th Circuit, 19th Circuit and 20th Circuit programs use this model.

One-step entry: The term “one-step entry” is used in this study to describe a program in which the homeowners receive a summons that includes the date and time that must appear for their first pre-mediation session. When the homeowners appear for the session, they are considered to have entered the program, thus only needing one step to enter. The 6th Circuit and 21st Circuit programs have this type of program.

GENERAL COURT TERMS

Complaint: “A written statement by the plaintiff that starts a lawsuit. It says what the plaintiff thinks the defendant did and asks the court for help.”34 In the foreclosure context in Illinois, the complaint form must comply with 735 ILCS 5/15-1504.35 The mortgage and current copy of the note should be attached. The plaintiff should identify the “capacity” in which it brings the suit, such as owner or agent.36 The complaint should also specify the current unpaid balance and per diem interest. Under 12 C.F.R. § 1024.41, the foreclosure complaint cannot be filed until the borrower is 120 days late.37

Default: Default is defined by mortgage documents, but usually means a missed mortgage payment. Default could also result from a lack of insurance, sale of property, failure to make required repairs, etc.38

Filing an Answer: An answer is the defendant’s response to the foreclosure complaint. The homeowners/defendant has 30 days from service to file the appearance and answer.39 Under 735 ILCS 5/15-15-4(h), homeowners can answer or file a counterclaim.40 If the defendant does not file an answer, the court will proceed with the foreclosure.

Filing an Appearance: By filing an appearance, the homeowners acknowledge the lawsuit, but makes no claim that they agree with the lender’s suit. Having an appearance on file means the homeowners will be notified of all future court dates. There is a fee to file an appearance, but fee waivers may be available.41

34 Illinois Legal Aid Online, http://www.illinoislegalaid.org/index.cfm?fuseaction=home.dsp_Content&contentID=4650&q=6
35 Id.
36 Id.
37 Id.
38 National Consumer Law Center.
39 Illinois Legal Aid Online.
40 National Consumer Law Center.
41 Illinois Legal Aid Online.
**Service of Process:** Service is the delivery of “legal papers to the opposing party in a case.” Service gives the defendant notice of the legal action and is carried out by the sheriff or process server. If personal service is not possible, a notice will be put in the local newspaper and the homeowners will be considered served by publication. Most program deadlines start from when service is made upon the homeowners.

**Summons:** “A notice to a defendant that a lawsuit against him or her was filed in a court and that the defendant has to appear in court.” In the foreclosure context, the summons must include a Homeowner Notice (735 Illinois Compiled Statutes 5/15-1504.5). This notice explains the homeowners’ rights in terms of possession, ownership, redemption and surplus, among other things. For jurisdictions with foreclosure mediation, a notice of foreclosure mediation is attached to the summons and complaint.

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42 Id.
43 Id.
Appendix B
Methodology
EVALUATION METHODOLOGY

This evaluation is the second funded by the Office of the Illinois Attorney General. It is the final evaluation for the programs, and is meant to provide insight not only into how well each program performed while under the grant, but to determine whether particular aspects of the programs and factors external to them had an effect on participation and program outcomes.

EVALUATION PERIOD

The evaluation period for this study begins with the launch of each program and ends with cases that were filed by December 31, 2017. It only includes outcomes for cases that were closed by that date. This means that there were four years of data for the 16th Circuit, 19th Circuit, 20th Circuit and 21st Circuit programs, more than three years for the 6th Circuit (Champaign) and 17th Circuit programs, and less than two years for the 1st Circuit and 6th Circuit (Macon County) programs.

DATA COLLECTION TOOLS

Online Case Management and Monitoring System

One key to this evaluation was the creation and use of uniform data fields across eight programs using seven models. The evaluator worked with program coordinators, court personnel and housing counselors to customize a commercially-available online case management system to fit the foreclosure mediation programs’ case management and data collection needs. The system was designed so that almost all data were collected automatically and did not require program staff to spend time entering data needed for the evaluation. For example, participant surveys were all scannable.

This system was used by seven of the eight programs in the study. In the 21st Circuit program, the mediation provider, Foreclosure Mediation Specialists, wanted to keep its data collection uniform with the other programs it was administering and declined to use the online system. The program administrator did, however, provide data the evaluator could adapt to work with the information the other programs were collecting.

