

Diversion Programs and/or Workouts & Litigation Avoidance



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Designing Effective Foreclosure Diversion Programs in Pennsylvania

At least fourteen judicial districts in Pennsylvania have a foreclosure diversion program: Allegheny, Blair, Bucks, Butler, Delaware, Fayette, Lackawanna, Lehigh, Luzerne, Lycoming, Northampton, Philadelphia, Somerset and Washington Counties. Philadelphia's program was created first, in 2008. Luzerne County's program is the most recently implemented; its first mediation session was held on November 19th. In October, Common Pleas judges and court administrators from at least thirty-six counties participated in a day-long workshop encouraging them to adopt diversion programs in their own courts modeled on existing successful programs. Other programs are under consideration.

The goal of all foreclosure diversion programs is to help homeowner-occupants in foreclosure reach agreements with their mortgage companies to avoid sheriff sales of the properties. Ideally the foreclosures are ended and homes are saved through a mortgage modification or other agreement. The programs consist of the following elements, with some variations:

- **Implementation:** There is a wide range of the formality of implementation. The programs are usually, but not always, implemented by court administrative order. Sometimes the local rules are amended to accommodate program requirements. (Lycoming County is a particularly thorough example of this). In at least one county (Lehigh), the judge overseeing the program just began ordering status conferences in all foreclosures.
 - We recommend the input of a steering committee including housing counselors, legal services attorneys and lenders' counsel to give input to the court on creating and adjusting the program.
- **Eligibility:** foreclosures filed on owner occupied properties, or properties where the occupant can argue some ownership interest, such as an heir or spouse of the owner. Newly filed owner-occupied foreclosures are eligible to participate in all the programs. The lender certifies the property as owner occupied and the homeowner has an opportunity to challenge a designation of non-owner occupied. Only some of the programs (such as Philadelphia) include cases scheduled for sheriff sale that were initially filed before the program became effective. In those "day backward" cases, the homeowner may participate in the conciliation process by filing a certificate of participation prior to a sheriff sale of the property.
 - We recommend including the "day backward" cases if possible to make sure those homeowners were properly evaluated for a modification or other workout, including HAMP.

- **Notice:** the notice advises homeowners about the program and the steps they must take to participate, usually calling a hotline or specific housing counseling or legal services agency. The notice can be served with the complaint, mailed separately, or both.
 - We recommend both, or at the least that it be served with the complaint.
 - If anyone has the resources, outreach to the homeowners to participate (call the hotline, attend the conference) can be helpful. In the early days of Philadelphia's program, some housing counseling agencies made outreach efforts to homeowners based on a list obtained from court.
- **Participation:** most programs are "opt-in," with the homeowner required to call the hotline and/or file a certificate of participation. Some, such as Philadelphia and Northampton are "opt out," meaning that the conference date is scheduled without the homeowner having to take the initial step. Lenders are required to participate, usually by phone. Lender's counsel must appear in person.
 - We recommend opt-in or automatically scheduled conferences to increase homeowner participation.
- **Proposal:** the homeowner must work with a housing counselor (or sometimes, attorney) to submit a workout proposal to the lender, usually a set length of time before the scheduled conference. The lender is then supposed to have a response to the proposal by the conference date.
- **Conference:** Most of the programs include an in-person conciliation conference at court with the homeowner and lender's counsel present, and lender available at least by phone. Usually the parties have an opportunity to meet first on their own and then if necessary appear before a judge or mediator. Usually the conferences are grouped together in front of a particular judge, once a week (as in Philadelphia) or once or twice a month in counties with lower foreclosure volume. If the parties cannot reach an agreement, the judge may schedule a follow up conference and delay entry of judgment or sheriff sale. Three counties (Delaware, Fayette and Somerset) only provide for an automatic and time-limited stay of the proceedings for the parties to attempt to reach an agreement, but do not have further court involvement.
 - We believe that a conference with court involvement is essential to give teeth to the program and force true lender participation.
- **Stay of proceedings:** most programs delay entry of default judgment or sheriff sale against participating homeowners until after the conclusion of the conciliation process. The three counties with only an automatic stay have a stay that expires after a set number of days.
 - We believe that it is essential to delay entry of default judgment until after the conference date or until participation in the program is complete, which may take several conference dates or extensions of time.
- **Legal representation:** almost all homeowners work with a housing counselor. Most programs also include the participation of legal services. Not all homeowners in foreclosure will be eligible for legal services representation because of funding

restriction and program priorities. Most programs also involve pro bono attorneys. Some homeowners may have private attorneys, especially those in bankruptcy. The conferences should be designed so that homeowners without attorneys can participate.

- If there is a pro bono coordinating agency or committee, they can participate in the program (as in Philadelphia). If the foreclosure volume is lower, the judge presiding over the conferences may recruit pro bono attorneys (as in Lycoming).
- **Tracking outcomes:** this is very valuable for evaluating the effectiveness of a program, making adjustments to it, and justifying its existence. In Philadelphia, the court and the Reinvestment Fund received a grant to study program outcomes. Data collection should be simpler in the smaller counties. The court can collect this data by coding owner-occupied foreclosures differently, noting how many homeowners attend conferences, and keeping track of how many conferences are held and the ultimate outcome, such as a repayment plan, modification, short sale, bankruptcy, etc.
 - We strongly encourage data collection from the beginning. This is mostly a court responsibility, but legal services and housing counselors can help by tracking calls to the hotline and numbers of clients represented.

The most crucial components of any program are court-supervised conciliation conferences and the delay of entry of default judgment pending the outcome of the conference(s). Without these components, it is too easy for the mortgage companies to be non-responsive to homeowner's workout proposals, and to avoid meaningful participation in the process.

If a diversion program is under consideration in your local court of common pleas, or if you would like to advocate for the adoption of one, I would be happy to help. Please contact me, Rachel Labush, at (215) 981-3739 or by email to rlabush@clsphila.org.

Synopses of Local Foreclosure Diversion Programs in Pennsylvania:

Allegheny: Residential Mortgage Foreclosure Program

Administrative Order No. AD-2008-535-PJ

- Effective for cases filed on or after January 12, 2009
- Plaintiff must use specific cover sheet for owner-occupied foreclosures including name and telephone number of representative of mortgage company
- Judge has discretion to enter stays in individual cases. Stays are entered in all cases where defendant contacts hotline, opting into program, and sometimes in other cases
- Notice served on defendant with the Complaint
- Defendant opts in by calling the Allegheny County Department of Economic Development's Save Your Home Hotline, which connects defendant with a housing counselor at one of eight agencies
- County Manager's office prepares Order of Court scheduling conciliation hearing and staying foreclosure proceedings
- Housing counselors send Department of Economic Development updates on the progress of each case
- Department of Economic Development summarizes progress of cases for Judge McCarthy
- Cases are then marked settled and discontinued, scheduled for another conference, or removed from the program

Blair: Mortgage Foreclosure Diversion Program

Administrative Order No. 2010 AD 11

- Effective for cases filed on or after April 1, 2010
- Notice served on defendant with the Complaint
- Defendant opts in by filing a Certification of Premises as Owner Occupied and Request for Conciliation Conference within 10 days
- Defendant's certificate triggers a 60 day stay of all proceedings while conciliation takes place
- Court hearings are held once a month

Bucks: Mortgage Foreclosure Diversion Program

Civil Division Administrative Order No. 55

Published at 39 Pa.B. 3321, amended 39 Pa.B. 4096

- Effective for cases filed on or after July 3, 2009
- Plaintiff must attach Certification Cover Sheet to foreclosure Complaint certifying whether or not the property is owner-occupied
- Notice is served on defendant with the Complaint
- Certification and Notice are also mailed to defendant
- Defendant opts in by calling the Save Your Home Hotline within 10 days.
- Once defendant calls the hotline the court schedules a conciliation conference
- Defendant and housing counselor submit proposal two weeks before conference

