



## Helping home borrowers

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It is a sign of the times that Bensalem mortgage industry software provider ISGN Corp. has created an entire division just to identify and address troubled home loans.

ISGN sells software platforms that banks use to originate and service mortgages. But in April, after seeing foreclosure and loan modification numbers rise, the company launched a Default and Loan Servicing group to help clients keep mortgages from failing.

"We try to help borrowers to stay in their houses," said Chetan Patel, vice president of business development of ISGN.

Working on behalf of lenders, ISGN's new division can evaluate the health of a mortgage by studying the borrower's payment and credit history, buying habits, the location of the home and the economics of the neighborhood where it is located.

For those mortgages that the system flags, ISGN employees can get in touch with the borrowers and offer them a number of loan modification options.

"Sometimes we can reduce the payment, lower the interest rate or extend the term," Patel said.

Patel said the new division is ready to address a growing need in the housing industry.

The Mortgage Bankers Association has predicted that foreclosures will continue to rise this year and in 2010. In March, the association reported that the percentage of loans in foreclosure, 60 days past due and 90 or more days past due, set new record highs in the fourth quarter of 2008.

"The delinquency rates continue to climb across the board for prime fixed-rate and subprime fixed-rate loans, loans whose performance is driven by the loss of jobs or income rather than changes in payments," association chief economist Jay Brinkmann said in a statement.

The mortgages with past due payments are possible candidates for loan modification programs. More business could come from the Obama administration's Making Home Affordable program, which includes \$75 billion to help between 3 million and 4 million "at-risk" borrowers obtain loan modifications needed to stave off foreclosures.

ISGN had previously offered technology used to qualify, create and track loan modifications, but the new division will offer the manpower to handle the process.

The company has about 900 employees in eight U.S. states and four locations in India. Patel estimated that the division will create another 125 jobs in the United States — mostly in Texas and Florida — and between 75 and 100 more overseas.

ISGN is offering the Default and Loan Servicing program to its existing customer base of lenders who use its loan origination and mortgage servicing software platforms and marketing it to new clients through trade shows and other presentations.

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