Before each program launched, as well as during the evaluation period, the evaluator continued to work with each program to further customize fields to fit both their case management needs and the evaluator’s need for a uniform set of definitions for each data collection field. The customized online system enabled the seven participating programs to collect the same data so that they could be assessed on the same criteria, allowing an apples-to-apples comparison.

The data collected from the online system included homeowner demographics, dates between each milestone to determine how long it was taking for cases to get through each phase of the process; the point at which each case left the program; and case outcomes, the reason the homeowners defaulted on their loan, and the owner of their loan.
The programs differed in the data they collected. The 1st Circuit and 20th Circuit programs were the most comprehensive, collecting data for all the topics included in the study. The 16th Circuit, 17th Circuit and 19th Circuit programs collected data on almost all the topics, while the other three programs were the least comprehensive in what they collected.

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>PROGRAMS THAT COLLECTED DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attorney representation</td>
<td>1st, 6th (Champaign and Macon), 16th, 17th, 19th, 20th</td>
</tr>
<tr>
<td>Housing counselor assistance</td>
<td>6th (Champaign and Macon), 17th, 19th, 20th</td>
</tr>
<tr>
<td>Demographics</td>
<td>1st, 16th, 17th, 19th, 20th</td>
</tr>
<tr>
<td>Reason for default</td>
<td>1st, 16th, 17th, 20th</td>
</tr>
<tr>
<td>Owner of the loan</td>
<td>17th, 19th, 20th (16th collected minimal information)</td>
</tr>
<tr>
<td>Pre-mediation surveys</td>
<td>1st, 17th, 19th, 20th (6th (Champaign) and 21st collected minimal information)</td>
</tr>
<tr>
<td>Mediation surveys</td>
<td>16th, 17th, 19th (1st and 20th collected them for the rare mediations conducted)</td>
</tr>
</tbody>
</table>

**Post-Session Reports**

The online system included online reports to be completed by the person charged with conducting the sessions. The reports collected data on whether or not the session was held, the reason it was not held, and what the result of the session was, if it was held. If it was the concluding session, the final outcome was recorded, as well. Finally, the reports included the amount of time spent in the session and whether the parties complied with the court rules.

These reports were completed after each session. In the 17th Circuit and 19th Circuit programs, the pre-mediation session report was completed by the housing counselor. In the 6th Circuit and 20th Circuit programs, the outcomes were entered by the program coordinator. The reports were not completed in the 16th Circuit nor 21st Circuit programs. The mediation session reports were completed by the mediators in the 1st Circuit, 16th Circuit, 17th Circuit, 19th Circuit and 20th Circuit programs.

**Post-Session Surveys**

Participant surveys were created in a paper-and-pencil format for pre-mediation and mediation sessions. For the 1st Circuit program, an intake session survey was developed, and for the 19th Circuit program, a survey was created for its group informational session as well. The surveys were designed as optical mark recognition forms that allowed them to be scanned into software that automatically read the participants’ responses into the database.

**Informational Session Surveys**

Surveys for the group informational session in the 19th Circuit program examined whether the goals of the session were met and provided an opportunity for the homeowners to rate the presenter. They also collected the same demographic data as is collected in the online case management and data collection system. The surveys were passed out to homeowners at the end of the sessions. They were available in English and Spanish.
Initial Intake Conference Surveys
This survey was completed after the initial intake conferences in the 1st Circuit and 20th Circuit programs. It asked the homeowners how much they learned about their options and whether they understood how to complete their loan modification packet. It also asked how they were treated and how satisfied they were with their experience. The program coordinator stepped away while the homeowners completed their surveys.

Pre-Mediation Session Surveys
The survey completed after pre-mediation sessions in all programs asked the homeowners about how much they learned about their options and how to work with their lender, how they were treated, and their overall satisfaction. The survey was available in English and Spanish.

Programs had different practices for distributing the surveys:

- In the 17th Circuit and 19th Circuit programs, the housing counselor handed each of the homeowners the survey after their last session. The homeowners completed the surveys after their housing counselor stepped away.
- In the 6th Circuit and 21st Circuit programs, the program coordinator asked the homeowners to complete the surveys after their first pre-mediation session. The homeowners had already left their session and were, therefore, no longer in the same room as the person with whom they met for their session.
- In the 1st Circuit and 20th Circuit programs, the program coordinator asked the homeowners to complete the surveys after their final pre-mediation session. This meant that they completed it after they completed the program and had negotiated with their lender, in most cases. The program coordinator stepped away while the homeowners completed the surveys.