- Conference order stays action on the Complaint until at least 20 days after the conference

Butler: Mortgage Foreclosure Diversion Program

MsD No. 09-40262

Published at 39 Pa.B. 5723

- Effective for all foreclosure cases pending or filed on or after November 3, 2009
- Amended and created several local rules
- Plaintiff must note on Complaint cover sheet if it is a residential mortgage foreclosure
- Notice is served on defendant with the Complaint, or posted on property if Sheriff is unable to serve defendant personally
- Notice advises defendant to call hotline operated by Advantage Credit Counseling Service
- Notice may be served by certified mail for cases filed prior to effective date
- Before plaintiff can obtain writ of execution or list property for sheriff sale, plaintiff must file affidavit disclosing date and manner of service of the notice, whether defendant opted to participate in the program, and that the claim was not resolved and no further conferences are scheduled
- Proof of service of the notice is required upon filing any Motion for Judgment on the Pleadings or Motion for Summary Judgment
- Defendant opts in by filing request for conciliation conference within 30 days of service of the Notice
- Court issues Case Management Order scheduling conference and advising defendant to request legal representation by contacting Neighborhood Legal Services or the Butler County Bar Association
- Defendant must submit financial worksheet in prescribed format with housing counselor or attorney at least 14 days before conciliation conference
- Proceedings are stayed pending completion of the conference and further court order

Delaware: Mortgage Foreclosure Hotline Program

Administrative Order No. 09-10910

- Effective for cases filed on or after October 1, 2009
- Notice served on defendant with the Complaint
- Defendant has 30 days from date of service to call the Save Your Home Hotline operated by the Consumer Credit Counseling Service of Delaware Valley to be connected with a housing counselor
- Housing counselor sends Notification of Hotline Contact to plaintiff's counsel, and must send workout proposal to plaintiff's counsel within 30 days of defendant's initial call to the Hotline
- Plaintiff may not send a Pa. R.C.P. Rule 237 Notice until 31 days from defendant's initial call to the Hotline

Fayette: Mortgage Foreclosure Diversion Program
Administrative Order No. 1 ADM 2010
Published at 40 Pa.B. 1731

- Effective for cases filed in or after May 2010
- Notice served on defendant with the Complaint
- Defendant opts in by commencing Foreclosure Mitigation Counseling (FMC) with Southwestern Pennsylvania Legal Services within 20 days of service
- If defendant commences FMC, legal representative may request 90 day stay in writing to assigned judge
- No court conference occurs
- If parties cannot reach agreement within 90 days, case may proceed as usual

Lackawanna: Residential Mortgage Foreclosure Diversion Program
Administrative Order No. 94 CV 102
Published at 39 Pa.B. 2929

- Effective for all foreclosure cases pending or filed on or after June 26, 2009
- Amended and created several local rules
- Plaintiff must note on Complaint cover sheet if it is a residential mortgage foreclosure
- Notice is served on defendant with the Complaint
- Notice advises defendant to call housing counselors at Neighborhood Housing Services of Lackawanna County or United Neighborhood Centers of Northeastern Pennsylvania
- Before plaintiff can obtain writ of execution or list property for sheriff sale, plaintiff must file affidavit disclosing date and manner of service of the Notice, whether defendant opted to participate in the program, and that the claim was not resolved and no further conferences are scheduled
- Proof of service of the Notice is required upon filing any motion for judgment on the Pleadings or Motion for Summary Judgment, and case is stayed for 60 days to allow defendant to participate
- Defendant opts in by contacting a housing counselor and filing request for conciliation conference within 40 days of service of the Notice
- Conciliation conferences are conducted in the jury orientation lounge the last Friday of each month
- Defendant must submit financial worksheet in prescribed format with housing counselor or attorney at least 14 days before conciliation conference
- Proceedings are stayed pending completion of the conference and further Court Order
- Plaintiff or defendant may request additional conference for good cause by motion

Lehigh: Foreclosure Conciliation Program

- Notice and Case Management Order served on defendant with Complaint
- Defendant must call housing counselor at Community Action Committee of the Lehigh Valley within 15 days of service

- Defendant must file Certification of Participation with Court and submit written proposal and financial documents to plaintiff
- Conciliation/case management conference is automatically scheduled in case management order but may be canceled if defendant does not work with housing counselor
- Proceedings are stayed pending further Order of Court

Luzerne: Mortgage Foreclosure Diversion Program

- First mediation sessions held November 19th
- Awaiting further information

Lycoming: Mortgage Foreclosure Diversion Program

- Effective for cases filed on or after July 1, 2010
- Notice is mailed to defendant after service of Complaint
- Defendant opts in by filing Election to Participate with court administration within 20 days of the date of the notice
- Defendant is instructed to contact a housing counselor at Consumer Credit Counseling Services of NEPA or STEP, Inc.
- Court administrator schedules court settlement conference
- No judgment may be entered until after the date of the conference
- North Penn Legal Services coordinates pro bono representation with the County Law Association
- Court enters Order noting outcome of conference and either staying the case for a certain time, scheduling another settlement conference, allowing the case to proceed or dismissing it

Northampton: Residential Mortgage Foreclosure Diversion Program

Administrative Order No. 2009-4

- Effective for cases filed on or after May 1, 2009
- Plaintiff must attach Certification Cover Sheet to owner-occupied foreclosure Complaints and include contact information for representative of plaintiff
- Notice is served on defendant with the Complaint, advising defendant to call the Save Your Home Hotline operated by the Community Action Committee of the Lehigh Valley within 10 days
- Certification and Notice must be mailed to the defendant prior to filing of the case, and plaintiff must attach a certificate of service by mail to its Complaint
- Defendant does not have to opt in. Case Management Order is generating upon filing of the case, scheduling a conciliation conference within 90 days, and is also served on defendant with the Complaint
- After meeting with a housing counselor, defendant must file a Certification of Participation with the Prothonotary's Office at least two weeks before the conciliation conference date
- Defendant and housing counselor must submit a workout proposal and financial information to plaintiff's attorney at least 10 days before the conference

- Proceedings and sheriff sale stayed until mandatory conciliation takes place (unless defendant fails to participate in conciliation)

Philadelphia: Residential Mortgage Foreclosure Diversion Program

Joint General Court Regulation No. 2008-1

Published at 38 Pa. B. 2049, further implementing orders at 38 Pa. B. 2046, 38 Pa.B. 2481, 40 Pa.B. 237

- Plaintiff must certify foreclosures as owner-occupied or not, and defendant has opportunity to challenge designation
- Notice and Case Management Order served on defendant with the Complaint
- Defendant does not have to opt in. Case Management Order automatically schedules conciliation conference in court
- Notice directs defendant to call the Save Your Home Philly Hotline funded by the Philadelphia Office of Housing and Community Development and operated by Philadelphia Legal Assistance
- Hotline connects defendant with housing counselor to submit workout proposal to plaintiff
- Conferences are held every Thursday in large courtroom (at City Hall)
- Parties have opportunity to work things out directly and if they can't, they may request meeting with a volunteer Judge Pro Tempore who makes recommendation
- Judge Rizzo oversees the process and signs conciliation conference orders
- If defendant shows up at conference without first meeting with housing counselor, conference may be continued and referral made to housing counselor
- Philadelphia VIP, pro bono coordinating agency, has volunteer lawyers available in court
- Plaintiff may not take default judgment before conciliation date, and default judgment may be delayed again by agreement or order of court at the conference
- If defendant is served and does not show up at the conference, plaintiff may take default judgment and case continues as normal

Somerset: Mortgage Foreclosure Diversion Program

Administrative Order No. 01-2010; No. 12 Miscellaneous 2010

Published at 40 Pa.B. 2636

- Effective April 26, 2010
- Notice served on defendant with the Complaint
- Defendant opts in by attending a Foreclosure Mitigation Counseling session with Southwestern Pennsylvania Legal Services within 20 days of service of the Complaint
- Legal representative may request 60 day stay in writing to the Administrative Judge within 10 days of the date of the counseling session
- No court conference occurs
- If parties cannot reach agreement within 60 days, case may proceed as usual

