

Visions

A Newsletter Publication of Horizon Consulting Incorporated

A few years ago I opened a beautifully wrapped Christmas package from the Horizon staff with great anticipation, since history has proven to me that the Horizon team takes gifting to the next level! That package contained a piece of art, carved out of a soft metal and ready for mounting, which read, **"It's all good!"** I was laughing and tearing up, because it was clear that the team had taken a phrase used on occasion (*okay, based on the gift it's used much more than realized*) and had it saved for posterity. It's now in place above the conference room door, visible to all who enter, and a reminder of my personal belief. This phrase that has been spoken when contract

awards were won or lost; when team members expressed disappointments or victories; when it rained, snowed, iced or was 70 degrees in the sunshine. And most recently, when the car wouldn't start, the towing company said two hours minimum wait and the rain started to come down in buckets. Even then, I was able to say, **"It's all good!"**

Some of the best lessons in life come during times of challenge and difficulty and through them all we never stop learning. As we watch the Summer Olympic Games, not one of those athletes got to Beijing by accident—they worked for years putting in hundreds of hours of practice, dealing with sore muscles, lost races, supporters and naysayers, numerous sacrifices, the agony of defeat and celebration in victory. All of it—the good and the bad—eventually led them to the Olympics, allowed them to represent their country in Beijing. It led to medals won and records broken. It led to an experience of a lifetime, whether or not medals were won. Trust they would say, **"It's all good!"**

"JOY AND PAIN ARE LIKE SUNSHINE AND RAIN...OVER AND OVER YOU CAN BE SURE, THERE WILL BE SORROW BUT YOU WILL ENDURE. WHERE THERE'S A FLOWER, THERE'S THE SUN AND THE RAIN. OH BUT IT'S WONDERFUL, THEY'RE BOTH ONE AND THE SAME. JOY AND PAIN ARE LIKE SUNSHINE AND RAIN."

Growth is difficult and challenging—growing pains hurt! And most successful dieters will tell you that the opposite process is just as tough. In its fourteen-year history, Horizon grew impressively (Inc. 500 in 2002) and downsized drastically (from 150 to 22) to meet the demands of the business. The lessons learned from both experiences, though taxing, have resulted in streamlined yet efficient processes that have a positive impact on each and every contract managed today. Those experiences prepared Horizon for the steady growth it has been experiencing all year. Hiring and training new employees while saying farewell to others; overtime hours six days

a week on some contracts; space constraints and system downtime challenges leading to lost productivity are just a few of the growing pains the Horizon team has recently encountered. Through all of this, our foundational principles have not been compromised and the client continues to receive Horizon's best. How? Why? Because we know that these current challenges are but a season in our company's life, and Horizon will emerge operating better than before! **It's all good.**

As you are reading this, you may be facing a few challenges, coming out of a tough season, or entering into one. In the center of this letter are a few lines from one of my favorite Frankie Beverly and Maze songs, "Joy and Pain." Meditate on these lyrics for a while; believing, without doubt, that no matter the circumstance: **It's all good!**

Sincerely, with gratitude and boundless hope,

WANDA A. ALEXANDER
Principal, President and CEO

Letter from the President



Horizon Headquarters

44135 Woodridge Parkway, Suite 100
Lansdowne, VA 20176
703.726.6430
703.726.6434 (fax)
www.horizon-inc.com

Ownership

Wanda A. Alexander
Principal, President and CEO
Stephen R. Coakley
Founder and Principal

Human Resources

Kathy Johnson
HR Specialist

Project Managers/Supervisors

Glennice James
Senior Project Manager – Atlanta
Shawn Lawson, Summer Totten
Atlanta Insuring
Rashida Byrd, Nicole Dixon
Philadelphia Insuring
Carmen Seminario, Peggy Culp
Santa Ana Insuring
Julie Hansen
Technical Reviews
Ada Bohorfoush
REO Appraisal Oversight, AVMs
Luciouna Mallard
Denver Insuring Support
Carolyn Brockington
Philadelphia Insuring Support

Inside

Letter from the President	1	GSE Update	3	Horizon Hints	6
Industry Highlights	2	Rate Update	4	Giving Back to the Community	7
Contract Updates	3	Horizon Adds New Staff	4	Final Thoughts	8
		Spotlight	5		

Industry Highlights

HOWEVER, SINCE THE PROGRAM IS VERY POPULAR WITH GROUPS WITH LOTS OF PULL IN WASHINGTON (HOMEBUILDERS, REALTORS AND HOUSING NON-PROFITS) IT IS WISE TO REMEMBER: “NEVER SAY NEVER.”