Mediation Session Surveys
Parties and attorneys completed separate mediation session surveys. The surveys were adapted from the model forms developed by a joint project of Resolution Systems Institute (RSI) and the American Bar Association Section of Dispute Resolution. These forms were the product of a national committee of researchers and program administrators and had been tested in two mediation programs prior to their use for the Illinois foreclosure mediation programs.

The surveys examined procedural justice factors, mediator coercion and helpfulness, fairness, and satisfaction. The survey for attorneys also asked whether they would use their mediators again. The party survey was available in English and Spanish.

The participants were asked to complete the post-session survey at the end of each session. The mediator asked the participants to complete their surveys, and then left the room. Because representatives for the lender participated by phone, lender attorneys read them the questions and filled out the surveys for them. For the evaluation, only the last survey completed by each participant was used to calculate aggregate responses.

44 The surveys were not used in the 6th Circuit (Champaign), 6th Circuit (Macon) and 21st Circuit programs.
Interviews

In 2015, the evaluator interviewed all program coordinators, as well as a judge in each of the programs, except the 1st Circuit, 6th Circuit (Champaign), 6th Circuit (Macon) and 21st Circuit programs. She also interviewed others involved in the programs, if they were extensively involved in a program’s administration. This included the housing counselor in the 17th Circuit program and a mediator who managed the cases and conducted half of the sessions in the 21st Circuit program. Two lender attorneys were also interviewed. All interviews were semi-structured and conducted over the phone. For all but the program coordinators, the interviews lasted 20 to 30 minutes. The program coordinator interviews took about two hours each.

In 2015, the evaluator again interviewed the program coordinators for all the programs, with the exception of the 21st Circuit program. The purpose of those interviews was to learn about any changes to the programs and how any challenges that had been identified in the 2015 interviews had been addressed. The program administrator for the 21st Circuit program answered these questions via email. The interviews lasted 30 – 45 minutes.

LIMITATIONS OF THE STUDY

In setting up the online system for data collection purposes, the evaluator aimed to have uniform data and uniform definitions of what each field represented. However, the programs, at times, developed their own uses for some of those fields and definitions that did not coincide exactly with the other programs. In order to make the data more uniform, the evaluator redefined the fields when analyzing the data; however, there may be some skewing of the data because of the differences in how the data was collected.

Additionally, program coordinators in different programs appear to have defined the same outcomes differently. For example, in the 1st Circuit and 20th Circuit programs, if the homeowners did not appear for a third pre-mediation session, they were considered to have been able to discuss their options with their lender, and the outcome was entered as a no agreement. In contrast, in the 19th Circuit program, if the homeowners didn’t appear for a second mediation session, the outcome was entered as “program not completed”, because the case was returned to court due to homeowner non-compliance. These differences skewed the comparisons of completion rates between programs.

Statistical analysis was also limited by the inconsistent collection of data among the programs. Not all programs collected demographic data, not all programs collected information on the reason for default, and not all programs collected information on the owner of the loan, among other variables. Further, those programs that did collect that data weren’t able to collect it for every case. Therefore, analysis of factors that affect participation and outcomes was limited in both what factors could be analyzed and the strength of the conclusions that could be drawn from the analysis conducted.

The evaluation was conducted by an employee of RSI. Her status as an employee of RSI may have led to an unconscious bias when evaluating the programs administered by RSI, although she guarded against it.
ILLINOIS FORECLOSURE MEDIATION PROGRAM
Information Session Homeowner Survey

To help us to best provide information to homeowners like you, please answer the questions below. Your responses will be kept confidential and will be used to evaluate our services.

**Answer Selection:** Correct =  ●  Incorrect =  ❌

Date of Class:  
Presenter:  

1. How would you rate the class overall?  
   Excellent  Good  Poor  Very Poor  
   〇  〇  〇  〇

Please let us know how well you understand the following topics from the presentation:

   Very well  Somewhat  Not at all

2. The options available to you to save your home  
3. How the foreclosure mediation program works  
4. How to contact AHC  

Please rate the presenter on the following:

   Excellent  Good  Poor  Very poor

5. Presentation of the material  
6. Knowledge of the material  
7. Organization of the material  

8. Are you eligible to participate in the foreclosure mediation program? This is the program where you can sit down with the bank to mediate the foreclosure.
   ○ Yes
   ○ No

9. What did you like most about the class?

10. What did you like the least about the class?

PLEASE TURN OVER ☞
ILLINOIS FORECLOSURE MEDIATION PROGRAM
Information Session Homeowner Survey

Do you have a quote about this class or AHC we can share on social media (e.g., Facebook)? If so, please write it below. If we can use your first name, please write it here: _______________________

It is important for us to know who our program is serving. Your responses to the following questions will help us do that. You don’t have to answer the questions, but your help is appreciated. Your answers will remain completely confidential.