Washington: Mortgage Foreclosure Diversion Program

Administrative Order No. 2009-1

- Effective for cases filed on or after April 28, 2009

- Notice served on defendant with the Complaint
- Defendant opts in by attending Foreclosure Mitigation Counseling session with Southwestern Pennsylvania Legal Services. Sessions are held every Wednesday at the courthouse
- Defendants who opt in may seek a 90 day stay to try to reach an agreement with plaintiff

**IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
TRIAL DIVISION - CIVIL**

HOUSEHOLD FINANCE CONSUMER
DISCOUNT COMPANY VS [REDACTED]

JUNE TERM 2010

No. [REDACTED]

**CASE MANAGEMENT ORDER
RESIDENTIAL MORTGAGE FORECLOSURE DIVERSION PILOT PROGRAM**

AND NOW, 30-JUN-2010, pursuant to the terms of the Residential Mortgage Foreclosure Diversion Pilot Program adopted by Joint General Court Regulation 2008-01, it is hereby ORDERED and DECREED as follows:

1) SCHEDULING OF CONCILIATION CONFERENCE: A Conciliation Conference is scheduled for August 12, 2010 at 09:00 am, in Courtroom 676, City Hall, Philadelphia, PA 19107.

2) SERVICE: Plaintiff shall serve a copy of this order on Defendant(s) together with the Complaint as required by P.R.C.P. No. 400.1.

3) JUDGMENT BY DEFAULT. As provided by Section 4 (f) of Joint General Court Regulation No. 2008-01, if the Complaint is served on defendant(s) as required by rules of court but a responsive pleading or preliminary objections are not filed as required by Pa.R.C.P. No. 1026 and 1028, the Plaintiff may, as appropriate, serve a "ten-day notice" as authorized by Pa.R.C.P. No. 237.1 on defendant(s) but may not obtain judgment by default until after the Conciliation Conference is held. Plaintiff may seek relief from this provision, as may be appropriate, by filing a motion.

4) MEETING WITH HOUSING COUNSELOR: The Homeowner-Defendant shall immediately call the **SAVE YOUR HOME PHILLY HOTLINE** at 215-334-HOME (215-334-4663), schedule an appointment and meet with a housing counselor to explore available options for resolution of the Mortgage Foreclosure action. The housing counselor shall prepare a proposal and submit it to Plaintiff's attorney at least ten (10) days before the date of the Conciliation Conference.

5) CONCILIATION CONFERENCE: All parties shall attend the Conciliation Conference. A representative of the Plaintiff or investor who has actual authority to modify mortgages, to enter into alternate payment agreements with the defendant, or to otherwise resolve the action shall be present at the Conciliation Conference or shall be available telephonically. A Conference shall be conducted as provided by Joint General Court Regulation 2008-01 and a status order will be issued after the Conference is concluded.

6) DEFENDANT(S)' FAILURE TO MEET WITH A HOUSING COUNSELOR OR TO ATTEND THE CONCILIATION CONFERENCE: The defendant(s)' failure to meet with a housing counselor or attend the Conciliation Conference may result in the entry of an order authorizing the plaintiff to proceed with the action and the ultimate sale of the premises at Sheriff Sale.

BY THE COURT:

HONORABLE PAMELA PRYOR DEMBE
President Judge
Court of Common Pleas

HONORABLE D. WEBSTER KEOGH
Administrative Judge, Trial Division
Court of Common Pleas

First Judicial District Of Pennsylvania

Court Of Common Pleas Of Philadelphia County

Under a new Pilot Project of the Court of Common Pleas:

**You may be able to get help
with Your Mortgage.**

**YOU MUST Call the
Save Your Home Philly Hotline
at 215-334-HOME
(215-334- 4663)**

1) You will be put in touch with a non-profit Housing Counselor who will help you try to work out arrangements with your mortgage company.

2) You will have the right to go to a conference under the court's supervision where a reasonable work out can be arranged.

To get this help you must call the Hotline and go to a Housing Counselor. They will tell you what to do next.

Call the Hotline immediately. **Call 215-334-HOME (215-334-4663).**

Make this call to save your home!

For Additional Information about the *Residential Mortgage Foreclosure Diversion Pilot Program*
go to: <http://fjd.phila.gov/regs/> and select General Court Regulation No. 2008-01

IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
TRIAL DIVISION - CIVIL

CITIMORTGAGE INC VS THE UNKNOWN
HEIRS OF [REDACTED], DECEASED

SEPTEMBER TERM 2010

No. [REDACTED]

IMPORTANT NOTICE

**Call the Save Your Home Philly Hotline at
215-334-HOME (4663)**

A Mortgage Foreclosure Action has been filed against you. The Plaintiff has alleged that this action does NOT involve an owner-occupied residential property subject to execution to enforce a residential mortgage.

If you believe that this action does involve an owner-occupied residential property subject to execution to enforce a residential mortgage, you may be able to participate in a conference that may let you save your home.

To be eligible for a conference, you must own and live in the property (and it must have four or fewer residential units) and the Mortgage Foreclosure Action must have been filed to enforce a residential mortgage.

If the Mortgage Foreclosure Complaint does involve an owner-occupied residential property subject to execution to enforce a residential mortgage, you may be able to participate in a conference if you file the form attached to this notice, *Certification That Premises Are Residential and Owner Occupied and Request For Conciliation Conference* as soon as possible, but no later than 10 days before the date of the Sheriff Sale.

The form must be filed in **Room 278 City Hall**, Philadelphia, PA 19107, or can be filed electronically through the Civil Electronic Filing System at <http://courts.phila.gov>.

For help, or if you have questions, call:

Save Your Home Philly Hotline at 215-334-HOME (4663)

IN THE COURT OF COMMON PLEAS OF PHILADELPHIA COUNTY
FIRST JUDICIAL DISTRICT OF PENNSYLVANIA
TRIAL DIVISION - CIVIL

CITIMORTGAGE INC VS THE UNKNOWN
HEIRS OF [REDACTED], DECEASED

SEPTEMBER TERM 2010

No. [REDACTED]

Joint General Court Regulation No. 2008-01: Residential Mortgage Foreclosure Diversion Pilot Program

DEFENDANT'S CERTIFICATION THAT PREMISES ARE
RESIDENTIAL and OWNER OCCUPIED
and
REQUEST FOR CONCILIATION CONFERENCE
(Prothonotary Code: CERDO)

Pursuant to the Order issued by President Judge C. Darnell Jones II and Administrative Judge D. Webster Keogh on July 17, 2008, I hereby certify as follows:

1. I am the owner or an owner or an heir to a deceased owner of the property known as:

Premises Address: _____
Philadelphia, PA _____

2. I live in the property identified above;
3. This property is my principal residential property;
4. The judgment entered against me in this case was entered against me to collect a mortgage debt on my home;
5. I request that the Court schedule a Conciliation Conference pursuant to Joint General Court Regulation No. 2008-01.