Fannie Mae and Freddie Mac

The business news is dominated these days with discussions about Fannie Mae and Freddie Mac. As you know, these two government sponsored enterprises, or GSEs, are the primary makers of the secondary mortgage market in the U.S. This market helps replenish the supply of money for mortgages and enables money to be available for housing purchases. The two firms play a crucial role in the mortgage market as we have known it for many years.

But both firms were in dire straits with the firms' respective common stocks having declined about 80 percent just since May. Ouch. This decline prevented them from raising new capital to help cover the billions in loan losses from widespread mortgage defaults. As this newsletter went to press, the government stepped in and took over.

The wise sage and super investor Warren Buffett had been quoted as saying that Fannie Mae and Freddie Mac “are too big to fail,” but that shareholders could “lose a lot of money.” He was already on record saying that both firms won't survive without government backing. It looks like Mr. Buffett was right as usual.

Foreclosures and Delinquencies Continue to Rise

A record 1.2 million homes were in foreclosure during the second quarter of 2008, according to a report released by the Mortgage Bankers Association (MBA). Of course, foreclosures can have a domino effect in some markets. Foreclosures can often lower the values of neighboring real estate sufficiently to make other homeowners walk away from mortgages; not because they can't afford to pay, but because the house is worth far less than what is owed. As more foreclosures and walkaways come on the market, values decline further and the cycle continues.

Mortgage delinquencies also continue to rise through the second quarter with some 2.9 million homeowners falling behind on their loan payments. This figure is up more than 25 percent over last year. Foreclosures and delinquencies are at the highest levels ever recorded by the MBA.

The good news is that some markets have started to improve—Texas, Massachusetts and Maryland—for example. California and Florida continue to be the hardest hit.

Down Payment Assistance

For many years, HUD has had a down payment assistance program that allowed the required three percent down payment on an FHA loan to be paid



by a non-profit association to whom the seller had made at least a three percent contribution—the funds actually came from the non profit and not the seller. But on September 30, the program ends, because default rates for these loans are much higher than average. However, since the program is very popular with groups with lots of pull in Washington (home builders, realtors and housing non-profits) it is wise to remember: “Never say never.”

The reason for the change is that Congress passed a bill designed to stimulate the housing industry. We've talked about that here in these very pages. And while part of that bill involves the elimination of down payment assistance, there is another opportunity for first time home buyers—a \$7,500 tax credit. This change means that new home buyers must provide their own down payment—usually the biggest barrier to homeownership—and then claim the tax credit when they file their taxes. And unlike a gift, the \$7500 must be paid back to the government over 15 years, but it is interest free. 🏠

Post Endorsement Technical Review— Atlanta and Philadelphia

Among the important trends spotted in PETR in both Atlanta and Philadelphia is the mislabeling of files as “Delinquent.” We continue to highlight those files for review by HUD. Additionally, in Philadelphia, we identified a lender who was consistently not placing the HUD-1 Settlement Sheet in the case binder. We alerted the Branch Chiefs so that action could be taken.

The FHA connection continues to be a major challenge in both locations. FHA connectivity has a direct impact on the work that can be



accomplished. Reviewers must work at off hours or work overtime to meet the challenge to the workflow process.

In Atlanta, we have formally requested review of our error ratings. And in Philadelphia we continue to work with the Branch Chiefs on errors reported. We

disagree with the HUD error findings, and believe that these reviews will net a large reduction in error reporting.

Insurance Endorsement Processing— Santa Ana, Atlanta and Philadelphia

FHAC slow response time continues to be a challenge across all contracts. Although some improvement was noticed in April, system down time and a new FHAC facelift resulted in slower processing, many more error messages, and ongoing frustration. Teams in all three locations scrambled to find workarounds to these problems, often working long hours when approval could be obtained.

Horizon teams look forward to a resolution of the FHAC challenge, which we hear is coming soon!.

Insurance Endorsement Support Service— Denver and Philadelphia

Increases in work load, delays in mail receipt and system slowness all contributed to many challenges

experienced by the Insurance Endorsement Support Service teams in Denver and Philadelphia. The teams appreciate the hard work and flexibility of all team members as these challenges are met and dealt with. We are honored to assist as new FHA programs help rescue many troubled homeowners. 🏠

Contract Updates

**HORIZON TEAMS
LOOK FORWARD TO A
RESOLUTION OF THE
FHAC CHALLENGE.**



GSE Update

Horizon has successfully completed a project for HUD in which we validated data that the GSEs submit for affordable housing goal-counting purposes. Just last month, Horizon gave the second of two formal briefings to senior staff at HUD Headquarters. The first briefing was on multifamily housing data and was given about a year ago.