What is your zip code? __ __ __ __ __

Ethnicity:

- American Indian/Alaskan Native
- Asian
- Black/African-American
- Latino/Hispanic
- Native Hawaiian/Pacific Islander
- White, Not Hispanic
- Multiracial
- Other: _______________________

Age Range:

- Under 30
- 30-39
- 40-49
- 50-59
- 60-69
- 70-79
- 80+

Household Income:

- Less than $20,000
- $20,000 - $34,999
- $35,000 - $49,999
- $50,000 - $74,999
- $75,000 - $99,999
- $100,000 - $149,999
- $150,000+

Gender

- Male
- Female
Illinois Foreclosure Mediation Program  
HOUSING COUNSELING SESSION SURVEY  

To help us to maintain the quality of the housing counseling program, please answer all of the questions below. Your responses will be kept confidential and will be used to improve our services. No identifying information about you will be released.

Date:

The following questions ask about your experience with the pre-mediation counseling session. Please fill in one circle for each question.

- **Answer Selection**: Correct =  ● Incorrect = 🗑️

<table>
<thead>
<tr>
<th>Question</th>
<th>Not at all</th>
<th>Somewhat</th>
<th>Very much</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Did the counselor treat you with respect?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Did the counselor treat you fairly?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Do you understand how to work with your lender better than you did before the session?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- No, I still don’t understand.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- No, because I understood before the session.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Yes, somewhat better.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Yes, very much better.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Do you understand the options you have regarding your home better than you did before the session?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- No, I still don’t understand my options.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- No, because I understood my options before the session.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Yes, somewhat better.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Yes, very much better.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. How satisfied are you with your overall experience with the counseling session(s)?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Very unsatisfied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Unsatisfied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Satisfied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Very satisfied</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Please let us know what you liked about the session(s):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Please let us know what you didn’t like about the session(s):</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Please fill out this form after your pre-mediation session.

| Final Report    | ☐ Yes  
<table>
<thead>
<tr>
<th></th>
<th>☐ No</th>
</tr>
</thead>
</table>
| Type of Service | ☐ Facilitated Bi-Lateral Session  
|                 | ☐ Housing Counseling Session  
|                 | ☐ Pre-Mediation Session  
|                 | ☐ Legal Services  
|                 | (Required) |
| Was the session held? | ☐ Yes, Service Completed  
|                   | ☐ Yes, Service Continued  
|                   | ☐ No, Return to Court  
|                   | ☐ No, Session Rescheduled  
| Session Date     |          |
| Time Spent in Session (hours; can be in portions: 1.25 etc) |       |
| Final Session Result | ☐ Referred to mediation  
|                      | ☐ Referred to other service  
|                      | ☐ Accepted homeowner as client (legal services only)  
|                      | ☐ Return to court  
|                      | ☐ Temporary Loan Modification  
|                      | ☐ Agreement  
|                      | ☐ Other (indicate below)  
| Reason returned to court (check all that apply) | ☐ Homeowner did not appear  
|                                                | ☐ Servicer did not appear/did not have authority  
|                                                | ☐ Servicer attorney did not appear  
|                                                | ☐ Homeowner did not provide complete documentation in required timeframe  
|                                                | ☐ Homeowner withdrew  
|                                                | ☐ Other (indicate below)  
| If other reason returned to court, describe |        |
| Reason case rescheduled or continued (check all that) | ☐ Servicer required new packet  
<p>|</p>
<table>
<thead>
<tr>
<th>Foreclosure Mediation Pre-Mediation Session Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>apply)</strong></td>
</tr>
<tr>
<td>- Servicer didn't have requisite documents prepared</td>
</tr>
<tr>
<td>- Servicer didn't review homeowner documents</td>
</tr>
<tr>
<td>- Homeowner did not provide sufficient documents</td>
</tr>
<tr>
<td>- Homeowner's change in circumstances</td>
</tr>
<tr>
<td>- Rescheduled at request of homeowner</td>
</tr>
<tr>
<td>- Rescheduled at request of servicer</td>
</tr>
<tr>
<td>- Servicer did not appear/did not have authority</td>
</tr>
<tr>
<td>- Servicer attorney did not appear</td>
</tr>
<tr>
<td>- More time needed to negotiate</td>
</tr>
<tr>
<td>- Other (indicate below)</td>
</tr>
<tr>
<td><strong>If &quot;other&quot; above, reason rescheduled/continued</strong></td>
</tr>
<tr>
<td><strong>Which service was homeowner referred to?</strong></td>
</tr>
<tr>
<td>- Land of Lincoln Legal Services</td>
</tr>
<tr>
<td>- Prairie State Legal Services</td>
</tr>
<tr>
<td>- Bankruptcy attorney</td>
</tr>
<tr>
<td>- Credit/debt management agency</td>
</tr>
<tr>
<td>- Social services agency (select below)</td>
</tr>
<tr>
<td>- Other (indicate below)</td>
</tr>
<tr>
<td><strong>If &quot;particular agency&quot; above, which one?</strong></td>
</tr>
<tr>
<td><strong>If &quot;other&quot; above, which other service was the homeowner referred to?</strong></td>
</tr>
<tr>
<td><strong>Final Case Outcome</strong></td>
</tr>
<tr>
<td>- Program Not Completed - Return to Court</td>
</tr>
<tr>
<td>- Temporary Loan Modification</td>
</tr>
<tr>
<td>- Agreement: Retention</td>
</tr>
<tr>
<td>- Agreement: Relinquishment</td>
</tr>
<tr>
<td>- No Agreement</td>
</tr>
<tr>
<td>- Other (indicate below)</td>
</tr>
<tr>
<td><strong>If other case outcome, please describe</strong></td>
</tr>
<tr>
<td><strong>If home retained, what was agreed to?</strong></td>
</tr>
<tr>
<td>- Permanent loan modification</td>
</tr>
<tr>
<td>- Reinstatement</td>
</tr>
</tbody>
</table>
# Foreclosure Mediation Pre-Mediation Session Report