The undersigned verifies that the statements made herein are true and correct. I understand that false statements are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: _____

Signature of Defendant(s)

Phone Number:

Mobile Number:

Fax Number:

Email Address:

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY,
PENNSYLVANIA
ADMINISTRATIVE DOCKET

IN RE: RESIDENTIAL MORTGAGE
FORECLOSURE PROGRAM

AD-2008-535 -PJ

Filed on Behalf of:

The Honorable Joseph M. James

FILED
08 DEC 19 PM 2:50
DEPT OF COURT RECORDS
CIVIL/FAMILY DIVISION
ALLEGHENY COUNTY PA

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY,
PENNSYLVANIA
ADMINISTRATIVE DOCKET**

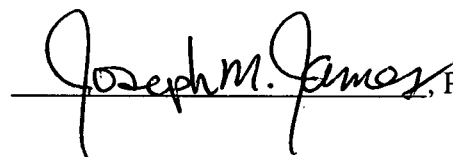
IN RE: RESIDENTIAL MORTGAGE
FORECLOSURE PROGRAM

:
: AD-2008- 535 -PJ
:

ORDER OF COURT

AND NOW, this 19th day of December 2008, in order to permit the implementation of the Residential Mortgage Foreclosure Program, effective January 12, 2009, all Complaints for Mortgage Foreclosure of residential owner-occupied properties filed with the Allegheny County Department of Court Records will be given a dedicated filing designation of MG. These complaints will require the specific cover sheet, an example of which is attached hereto, certifying real estate location, occupancy status, and contact information, specifically name and telephone number of the representative of the lending institution before the Complaint will be accepted by the Department. An "URGENT NOTICE" shall also be affixed to the Complaint served upon the defendant. When the defendant requests a conciliation under this program, the case will proceed substantially as outlined in the Proposed Order attached hereto. The Court may stay the proceedings for a reasonable period to permit meaningful conciliation.

BY THE COURT:

 P. J.

**IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA
CIVIL DIVISION**

Plaintiff(s)

Vs.

Defendant(s)

CASE NUMBER:

MG

TYPE OF PLEADING:

CODE and CLASSIFICATION:

Certificate of Location:

I hereby certify that the location of
the real estate is:

City, Borough or Township

Ward

Address:

Filed on behalf of:

☐

Counsel of Record

☐

Individual, Pro Se

YOU MUST CHECK ONE SELECTION IN EACH BOX

____ OWNER OCCUPIED RESIDENTIAL
____ NON-OWNER OCCUPIED RESIDENTIAL
____ COMMERCIAL
____ OTHER (explain _____)

____ FOUR UNITS OR LESS
____ OVER FOUR UNITS

Name, Address and Telephone Number:

Attorney's State ID: _____

Attorney's Firm ID: _____

IF RESIDENTIAL: Name address and telephone number of representative of lending institution with authority to discuss this action.

URGENT NOTICE

**Under a new Pilot Project of the Court of
Common Pleas of Allegheny County:**

**You may be able to get help
with Your Mortgage.**

Call the

Save Your Home Hotline

at 1 - 800 - 298 - 8020

You will be put in touch with a non-profit Housing Counselor **FREE OF CHARGE** to help you try to work out arrangements with your mortgage company.

The housing counselor will schedule a conference under the court's supervision to determine whether a work out can be arranged.

To get this help you must call the Hotline and go to a Housing Counselor. They will tell you what to do next.

Call the Hotline immediately. Call **1-800-298-8020**.

Make this call to save your home!
THIS PROJECT IS FREE

IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA
CIVIL DIVISION

Plaintiff

No.

v.

Defendant

ORDER OF COURT

AND NOW, this _____ day of _____, 2008, pursuant to the terms of the **Residential Mortgage Foreclosure Diversion Program** it is hereby ORDERED and DECREED as follows:

- 1) The Defendant, assisted by the housing counselor, will file with the Department of Court Records, First Floor, City-County Building, a **Certification of Participation** form, as soon as possible after the Defendant has met with the counselor.
- 2) The housing counselor and the Defendant will explore available options which include: bringing the mortgage current, paying off the mortgage, proposing a repayment plan to bring the account current over time, agreeing to vacate in the near future in exchange for not contesting the matter and a monetary payment, offering the lender a deed in lieu of foreclosure, filing bankruptcy proceedings, paying the mortgage default over 60 months, request a loan modification, and filing an answer or motion to open or strike the judgment. At Defendant's request, the housing counselor shall promptly prepare and submit a written proposal for addressing the mortgage delinquency, a payment plan (together with the **Work Out Options & Counseling Form** and all available supporting financial information) or other resolution to Plaintiff's attorney, as soon as possible, but if practicable, at least ten (10) days before the date of the Conciliation Conference.
- 3) The Plaintiff shall evaluate and respond to Defendant's proposal prior to, or at the Conciliation Conference.
- 4) Unless an agreement has been reached prior to the Conciliation Conference, a representative of the Plaintiff or investor who has actual authority to modify mortgages, to enter into alternate payment agreements with the defendant, or otherwise resolve the action shall be present at the Conciliation Conference or shall be available telephonically. The failure of the Plaintiff or of a representative of the Plaintiff or investor with such authority to appear for the Conciliation Conference may result in the rescheduling of the Conciliation Conference, and/or the further postponement of the Sheriff Sale of the property.
- 5) A Conciliation Conference is scheduled for "_____" at "_____", in Courtroom _____, City-County Building, 414 Grant Street, Pittsburgh, PA 15219.
- 6) The failure of the Defendant to attend the Conciliation Conference shall result in the lifting of any stay.

BY THE COURT:

_____, J.



Fifth Judicial District of Pennsylvania

Court of Common Pleas

Pittsburgh, Pennsylvania

[administration](#) ▶ [civil](#) ▶ [criminal](#) ▶ [district judges](#) ▶ [family](#) ▶ [jury](#) ▶ [orphans'](#) ▶ [PMC](#) ▶

Civil

- administrative orders
- arbitration
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- board of viewers
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- conciliation schedule
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- **mortgage foreclosure program**
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Resources

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Search Site:



Civil | Mortgage Foreclosure Program

Civil Division

700 City-County Building
414 Grant Street
Pittsburgh, PA 15219

[directions by MapQuest](#)

Hours of Operation

Monday through Friday
8:30 a.m.-4:30 p.m.

The Allegheny County Residential Mortgage Foreclosure Program is a collaborative effort between both public and private sector entities to address the increasing number of property foreclosures in Allegheny County.

Initiated on January 12, 2009, by President Judge Joseph James' Administrative Order, the primary objective of the Mortgage Foreclosure Program is to provide a single unified process for the amicable resolution of mortgage foreclosure proceedings through court intervention, counseling, and conciliation. In addition to Judge Michael E. McCarthy of the Fifth Judicial District of the Pennsylvania Court of Common Pleas, the Allegheny County Executive Office's Department of Economic Development, the Allegheny County Sheriff, the Allegheny County Bar Association, and several private credit counseling agencies play substantive roles in this effort.

Eligibility for the Program

In order to be eligible for entry into the program, the borrower in question must meet the following criteria:

- A Complaint for Mortgage Foreclosure has been filed with the Allegheny County Department of Court Records, Civil Division with and MG Docket number
- The property must be owner-occupied
- The property must be of four (4) or fewer units

Commercial properties are not eligible for the program. Currently, over 1,400 properties are eligible in Allegheny County of which 20% are availing themselves of the program.

Participation in the Program

Participation in the program cannot start until the lender files a Mortgage Foreclosure Complaint action against the borrower in Civil Court. At this time, the Sheriff's Department will serve the borrower with the appropriate foreclosure paperwork. Included in this paperwork is an "Urgent Notice" advising the borrower of the Mortgage Foreclosure Program and provides a phone number to contact. Participation into the program is initiated by this phone call to the Allegheny County Department of Economic Development's "Save Your Home Hotline" at **1.866.298.8020**.

How the Program Works

The borrower calls the "Save Your Home Hotline" at **1.866.298.8020**.