The second briefing was focused on single-family housing data. The results of the project are confidential, but we can say that the Horizon team did an outstanding job. Kudos to Julie, Ada, Steve and Wanda; statistical guru, Dr. Steve Sullivan of Cloudburst Consulting, and database developer extraordinaire, Dave Van Buren. Horizon would also like to acknowledge Mr. Ian Keith of HUD whose guidance and expertise were truly invaluable. 🏠

GSE Update

Since the last issue of *Visions Horizon Consulting* has been pleased to welcome the following new employees:

HQ—VA

- Amanda Bornarth
- Leisa Branton
- Morgan Buckmon
- Jazzmine Goodson
- Helen Kidwell
- Sheila Mincey
- Sherry Ruettgers
- Cheryl Jurusik
- Sharon Abrams
- Joyce Kirksey
- Robert Ince
- Linda Logsdon

PHILADELPHIA OFFICE

- Kelly Dausuel
- Le'Shawn Norris
- Nastascia Renfroe
- Brian Richardson
- Nadirah Brockington
- Tasha Shinholster
- Sherrie Thompson
- Tiffany Goodwin

ATLANTA OFFICE

- Jaquetta Bradshaw
- Ophelia Molden
- Virgil Loftin Jr
- Latasha Cuffee-Myer
- Brendolyn Ray
- Martha Tovar

SANTA ANA OFFICE

- Nicole Ortiz
- Travis Lightner
- Peggy Culp
- Lauren Clark
- Melissa Sanchez

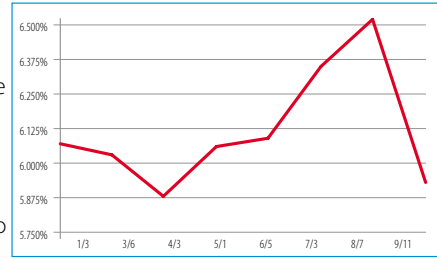
DENVER OFFICE

- Damien Moore
- JoEllen Boren

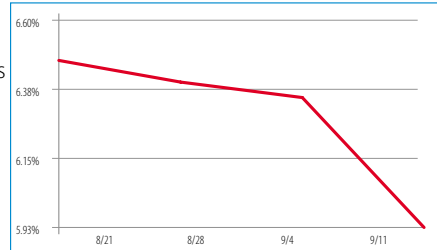
Rate Update

As predicted in our last newsletter, interest rates have continued to swing wildly, but the trend has been steadily up since the beginning of the year. That is until the last four weeks which have seen a rather precipitous fall. This drop can mostly be attributed to recent news that indicates that consumer spending is slowing.

Many of the big retailers are reporting lower earnings and jobless claims were higher than expected. Slower consumer spending lessens fears about inflation which often pushes mortgage rates lower. At press time rates plummeted again with the government takeover of the GSEs. 🏠



30 Yr Fixed Rate—Last 9 Months



30 Yr Fixed Rate—Last 4 weeks



These employees have earned the Horizon Five-Year Service Award:

ATLANTA

- Shannon Abbey
- Glennice James
- Natasha Linebarger
- Deedra Oliver
- Summer Totten

DENVER

- Luciouana Mallard

Congratulations to

ANTHONY SINGSAVADDY (Santa Ana Office) for 10 years of service to Horizon.

These members of the Horizon Team have welcomed babies into their families. We wish them many coos and smiles:

NATASHA LINEBARGER from our Atlanta Office gave birth to a baby girl Mirah Alessia on 03/08/08.

ALPHONZA ASKEW from our Atlanta Office became a Grandfather to Rema Clerk on 04/24/08.

MONICA GUZMAN from our Santa Ana Office gave birth to a baby boy named Carlos Bravo on 05/09/08.

ANTHONY SINGSAVADDY from our Santa Ana Office welcomes a baby girl named Kaylee Aleisha on 08/20/08.

Excellence in Education

We are pleased to announce that Renee Muchison in our Philadelphia office received her Massage Therapy Certification From DPT Business School on August 21, 2008. Congratulations, Renee!

FAREWELL AND BEST WISHES

to Adrienne Ancrum (Philadelphia Office) and Joan Canada (Denver Office), who leave Horizon to join the US Dept OF HUD.