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forbearance</td>
</tr>
<tr>
<td>Short payoff</td>
</tr>
<tr>
<td>Refinance</td>
</tr>
<tr>
<td>Other (indicate below)</td>
</tr>
</tbody>
</table>

If other retention option, please describe

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short sale</td>
</tr>
<tr>
<td>Deed in Lieu</td>
</tr>
<tr>
<td>Relocation assistance (cash for keys)</td>
</tr>
<tr>
<td>Consent judgment</td>
</tr>
<tr>
<td>Other (indicate below)</td>
</tr>
</tbody>
</table>

If home relinquished, what was agreed to?

If other relinquishment option, please describe

Did both parties comply with program requirements?

If not, who didn't comply? (check all that apply)

<table>
<thead>
<tr>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lender</td>
</tr>
<tr>
<td>Homeowner</td>
</tr>
</tbody>
</table>
# FORECLOSURE MEDIATION EVALUATION FOR PARTIES

**Case Number:**

**Date:**

To help us to maintain the quality of the mediation program, please answer all of the questions below. Your responses will be kept confidential and will be used to evaluate our services. No identifying information about you will be released.

<table>
<thead>
<tr>
<th>Answer Selection</th>
<th>Correct</th>
<th>Incorrect</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☑️</td>
<td>✗</td>
</tr>
</tbody>
</table>

1. **What is your role in the case?**
   - ☑️ Lender/Servicer
   - ☑️ Homeowner
   - ☑️ Other: ____________________

The following questions ask about your experience during the mediation session. Please fill in one circle for each question.

2. **Were you able to talk about the issues and concerns that were most important to you?**
   - ☑️ I was able to talk about none of the issues and concerns that were most important to me.
   - ☑️ I was able to talk about some of the issues and concerns that were most important to me.
   - ☑️ I was able to talk about most of the issues and concerns that were most important to me.
   - ☑️ I was able to talk about all of the issues and concerns that were most important to me.