The hotline staff briefly explains the program, and schedules an appointment between the borrower and one of the 8 participating nonprofit HUD/PHFA certified housing counseling agencies. These agencies are:

- **Action Housing, Inc** (Downtown)
425 6th Avenue, Suite 950
Pittsburgh, PA 15219
412-281-2102
800-792-2801
- **Action Housing, Inc.** (East Pittsburgh Office)
803 East Pittsburgh Plaza
East Pittsburgh, PA 15112
412-281-2102
800-792-2801
- **CCCS of Western PA** (South Side)
River Park Commons
2403 Sidney Street, Suite 400
Pittsburgh, PA 15203
888-511-2227
- **Fair Housing Partnership of Greater Pittsburgh, Inc.** (Strip District)
2840 Liberty Avenue, Suite 205
Pittsburgh, PA 15222
412-391-2535
- **Garfield Jubilee Associates** (Garfield/Friendship/Bloomfield)
5138 Penn Avenue
Pittsburgh, PA 15224
412-665-5200
- **Nazareth Housing Services** (North Hills, Ross Twp.)
301 Bellevue Road

Pittsburgh, PA 15229
412-931-6996

- **NeighborWorks of Western PA** (Downtown)
710 5th Avenue, Suite 1000
Pittsburgh, PA 15219
412-281-9773
- **Pittsburgh Community Reinvestment Group** (Centre Avenue)
1901 Centre Avenue, Suite 200
Pittsburgh, PA 15219
412-391-6732
- **Urban League-** (Downtown)
610 Wood Street
Pittsburgh, PA 15222
412-227-4802

Counseling Agencies will contact the borrowers within twenty-four hours to accept them into the program. Appointments are set-up with these agencies, generally within a week of the borrower's initial call to the hotline. This allows time for the counseling agency to send the borrower information outlining the documentation that will be needed at the counseling appointment. The Allegheny County Department of Economic Development will then request that a Conciliation Conference be scheduled before the Honorable Michael E. McCarthy. The request for conciliation conference is posted on the Civil Division Court Records website. The County Manager's office then prepares an Order of Court that will schedule a Conciliation Hearing, which also places a hold on the foreclosure proceedings. These Orders are then presented to Judge McCarthy for signature. The signed orders are delivered to the Civil Division Court Records, and the orders are posted on the website. The Order temporarily prevents the lenders from being able to continue the foreclosure process. Copies of this Order are mailed to all parties involved by the Department of Court Records. Until the scheduled hearing occurs, the Housing Counselors continue to work with the borrowers in an attempt to reach an agreement between the borrower and lender. The Housing Counselors send the Department of Economic Development a follow-up form concerning the progress of the loan modification. Economic Development reviews the information and provides Judge McCarthy with a summary of the scheduled conciliations so that he may determine which cases need to be:

- Removed from the program
- Continued for another Conciliation Hearing allowing enough time to reach an agreement between parties
- Settled and Discontinued

Failing to Participate in the Program

Eligible borrowers who choose not to participate in this program or fail to follow through with appointments with the counseling agencies will be subject to the rules of the mortgage foreclosure process.

IMPORTANT NOTICE TO DEFENDANT(S)

YOU MAY RECEIVE HELP THAT MIGHT SAVE YOUR HOME

You have been sued. The Plaintiff alleges you have defaulted on your mortgage.

The Court has a program that may help save your home from foreclosure if you are an owner (or an heir to a deceased owner) of the property that is the subject of this mortgage foreclosure action, you live in the property and the property is your principal residence.

**CALL THE HOUSING COUNSELOR
1-800-755-1563 (toll-free)
or
610-691-2876**

within fifteen (15) days from your receipt of this Notice. You will be put in touch with a Housing Counselor at the Community Action Committee of the Lehigh Valley. The Housing Counselor will assist you FREE OF CHARGE.

You, or your attorney if you have one, MUST attend the Conciliation/Case Management Conference scheduled in paragraph 1 of the enclosed Conciliation/Case Management Order.

You MUST complete and return the enclosed Certification of Participation to Court Administration/Civil Operations Section and submit a complete, written proposal to the Plaintiff's counsel no later than fifteen (15) days before the Conciliation/Case Management Conference. The Housing Counselor will help you complete the proposal.

TO GET THIS HELP, YOU MUST CALL THE HOUSING COUNSELOR WITHIN FIFTEEN (15) DAYS. The Housing Counselor will assist you free of charge.

Please see the enclosed Conciliation/Case Management Order for further information.

IN THE COURT OF COMMON PLEAS OF LEHIGH COUNTY, PENNSYLVANIA

CIVIL DIVISION

	:	
	:	
Plaintiff,	:	
	:	
vs.	:	File No.: -C-
	:	
	:	
	:	
Defendants.	:	

CONCILIATION/CASE MANAGEMENT ORDER

AND NOW, this ____ day of _____, 20____, a complaint having been filed to foreclose upon a residential mortgage, IT IS ORDERED:

1) *A Conciliation/Case Management Conference is scheduled for [conference date], 2010, at [conference time] a.m./p.m. in Courtroom 1A, Old Lehigh County Courthouse, 501 West Hamilton Street, Allentown, Pennsylvania 18101.*

Counsel for the Plaintiff, or a designated agent for the Plaintiff, who has actual authority to modify the mortgage, enter into an alternative payment agreement or otherwise resolve the action, as well as counsel for the Defendant(s), or the Defendant(s) themselves, are required to attend the Conciliation/Case Management Conference.

2) The Plaintiff shall proceed to effect service of the complaint upon the Defendant(s) and ensure that proper proof of service has been filed with the Clerk of Judicial Records.

3) The Defendant(s) shall, within fifteen (15) days from the receipt of this order, contact the Housing Counselor at the Community Action Committee of the Lehigh Valley, a non-profit agency, telephone 1-800-755-1563 (toll-free) or 610-691-2876, to determine options to avoid foreclosure, including eligibility for government programs, a monetary payment, a repayment plan to bring the mortgage current over time, modifying the loan, paying off the mortgage, vacating the premises in the near future in exchange for not contesting the matter, offering the lender a deed in lieu of foreclosure, short sale, filing bankruptcy proceedings, filing an answer to contest the complaint or filing a motion to open or strike the judgment. The services and assistance of the Housing Counselor are FREE OF CHARGE to the Defendant(s).

4) The Defendant(s) shall, no later than fifteen (15) days before the Conciliation/Case Management Conference, complete and return the enclosed Certification of Participation form to Court Administration/Civil Operations Section and submit to the Plaintiff's counsel a complete, written proposal to avoid foreclosure, along with supporting financial and employment information and documentation.

5) **PENDING FURTHER ORDER OF COURT, ALL PROCEEDINGS ARE STAYED; DEFENDANT(S) NEED NOT FILE AN ANSWER TO THE COMPLAINT; AND NO DEFAULT JUDGMENT MAY BE TAKEN OR SHERIFF'S SALE SCHEDULED OR HELD.**

6) Failure to Comply with this order may result in the cancellation of the Conciliation/Case Management Conference; an order lifting the stay of proceedings and allowing the case to proceed forthwith to judicial disposition, including the taking of a default judgment or

Sheriff's sale; or the scheduling of a subsequent Conciliation/Case Management Conference.

BY THE COURT:

Edward D. Reibman, J.

**IN THE COURT OF COMMON PLEAS OF LEHIGH COUNTY, PENNSYLVANIA
CIVIL DIVISION**

	:	
	:	
Plaintiff,	:	
	:	
vs.	:	File No.: -C-
	:	
	:	
	:	
Defendants.	:	

CERTIFICATION OF PARTICIPATION

I am the owner of the property listed below:

Premises Address: _____
_____, Lehigh County, PA

This property is my primary residence. It is the subject of foreclosure, and I would like to try to save my residence from foreclosure.

I have contacted the Housing Counselor at the Community Action Committee of the Lehigh Valley. I am cooperating with the Housing Counselor and have already submitted, or, at least fifteen (15) days before the Conciliation/Case Management Conference, will submit, a complete, written proposal to the Plaintiff to avoid foreclosure.

I understand the assistance of the Housing Counselor is free of charge to me.