Spotlight Shines on Horizon Summer Interns

Horizon Consulting President, Wanda Alexander, says that Horizon, "Does not have a formal intern program, but we do believe in giving students an opportunity to start or add to their résumé with a meaningful job." This summer two individuals have been interns at Horizon headquarters in Virginia.

Morgan Buckmon attends Hampton University. She is looking forward to earning her BS in Business Management, and plans to continue her education and get an MBA. Morgan grew up in Prince Georges County, MD in a family of four girls. Her parents were excellent role models, she says. Her mother, a member of Delta Sigma Theta has been involved in community outreach activities, and her dad, who works for the FDIC as an information technology specialist is a whiz with computers.

When Morgan was a preteen, attending school in Bowie, she wrote a book about her older sister Lauren's successful battle against cancer. The book won an award in a student writing contest. That experience led Morgan to understand how much she values family—which makes Horizon's family atmosphere one of the attributes she appreciates most. Morgan has learned a lot about the business world, but has learned especially that business can be fun and that business people can be people oriented.

Jazzmine Goodson is Horizon's other summer of 2008 intern. A recent graduate of Potomac Falls High School, Jazzmine will attend Full Sail University in Florida, starting in November. The university

specializes in film, art, design, music and media production. Jazzmine plans to get her degree in graphic design, but has not yet decided on a specialty within that field. The youngest of three siblings, Jazzmine grew up in a creative household. She did all of the color-coordination for her bedroom, and loves vibrant colors such as pinks, purples and blues. She also made her own notes and cards for her graduation from high school.

Jazzmine was a leader in her high school. She was member of the National Honor Society, and performed community service working with the elderly. Additionally, she was an officer in

the school's chapter of Unity, an organization that celebrates multicultural events. Jazzmine says that she was not surprised at the family atmosphere at Horizon, since her older sister (who is now attending Full Sail University as a recording arts major) was an intern at Horizon during a previous summer. Like her older sister, Jazzmine has found that the work she has done has

widened her awareness of the business world and given her much needed real-world experience.

Wanda Alexander sums up the intern experience by saying, "By granting young people the opportunity to work in the business world, we are helping to create

tomorrow's leaders. We are proud to have these interns on our staff." Horizon interns usually come from personal recommendation, either in the form of a friend or family connection to the people of Horizon. 🏠

BY GRANTING YOUNG PEOPLE THE OPPORTUNITY TO WORK IN THE BUSINESS WORLD, WE ARE HELPING TO CREATE TOMORROW'S LEADERS. WE ARE PROUD TO HAVE THESE INTERNS ON OUR STAFF.

[HORIZON] DOES NOT HAVE A FORMAL INTERN PROGRAM, BUT WE DO BELIEVE IN GIVING STUDENTS AN OPPORTUNITY TO START OR ADD TO THEIR RÉSUMÉ WITH A MEANINGFUL JOB.



Spotlight



Top photo: Jazzmine Goodson is one of Horizon's summer interns.

Bottom photo: Morgan Buckmon is Horizon's other intern.

Horizon Hints

HUMAN BEINGS, BY CHANGING THE INNER ATTITUDES OF THEIR MINDS, CAN CHANGE THE OUTER ASPECT OF THEIR LIVES.

— William James

COULD WE CHANGE OUR ATTITUDE, WE SHOULD NOT ONLY SEE LIFE DIFFERENTLY, BUT LIFE ITSELF WOULD COME TO BE DIFFERENT. LIFE WOULD UNDERGO A CHANGE OF APPEARANCE BECAUSE WE OURSELVES HAD UNDERGONE A CHANGE IN ATTITUDE.

— Katherine Mansfield

IF YOU DON'T LIKE SOMETHING, CHANGE IT. IF YOU CAN'T CHANGE IT, CHANGE YOUR ATTITUDE. DON'T COMPLAIN.

— Maya Angelou

Making it “All Good”

There is no shortage of quotations about attitude, and the effect of a positive attitude on life. But good advice about getting to a positive attitude—understanding how “It’s All Good”—is less plentiful. Here are some workable ideas.

• **OWN YOUR EMOTIONS AND YOUR ACTIONS.** No one can “make” you feel any emotion. Our emotions are choices. No statements are more false than ones like: “He makes me mad,” or “She makes feel tense.” You may choose anger as a response to someone else’s actions—and often that anger is fully justified. But remember that the emotion is **your** choice, not something external that is forced on you. Being pleasant in the face of negative emotion is not “faking it.” It simply means recognizing that your actions do not necessarily have to follow your feelings, and that you can choose pleasantness even when you are experiencing a negative emotion.