3. **Was the mediator active enough in helping you to work out the issues in the dispute?**
   - ☑️ No
   - ☑️ Yes

<table>
<thead>
<tr>
<th>Not at all</th>
<th>Somewhat</th>
<th>Very much</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑️</td>
<td>☑️</td>
<td>☑️</td>
</tr>
</tbody>
</table>

4. **How much did the mediator understand what was important to your side?**
   - ☑️

5. **Did the mediator treat you with respect?**
   - ☑️

6. **Did the mediator treat you fairly?**
   - ☑️

7. **Did the mediator push too hard to get you to settle?**
   - ☑️ No
   - ☑️ Yes
8. To the best of your knowledge, were any of the following true at the time of the mediation? Please fill in the circle for all that apply

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>Some information that would have been helpful in the settlement discussions was not available at the mediation.</td>
</tr>
<tr>
<td>B.</td>
<td>When mediation began, the other party and I were very far apart in what we wanted the outcome of the case to be.</td>
</tr>
<tr>
<td>C.</td>
<td>The time we had to mediate was too short.</td>
</tr>
<tr>
<td>D.</td>
<td>One or more participants did not have authority to settle.</td>
</tr>
<tr>
<td>E.</td>
<td>There was anger/hostility between the other party and me.</td>
</tr>
<tr>
<td>F.</td>
<td>There was a large power imbalance between the other party and me.</td>
</tr>
</tbody>
</table>

9. How satisfied are you with the outcome of the mediation?

<table>
<thead>
<tr>
<th>Very Unsatisfied</th>
<th>Unsatisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

10. Regardless of the outcome, how satisfied are you with your overall experience in the mediation session(s)?

<table>
<thead>
<tr>
<th>Very Unsatisfied</th>
<th>Unsatisfied</th>
<th>Satisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

11. Overall, was the mediation process fair?

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>Not at all</td>
</tr>
<tr>
<td>O</td>
<td>Somewhat</td>
</tr>
<tr>
<td>O</td>
<td>Very much</td>
</tr>
</tbody>
</table>

Please let us know more about your experience:

12. Please let us know what you liked about the mediation:


13. Please let us know what you didn’t like about the mediation:


ILLINOIS FORECLOSURE MEDIATION PROGRAM
EVALUATION FOR ATTORNEYS

Case Number: ___________________________ Date: ________________________

To help us to maintain the quality of the mediation program, please answer all of the questions below. Your responses will be kept confidential and will be used to evaluate our services. No identifying information about you will be released.

Answer Selection: Correct =  ● Incorrect =  ✗ ✓  ⊗

1. Which party did you represent in the case?
   ○ Lender/Servicer
   ○ Homeowner
   ○ Other: ___________________________

The following questions ask about your experience during the mediation session. Please fill in one circle for each question.

2. Was your side able to talk about the issues and concerns that were most important to you?
   ○ We were able to talk about none of the issues and concerns that were most important to us.
   ○ We were able to talk about some of the issues and concerns that were most important to us.
   ○ We were able to talk about most of the issues and concerns that were most important to us.
   ○ We were able to talk about all of the issues and concerns that were most important to us.

3. Was the mediator active enough in helping the parties work out the issues in the dispute?
   ○ No
   ○ Yes

4. How much did the mediator understand what was important to your side?
   ○ Not at all
   ○ Somewhat
   ○ Very much

5. Did the mediator treat you with respect?
   ○ Not at all
   ○ Somewhat
   ○ Very much

6. Did the mediator treat your side fairly?
   ○ Not at all
   ○ Somewhat
   ○ Very much

7. Did the mediator push too hard to get your side to settle?
   ○ Yes, the mediator pushed too hard
   ○ No, the mediator did not push too hard
8. To the best of your knowledge, which of the following were true at the time of the mediation?

*Please fill in the circle for all that apply*

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>O</td>
<td>Additional documents were needed.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B.</td>
<td>O</td>
<td>A question of law needed to be determined.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.</td>
<td>O</td>
<td>The time scheduled for mediation was too short.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.</td>
<td>O</td>
<td>The case required a mediator with a different skill set.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td>O</td>
<td>One or more participants did not have authority to settle.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F.</td>
<td>O</td>
<td>There was a high level of anger/hostility in the relationship between the parties.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G.</td>
<td>O</td>
<td>There was a large power imbalance between the parties.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

9. How satisfied are you with the **outcome** of the mediation?

<table>
<thead>
<tr>
<th>Very</th>
<th>Unsatisfied</th>
<th>Unsatisfied</th>
<th>Satisfied</th>
<th>Very</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsatisfied</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

10. Regardless of the outcome, how satisfied are you with your **overall experience** in the mediation session(s)?

<table>
<thead>
<tr>
<th>Very</th>
<th>Unsatisfied</th>
<th>Unsatisfied</th>
<th>Satisfied</th>
<th>Very</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsatisfied</td>
<td>O</td>
<td>O</td>
<td>O</td>
<td>O</td>
</tr>
</tbody>
</table>

11. Overall, was the mediation process fair?

<p>| | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>Not at all</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>Somewhat</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>Very much</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. If given the choice, would you use this mediator again?