Signature

Signature

Printed Name

Printed Name

Must Be Returned Fifteen (15) Days Before the Conciliation/Case Management Conference to:

LEHIGH COUNTY COURTHOUSE
COURT ADMINISTRATION
CIVIL OPERATIONS SECTION
455 WEST HAMILTON STREET
ALLENTOWN, PA 18101-1614

IN THE COURT OF COMMON PLEAS OF LEHIGH COUNTY, PENNSYLVANIA

CIVIL DIVISION

	:	
	:	
Plaintiff,	:	
	:	
vs.	:	File No.: -C-
	:	
	:	
	:	
Defendants.	:	

ORDER

AND NOW, this ____ day of _____, 20____, IT IS ORDERED:

[] The complaint not being served on the Defendant(s), the Conciliation/Case Management Conference is continued. Upon service of the complaint upon the Defendant(s), the Plaintiff shall file a praecipe with the Clerk of Judicial Records, with copy to Court Administration/Civil Operations Section, requesting the Conciliation/Case Management Conference be re-scheduled. Until the Conciliation/Case Management Conference is held and the filing of a subsequent order of court, all proceedings remain stayed and no default judgment may be taken or Sheriff's sale scheduled or held.

[] The complaint having been served upon the Defendant(s), and the Defendant(s) having failed to:

- [] complete and return the Certification of Participation,
- [] contact the Housing Counselor,
- [] appear for the Conciliation/Case Management Conference,

the stay of proceedings is lifted, the Defendant(s) may file an answer to the complaint within twenty (20) days if one has not already been filed, and thereafter the Plaintiff may proceed with judicial disposition, including the taking of a default judgment or Sheriff's sale as may be appropriate under the Rules of Civil Procedure.

☐ The Conciliation/Case Management Conference having been held on _____, attended by _____, Esquire, on behalf of Plaintiff, and _____ Defendant(s), and it appearing that:

☐ no agreement is possible, the stay of proceedings is lifted, the Defendant(s) may file an answer to the complaint within twenty (20) days if one has not already been filed, and thereafter the Plaintiff may proceed with judicial disposition, including the taking of a default judgment or Sheriff's sale as may be appropriate under the Rules of Civil Procedure.

☐ an agreement has been reached and termination of the foreclosure action is appropriate, the case is discontinued and ended without prejudice.

☐ an agreement has been reached, the case shall remain open and, if the Plaintiff subsequently contends the Defendant(s) have defaulted under the terms of the agreement, the Plaintiff shall provide written notice of such default to the Defendant(s) and thereafter the Defendant(s) may file an answer to the complaint within twenty (20) days if one has not already been filed, and the Plaintiff may proceed with judicial disposition, including the taking of a default judgment or Sheriff's sale as may be appropriate under the Rules of Civil Procedure.

☐ the parties are attempting to reach an agreement, a subsequent Conciliation/Case Management Conference shall be scheduled on or after _____ days from this date. In the meantime, the stay of proceedings remains in effect and no default judgment may be taken or Sheriff's sale scheduled or held.

☐ the property is not the primary residence of the Defendant(s), the stay of proceedings is lifted, the Defendant(s) may file an answer to the complaint within twenty (20) days if one has not already been filed and thereafter the Plaintiff may proceed with judicial disposition, including the taking of a default judgment or Sheriff's sale as may be appropriate under the Rules of Civil Procedure.

☐ A bankruptcy petition has been filed. Upon termination of the automatic stay and/or release of the subject property from the jurisdiction of the U.S. Bankruptcy Court, the Plaintiff shall file a praecipe with the Clerk of Judicial Records, with copy to Court Administration/Civil Operations Section, requesting a Conciliation/Case Management Conference be scheduled. In the meantime, the stay of proceedings remains in effect and no default judgment may be taken or Sheriff's sale scheduled or held.

[] Other: _____

_____.

BY THE COURT:

Edward D. Reibman, J.

IN THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY,
PENNSYLVANIA

: **In Re: Administrative Order 2009-4**
: **Residential Mortgage Foreclosure**
: **Program**
:

ORDER OF COURT

AND NOW, this 23rd day of April, 2009, in order to permit the implementation and execution of the Residential Mortgage Foreclosure Diversion Program, effective May1_ 2009, it is hereby **ORDERED and DECREED** that:

1. All Complaints for mortgage foreclosure of residential owner-occupied properties shall be accompanied by the following:
 - (a) A **Certification Cover Sheet**, certifying real estate location, occupancy status and contact information of the representative of the lending institution (or counsel for Plaintiff) shall be provided to the Civil Clerk and filed with the Complaint before the Complaint will be accepted by the Civil Clerk's Office. (The Certification Cover Sheet is attached as Exhibit "A".)
 - (b) An **Urgent Notice** shall be affixed to any Complaint at the time of filing and shall be served on the Defendant along with the Complaint. (A copy of said "**Urgent Notice**" is attached hereto as

Exhibit "B".)

- (c) A **Certificate of Service**, in the form attached hereto as Exhibit "C", shall accompany each Complaint.

2. Upon filing of the Complaint and all attachments (see Exhibits "A"-"C"), a Case Management Order shall be generated by the Court. (A sample copy of a Case Management Order is attached hereto at Exhibit "D".) The Case Management Order will be attached to and served with the Complaint upon the filing of the Complaint for service. The Case Management Order will schedule a conciliation conference within ninety (90) days after the filing of the Complaint for cases subject to owner-occupied residential mortgage foreclosures. Said Case Management Order shall:

- (a) Schedule a conciliation conference for a specific date, time and place;
- (b) Require the attendance of the Defendant and the Plaintiff-lender servicer;
- (c) Require the Defendant, upon receipt of the Case Management Order and Complaint, to call the housing counselor and schedule a conference with them or pro bono legal services within ten (10) days of said receipt;
- (d) Require the Defendant to cooperate with the housing counseling agency, provide financial and employment information and complete loan resolution proposals and applications, as

appropriate. (See Exhibit "F");

(1) Failure to cooperate with the housing counselor shall result in the cancellation of the conciliation conference.

(e) Failure of the Defendant to attend the conciliation conference shall result in the matter proceeding to judicial disposition, whether by default judgment, Sheriff sale or trial. Further, the failure of the Defendant to attend shall result in the lifting of any applicable stay.

(f) Provide such other terms as may be necessary and appropriate.

3. Participation in the procedures outlined above and hereafter shall result in a stay of procedural mandate for filing of answers to any Complaint in mortgage foreclosure of an owner-occupied residential property. No answer shall be required until after attendance and generation of a conciliation conference order. No default judgment may be taken or Sheriff sale held prior to the conciliation conference and the filing of the conciliation conference order.
4. Documents certifying participation in housing counselor proceedings shall be filed with the Civil Clerk two weeks prior to the conciliation conference. (The Certification of Participation form is attached as Exhibit "E".) No continuances will be granted from the date of the conciliation conference.
5. As appropriate, any conciliation conference scheduled by the Court shall be conducted by a person designated by the Court which shall be a judge

pro tem, or one who possesses experience in the subject matter and will address the following issues with the parties:

- (a) Whether the Defendant is represented, and, if not, whether volunteer counsel may be available;
 - (b) Whether Defendant met with the housing counseling agency;
 - (c) Whether the housing counseling agency has prepared an assessment or report proving an available loan workout for the Defendant;
 - (d) The Defendant's income and expense information;
 - (e) The Defendant's employment status;
 - (f) Assistance with preparation of workout plans and required Court Orders;
 - (g) The necessity of any subsequent conciliation conference;
 - (h) Whether the case may proceed to Sheriff sale if no prospect of amicable resolution exists; and
 - (i) Any other relevant issues.
6. Conciliation conference Order: At the conclusion of the conciliation conference, an appropriate Order shall issue memorializing the results of the conference and scheduling future deadlines where appropriate.
7. This Administrative Order shall be in effect from May 1, 2009 until December 31, 2010, unless a subsequent Administrative Order modifies said deadline.

BY THE COURT,

By: _____
F. P. Kimberly McFadden,
President Judge

Plaintiff) No. -
)
v.)
)
Defendant)

Exhibit A

URGENT NOTICE

Under a new Pilot Project of the Court of Common
Pleas of Northampton County,

You May Be Able to Get Help to Save Your Home

**Call the Save Your Home Hotline Immediately at:
1-800-755-1563**

**or
610-691-2876**

You will be put in touch with a Housing Counselor from the Community Action Committee of the Lehigh Valley, a non-profit agency, to help you try to work out arrangements with your mortgage company, **FREE OF CHARGE**.