• **ADOPT AN OPTIMISTIC OUTLOOK.** We’re all familiar with the cliché that a pessimist sees the glass as half empty, while an optimist sees it as half full. Consider

an alternative: be glad there is water in the glass and drink it! Be grateful for what you do have and you’ll often find that gratitude is the key to optimism. When we concentrate on being grateful for what is available we spend far less time complaining about what is not.

• **SPEND TIME IN SILENCE.** Human beings are born with a need to control and we tend to express that need loudly and emphatically. It is our struggle to control the uncontrollable that leads to discontent and poor attitudes. Peace and optimism are often found in silence.

• **FIND HEALTHY WAYS TO COPE WITH ORDINARY AND EXTRAORDINARY STRESS.** Different “stress busters” work for different people, and you will need to find your own. Exercise, meditation, prayer, deep breathing, music, nature... the list goes on. There is no “one-size-fits-all” answer to stress reduction. Learning what to do with ordinary stress (grouchy family members, the morning’s flat tire) will help you deal when extraordinary stress (major illness, moving to another city) comes along. 🏠

Own Your Emotions and Your Actions.

Adopt an Optimistic Outlook.

Spend Time in Silence.

Find Healthy Ways to Cope With Ordinary and Extraordinary Stress.

IN THE ATTITUDE OF SILENCE THE SOUL FINDS THE PATH IN A CLEARER LIGHT, AND WHAT IS ELUSIVE AND DECEPTIVE RESOLVES ITSELF INTO CRYSTAL CLEARNESS. OUR LIFE IS A LONG AND ARDUOUS QUEST AFTER TRUTH.

— Mahatma Gandhi

Horizon Consulting recognizes the importance of its commitment to share its success both with the people who make it happen and with the community at large through donations of time and money.

Since the last issue of Visions, Horizon giving has been focused on the brave service men and women who wear the American uniform every day in order to serve and protect our nation. Last year's efforts were so well received and appreciated by the soldiers that Horizon has decided to continue this type of outreach indefinitely.



During the past several months, Horizon, with headquarters in Virginia, was pleased to show support for service men and women from that state. Horizon joined with the Loudoun County Chamber of Commerce and Loudoun Cares to extend thanks and appreciation to the National Guardsman from Leesburg who returned home from Iraq after a duty tour of over a year. Horizon provided financial support to purchase restaurant gift certificates for each of the 180 families affected.

We have found that giving is contagious. Over the past few months we were joined by others who work with Horizon to provide much-needed supplies to the soldiers in Iraq. Horizon thanks the friends and family members who joined in, the nurses at Klebanow and Associates of Columbia, Maryland, and the team at Argy



Giving Back to the Community

"IT WAS LIKE CHRISTMAS HERE IN IRAQ AND THE SOLDIERS WERE SO HAPPY TO KNOW OTHERS WERE THINKING ABOUT THEM AND SENDING WHAT THEY NEED."

(AWR) and Johnson Advisors for their efforts and great contributions. Together we collected enough supplies to ship a record 25 boxes to Iraq, including everything from dryer sheets to lotions, shampoos, conditioners, snacks, books, magazines, board games and kids' toys to be shared with local children. The team at Horizon worked tirelessly to ensure that collections were boxed, shipped and delivered. Delivery was confirmed and the feedback shared was something akin to "It was like Christmas here in Iraq and the soldiers were so happy to know others were thinking about them and sending what they need." Special thanks to Linda McCreary and Julie Hansen for spearheading this effort and to Cheryl Washington, Kathy Johnson, Jazzmine Goodson and Morgan Buckmon of Horizon for making sure the packages were inventoried, shipped and delivered. Great job team! 🏠



Final Thoughts



Stephen Coakley

Horizon has been adding new team members at a very quick pace—almost two a week—for the past six months or so. Wow. That is surely is one measure of how blessed and busy we are. Welcome all! There is no doubt that growing so quickly presents a whole array of challenges—not the least of which is not only maintaining, but continuing to strengthen the corporate culture here at Horizon. And while there are lots of long-time Horizon'ers (staff with five and ten years with the firm) to do just that, it strikes me that there are lots of new folks that I haven't even had the chance to meet in person yet much less tell them the story of Horizon! We'll change that soon. Wanda and I are looking forward to it. In the meantime, know that honesty, integrity, hard work and professionalism are the foundation that Horizon is built on and that the contribution of each and everyone one at Horizon is what makes it a success. 🏠