<p>| | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>Possibly</td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Why or why not?

13. How many mediations have you participated in prior to this mediation?

<p>| | | | | |</p>
<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>1-10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>11-25</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>26-50</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>51-100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>O</td>
<td>More than 100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
14. What, if anything, made the mediation effective?

<p>| |</p>
<table>
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</table>

15. What could have improved the mediation?

<p>| |</p>
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</table>
ILLINOIS FORECLOSURE MEDIATION PROGRAM
EVALUATION FOR MEDIATORS

To help us to maintain the quality of the mediation program, please answer all of the questions below. Your responses will be kept confidential and will be used to evaluate our services. No identifying information about you will be released.

Case Number:  
Date:

1. To the best of your knowledge, which of the following were true at the time of the mediation?  
Please fill in the circle for all that apply

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A.</td>
<td>O</td>
<td>Additional documents were needed.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B.</td>
<td>O</td>
<td>A question of law needed to be determined.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C.</td>
<td>O</td>
<td>The time scheduled for mediation was too short.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D.</td>
<td>O</td>
<td>One or more participants did not have authority to settle.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td>O</td>
<td>There was a high level of anger/hostility in the relationship between the parties.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F.</td>
<td>O</td>
<td>There was a large power imbalance between the parties.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Please indicate the number of people who attended any of the mediation sessions either in person or by phone (not including people a party may have contacted outside your presence):

Fill in the circle for each type

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Homeowners</td>
<td>O</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6+</td>
</tr>
<tr>
<td>Lender/servicer representatives</td>
<td>O</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Attorneys for homeowners</td>
<td>O</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Attorneys for lender/servicer</td>
<td>O</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Others (e.g. witness, experts, support person for a party)</td>
<td>O</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

3. Approximately what percent of time in the mediation (totaling 100%) was spent in (write percent, then fill in the corresponding circles):

<p>| | | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint session:</td>
<td>______</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caucus:</td>
<td>______</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Final Report?       | ☐ Yes  
|                   | ☐ No  
| Was mediation held? | ☐ Yes, Mediation Completed  
|                   | ☐ Yes, Mediation Continued  
|                   | ☐ No, Return to Court  
|                   | ☐ No, Mediation Rescheduled  
| If not held, reason returned to court (check all that apply) | ☐ Homeowner did not appear  
|                   | ☐ Homeowner did not provide complete documentation in required timeframe  
|                   | ☐ Homeowner withdrew  
|                   | ☐ Servicer did not appear/did not have authority  
|                   | ☐ Servicer attorney did not appear  
|                   | ☐ Other (indicate below)  
| If other reason returned to court, describe |  
| Reason mediation rescheduled or continued (check all that apply) | ☐ Servicer required new packet  
|                   | ☐ Servicer didn’t have requisite documents prepared  
|                   | ☐ Servicer didn’t review homeowner documents  
|                   | ☐ Homeowner didn’t provide sufficient documentation  
|                   | ☐ Homeowner’s change in circumstances  
|                   | ☐ Rescheduled at request of homeowner  
|                   | ☐ Rescheduled at request of servicer  
|                   | ☐ Servicer did not appear/did not have authority  
|                   | ☐ Servicer attorney did not appear  
|                   | ☐ More time needed to negotiate  
|                   | ☐ Other (indicate below)  
| If other reason rescheduled or continued, describe |  
| Date of mediation session | mm/dd/yy  
| Time spent in mediation session (in fractions of hours - e.g., 1.25) |  
| Time spent on case outside of mediation session |  
| Final Case Outcome | ☐ Program Not Completed - Return to Court  
|                   | ☐ Temporary Loan Modification  
|                   | ☐ Agreement: Retention  
|                   | ☐ Agreement: Relinquishment  
## Foreclosure Mediation Program