The Housing Counselor will assist you in getting free legal assistance to attend a court-approved conference to determine whether a work-out of your existing loan can be arranged.

To get help, you must call the Hotline within the next **TEN (10) days**. They will tell you what to do next. Call the Hotline **immediately**. If you do not call the Hotline, you will not be able to get help to save your home.

**MAKE THIS CALL TO SAVE
YOUR HOME!
THIS PROJECT IS FREE**

Exhibit B

AVISO URGENTE

Bajo nuevo Proyecto Experimental de la Corte de Súplicas
Comunes del Condado de Northampton,

Usted Puede Conseguir Ayuda Para Salvar Su Hogar

Llame la línea directa de Salvar Su Hogar al:

1-800-755-1563

O

610-691-2876

Le pondrán en contacto con Consejeros de Viviendas del Community Action Committee del Valle de Lehigh, una agencia sin fines lucro, para intentar llegar a un arreglo con su compañía de hipoteca, **GRATUITAMENTE**.

El Consejero de Viviendas le asistirá en conseguir ayuda gratuita legal para que pueda presentarse en una conferencia tribunal aprobado, para determinar si se puede hacer un arreglo con su préstamo actual.

Para conseguir ayuda, usted debe llamar al teléfono directo. Le dirán qué hacer después. Llame el teléfono directo inmediatamente.

**¡HAGA ESTA LLAMADA
PARA PROTEGER SU HOGAR!
ESTE SERVICIO ES
GRATUITA**

**IN THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY,
PENNSYLVANIA
CIVIL DIVISION - LAW**

)	No. MFDP -
)	
v.)	
)	
Defendant)	

CERTIFICATE OF SERVICE

The undersigned verifies, subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities, that the attached Certification and Urgent Notice were mailed to the Defendant(s) at their last known address and, if different, to the address of the premises subject to sale and to counsel of record, if any, and to the owners of the noted premises via first class mail, as noted below:

NAME(S)

ADDRESS(ES)

Date: _____

Counsel for Plaintiff
(Address, Telephone number)

Exhibit C

IN THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY,
PENNSYLVANIA

: **In Re: MFDP -**
:
:
:
:

CASE MANAGEMENT ORDER

AND NOW, this _____ day of _____, 2009, pursuant to the terms of
of the Residential Mortgage Foreclosure Diversion Program, it is hereby ORDERED
and DECREED as follows:

- (1) The Defendant shall file with the Prothonotary's Office a **Certification of Participation** form (attached as Exhibit "E") no later than two weeks prior to the Conciliation Conference. No continuances will be granted from the date of the Conciliation Conference;
- (2) The Housing Counselor and the Defendant, in conjunction with assistance from Pro Bono Legal Services, if available, will explore options which may include: bringing the mortgage current, paying off the mortgage, a repayment plan to bring the account current over time, vacating the premises in the near future in exchange for not contesting the matter, a monetary payment, offering the lender a deed in lieu of foreclosure, filing bankruptcy proceedings, paying the mortgage default over sixty months, request a loan modification, filing an answer or motion

to open or strike the judgment. At Defendant's request, the Housing Counselor and/or Pro Bono Legal Services shall promptly prepare and submit a written proposal for addressing the mortgage delinquency, payment plan, together with the **Work out Options and Counseling Form** (Exhibit "F") and any and all supporting financial information to Plaintiff's attorney at least ten (10) days before the date of any scheduled Conciliation Conference.

- (3) The Plaintiff shall evaluate and respond to Defendant's proposal at the Conciliation Conference.
- (4) A representative of the Plaintiff or investor who has actual authority to modify mortgages, to enter into alternative payment agreements with the Defendant, or otherwise resolve the action shall be present at the Conciliation Conference. The failure of the Plaintiff or of a representative of the Plaintiff or investor with such authority to appear for the Conciliation Conference may result in the rescheduling of the Conciliation Conference and/or the further postponement of the Sheriff Sale of property upon proper application for stay by Defendant.
- (5) A Conciliation Conference is scheduled for _____, 2009, at _____ A.M./P.M. in Mediation Room _____, Northampton County Government Center, 669 Washington Street, Easton, Pennsylvania.
- (6) The failure of the Defendant to attend the Conciliation Conference shall result in the matter proceeding to judicial disposition whether by default judgment, Sheriff Sale or trial. Furthermore, the failure of the Defendant

to attend the Conciliation Conference shall result in the lifting of any applicable stay.

BY THE COURT,

By: _____
J.

IN THE COURT OF COMMON PLEAS OF NORTHAMPTON COUNTY,
PENNSYLVANIA
CIVIL DIVISION - LAW

)	No. MFDP -
)	
v.)	
)	
Defendant)	

CERTIFICATION OF PARTICIPATION

(Defendant Must file in Room # _____ and MUST send a copy to Plaintiff's Attorney)

I represent that I am the owner of the property listed below, which is my primary residence, and certify that as required by the Residential Mortgage Foreclosure Diversion Pilot Program adopted by Administrative Order dated _____, I have met with the housing counselor identified below and a proposal will be submitted (by phone or in person) before the date of the Conciliation Conference:

Premises Address: _____
_____, PA _____

(Name of Housing Counselor - Agency)

Date(s) of Meeting(s): _____

I verify that the statements made herein are true and correct. I understand that false statements are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: _____

Signature of Defendant's legal counsel

Exhibit E

Work Out Options & Counseling Form

BORROWER REQUEST FOR HARDSHIP ASSISTANCE

To complete your request for hardship assistance, your lender must consider your circumstances to determine possible options while working with your counseling agency. Please provide the following information to the best of your knowledge.

CUSTOMER/PRIMARY APPLICANT

Please print clearly

Borrower name(s) _____
Loan Number _____
Property Address _____
City _____ State _____ Zip Code _____
Is the property for Sale? _____ Listing date _____ Price \$ _____
Realtor Name _____ Realtor Phone _____
Borrower Occupied? Yes / No

Mailing Address (if different) _____
City _____ State _____ Zip Code _____
Phone Numbers Home _____ Office _____
Cell _____ Other _____
Email _____
Number of People in Household _____ How Long? _____

CO-BORROWER

Mailing address _____
Phone Numbers Home _____ Office _____
Cell _____ Other _____
Email _____
Number of People in Household _____ How Long? _____

COUNSELING INFORMATION

First Mortgage Lender: _____ Type of Loan: _____
Loan Number: _____ Date You Closed Your Loan: _____
Second Mortgage Lender: _____ Type of Loan: _____
Loan Number: _____
Total Mortgage payments amount \$ _____ Includes Taxes & Insurance: _____
Date of Last Payment: _____

Primary Reason for Default:

Is the loan in Bankruptcy? Y / N If yes, provide the names, location of court, case number & attorney:

<u>Assets:</u>	<u>Amount owed</u>	<u>Value</u>
Home	\$	\$
Other Real Estate	\$	\$
Retirement Funds	\$	\$
Investments	\$	\$
Checking	\$	\$
Savings	\$	\$
Other	\$	\$

Automobile #1 Model _____ Year _____ Amount Owed _____ Value _____

Automobile #2 Model _____ Year _____ Amount Owed _____ Value _____

Other transportation (automobiles, boats, motorcycles...)

Model _____ Year _____ Amount Owed _____ Value _____

Monthly Income:

Name(s) of Employer(s)

Net Monthly Wage

- 1.
- 2.
- 3.

Additional Income Description (not wages)**Monthly Amount**

- 1.
- 2.