### Mediator Report

<table>
<thead>
<tr>
<th>Question</th>
<th>Options</th>
</tr>
</thead>
<tbody>
<tr>
<td>If other case outcome, please describe</td>
<td>☐ No Agreement&lt;br&gt;☐ Other (indicate below)</td>
</tr>
<tr>
<td>If home retained, what was agreed to?</td>
<td>☐ Permanent loan modification&lt;br&gt;☐ Reinstatement&lt;br&gt;☐ Forbearance&lt;br&gt;☐ Short payoff&lt;br&gt;☐ Refinance&lt;br&gt;☐ Other (indicate below)</td>
</tr>
<tr>
<td>If home relinquished, what was agreed to?</td>
<td>☐ Short Sale&lt;br&gt;☐ Deed in lieu&lt;br&gt;☐ Relocation assistance (cash for keys)&lt;br&gt;☐ Consent Judgment&lt;br&gt;☐ Other (indicate below)</td>
</tr>
<tr>
<td>Did both parties comply with program requirements?</td>
<td>☐ Yes&lt;br&gt;☐ No</td>
</tr>
<tr>
<td>If no, who didn't comply (check all that apply)</td>
<td>☐ Lender&lt;br&gt;☐ Homeowner</td>
</tr>
</tbody>
</table>

---

If other case outcome, please describe: 

If home retained, what was agreed to:
- Permanent loan modification
- Reinstatement
- Forbearance
- Short payoff
- Refinance
- Other (indicate below)

If home relinquished, what was agreed to:
- Short Sale
- Deed in lieu
- Relocation assistance (cash for keys)
- Consent Judgment
- Other (indicate below)

If other relinquishment option, please describe: 

Did both parties comply with program requirements? 
- Yes
- No

If no, who didn't comply (check all that apply): 
- Lender
- Homeowner
ABOUT THE AUTHOR

Jennifer Shack has been Director of Research at Resolution Systems Institute since 2000. In this role, she conducts complex evaluations of court-based mediation programs and researches the effectiveness of mediation in court settings. As part of RSI’s efforts to help courts to monitor the functioning of their mediation programs, she has designed data collection systems that are in use around Illinois. This includes the cloud-based case management and monitoring system used by the Attorney General-funded foreclosure mediation programs.

Nationally, Ms. Shack has led a committee to develop model evaluation forms for civil case mediation programs and serves on the American Bar Association Section of Dispute Resolution Research Task Force. Over the past decade, she has presented on program monitoring and evaluation at numerous conferences.

ACKNOWLEDGEMENTS

Resolution Systems Institute (RSI) is grateful to the Office of Illinois Attorney General Lisa M. Madigan for generous financial support of this study and of the foreclosure mediation programs the study evaluates.

I would be remiss if I didn’t acknowledge the judges, who used the early data collected across the state and the recommendations from the 2015 evaluation to improve their foreclosure mediation programs.

Deep thanks go to the program coordinators – current and past – for each program involved in the study. This study would not have been possible without their efforts to collect comprehensive data. I am grateful to them for walking me through their program processes and answering all my questions.

I would also like to thank Susan Yates and Shawn Davis, my colleague and former colleague at RSI, as well as program administrators at RSI’s partner grantees, Stacey Tutt at the University of Illinois College of Law Community Preservation Clinic and Missy Greathouse at the Dispute Resolution Institute, Inc., for their cooperation and collaboration in developing the evaluation plan. I could not have designed the evaluation without their expertise. Shawn Davis’ knowledge of the intricacies of foreclosure and the mediation programs was particularly valuable. Thanks go to RSI Associate Director Eric Slepak-Cherney for his suggested improvements. Finally, thank you to RSI Administrator Bridget Crawford for her patient and excellent copyediting.

Jennifer Shack

RESOLUTION SYSTEMS INSTITUTE

Formed in 1995, Chicago-based Resolution Systems Institute is a non-profit organization whose mission is to strengthen access to justice by enhancing court alternative dispute resolution systems through expertise in program development, research, resources, program administration and training.

Founded on the premise that collecting and disseminating reliable information about court ADR can raise the quality of court ADR, RSI has assisted state and federal courts with the design, administration, monitoring, and evaluation of mediation programs, as well as training ADR neutrals. Courts and individuals across the country call on RSI for advice and make use of RSI’s Court ADR Resource Center.

With a multi-year grant from the Office of Illinois Attorney General Lisa M. Madigan, RSI has fully implemented the advice we have offered for two decades: Seek stakeholder input. Set goals. Design clear systems. Train skilled neutrals. Collect uniform data. Share information with stakeholders. Assess programs with an expert eye. Never stop working to improve court ADR programs.

For more information about RSI, see AboutRSI.org.