Borrower Pay Days _____ Co Borrower Pay Days _____

Monthly Expenses: (Please only include expenses you are currently paying)

EXPENSE	AMOUNT	EXPENSE	AMOUNT
Mortgage		Food	
2 nd Mortgage		Utilities	
Automobile Payment(s)		Condominium/ Neighborhood Fees	
Auto Insurance		Medical (not covered by insurance)	
Auto Fuel/Repairs		Other property pmts	
Credit Card Pmts		Telephone/Cell Phone	
Installment loan pmts		Cable TV	
Child support/Alimony		Spending Money	
Day Care/Child Care/Tuition		Other Expenses	

Counseling Agency: _____ Counselor: _____

Office: _____ Fax: _____ Email: _____

Amount Available for Monthly Mortgage Payments Based on Income and Expenses: _____

	:Court of Common Pleas	Conciliation Conference Date:
Plaintiff,	:Philadelphia County	Housing Counselor:
v.	:	Housing Counseling Agency:
	:Docket No.	VIP Attorney:
Defendant(s)	:Day Forward Case No.	Other Attorney (include I.D. #):

FIRST CONCILIATION CONFERENCE LISTING ORDER

AND NOW, this _____ of _____, 2010, upon consideration of the information provided to the Court, it is hereby ORDERED and DECREED that:

1. ☐ The Complaint and Case Management Order having been served on Defendant(s) at least fourteen (14) days prior to today's date, and Defendant(s) having failed to appear for the First Conciliation Conference, Plaintiff is free to enter a default judgment against Defendant(s) to the extent permitted by the applicable rules of Civil Procedure, the Case Management Order notwithstanding.
2. ☐ The Complaint and Case Management Order having not been served on Defendant(s), Plaintiff shall reinstate the Complaint to obtain a new First Conciliation Conference date not less than 45 days from the date of reinstatement, and then serve the Complaint and Case Management Order on Defendant(s). Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after the First Conciliation Conference Listing occurs or until such time as is stated in a subsequent Order.
3. ☐ The Complaint and Case Management Order having been served on Defendant(s) at least fourteen (14) days prior to today's date, and Defendant(s) having appeared for the First Conciliation Conference Listing as ordered, a Second Conciliation Conference Listing is scheduled in City Hall Courtroom 676, as follows:
 Second Conciliation Conference Date and Time (35 days from today) Date: _____ Time: _____
 Defendant(s) is/are required to submit their complete financial package to Plaintiff's counsel at least fourteen (14) days prior to the aforementioned Second Conciliation Conference Listing Date. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after the Second Conciliation Conference occurs or until such time as is stated in a subsequent Order.
4. ☐ A bankruptcy petition has been filed. Upon termination of the automatic stay, Plaintiff shall file a Praecipe requesting that a Conciliation Conference be scheduled. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after the First Conference occurs or until such time as is stated in a subsequent Order.
5. ☐ Case has been (or will be) discontinued by Plaintiff. Reason (select one):
☐ Home Affordable Modification Program Loan Modification ☐ Loan has been paid in full ☐ Traditional Loan Modification
☐ Deed in Lieu of Foreclosure ☐ Short sale ☐ Other:
☐ Loan has been brought current by the following: ☐ Repayment Agreement ☐ Forbearance Agreement ☐ Full Arrears Payment
6. ☐ The parties have entered into the following agreement:(select one):
☐ Repayment Agreement ☐ Forbearance Agreement
☐ Home Affordable Modification Program Trial Plan ☐ Traditional Modification Trial Plan ☐ Other:

Further Disposition (select one):

- ☐ The Agreement will not result in the loan being brought current. A follow up conciliation conference is scheduled for _____ at _____ o'clock in City Hall Room 676. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after this conference occurs or until such time as stated in a subsequent Order; or
- ☐ The Agreement will result in the loan being brought current as long as there is no breach by Defendant(s). If there is a breach by Defendant(s), then Plaintiff shall, prior to taking judgment, serve a notice of intention to take default judgment pursuant to Pa. R.C.P. No. 237.1 with an attached notice of the Save Your Home Philly Hotline. These notices shall be served on Defendant(s), counsel for Defendant(s) (if any), the Housing Counselor, and the VIP attorney (if any) (indicated above) in care of Philadelphia VIP. If Defendant(s) complete(s) the plan, then Plaintiff shall discontinue this case.

7. Plaintiff is free to enter a default judgment against Defendant(s) to the extent permitted by the applicable rules of Civil Procedure, the Case Management Order notwithstanding.
 Reason:
☐ The parties agree the subject property is non-residential and/or non-owner occupied. A default judgment shall not be entered before _____
☐ The parties have agreed that the subject property shall be sold at Sheriff's sale no earlier than _____
8. ☐ Other: (describe)

 Attorney for Plaintiff

 Defendant(s) or Attorney for Defendant(s)

BY THE COURT:

 The Honorable Annette M. Rizzo

	:Court of Common Pleas	Conciliation Conference Date:
Plaintiff,	:	
	:Philadelphia County	Housing Counselor:
v.	:	Housing Counseling Agency:
	:Docket No.	
	:	VIP Attorney:
Defendant(s)	:	
	:Day Forward Case No.	Other Attorney (include I.D. #)
	:	

ORDER FOR SECOND AND SUBSEQUENT LISTING OF CONCILIATION CONFERENCE

AND NOW, this ____ of _____ 2010, upon consideration of the information provided to the Court, it is hereby ORDERED and DECREED that:

1. ☐ Plaintiff is free to enter a default judgment against Defendant(s) to the extent permitted by the applicable rules of Civil Procedure, the Case Management Order notwithstanding.
Reason (select one):
☐ The failure of Defendant(s) to appear
☐ The parties agree the subject property is non-residential and/or non-owner occupied. Judgment may not be entered earlier than _____
☐ The parties have agreed that the subject property shall be sold at Sheriff's sale no earlier than _____.
☐ The unexcused failure of Defendant(s) to forward the required financial information to Plaintiff's counsel at least fourteen (14) days prior to today's date.
 2. ☐ The parties have entered into the following agreement: (select one):
☐ Repayment Agreement ☐ Forbearance Agreement ☐ Other:
☐ Home Affordable Modification Program Trial Plan ☐ Traditional Modification Trial Plan ☐ Other:
- Further Disposition (select one):
☐ The Agreement will not result in the loan being brought current. A follow up conciliation conference is scheduled for _____ at _____ o'clock in City Hall Room 676. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after this conference occurs or until such time as stated in a subsequent Order; or
☐ The Agreement will result in the loan being brought current as long as there is no breach by Defendant(s). If there is a breach by Defendant(s), then Plaintiff shall, prior to taking judgment, serve a notice of intention to take default judgment pursuant to Pa. R.C.P. No. 237.1 with an attached notice of the Save Your Home Philly Hotline. These notices shall be served on Defendant(s), counsel for Defendant(s) (if any), the Housing Counselor, and the VIP attorney (if any) (indicated above) in care of Philadelphia VIP. If Defendant(s) complete(s) the plan, then Plaintiff shall discontinue this case.
3. ☐ Case has been (or will be) discontinued by Plaintiff. Reason (select one):
☐ Home Affordable Modification Program Loan Modification ☐ Loan has been paid in full ☐ Traditional Loan Modification
☐ Deed in Lieu of Foreclosure ☐ Short sale ☐ Other:
☐ Loan has been brought current by the following: ☐ Repayment Agreement ☐ Forbearance Agreement ☐ Full Arrears Payment
 4. ☐ A bankruptcy petition has been filed. Upon termination of the automatic stay, Plaintiff shall file a Praecipe requesting that a Conciliation Conference be scheduled. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after the Second Conference occurs or until such time as stated in a subsequent Order.
 5. ☐ The parties are attempting to reach an agreement. A new conciliation conference is scheduled for _____, 2010 at _____ o'clock in Courtroom 676 City Hall, Philadelphia. Plaintiff is stayed from entering a Default Judgment against Defendant(s) before one day after this conference occurs or until such time as stated in a subsequent Order.
 6. ☐ Other: (Describe)

Date
Plaintiff or Counsel for Plaintiff

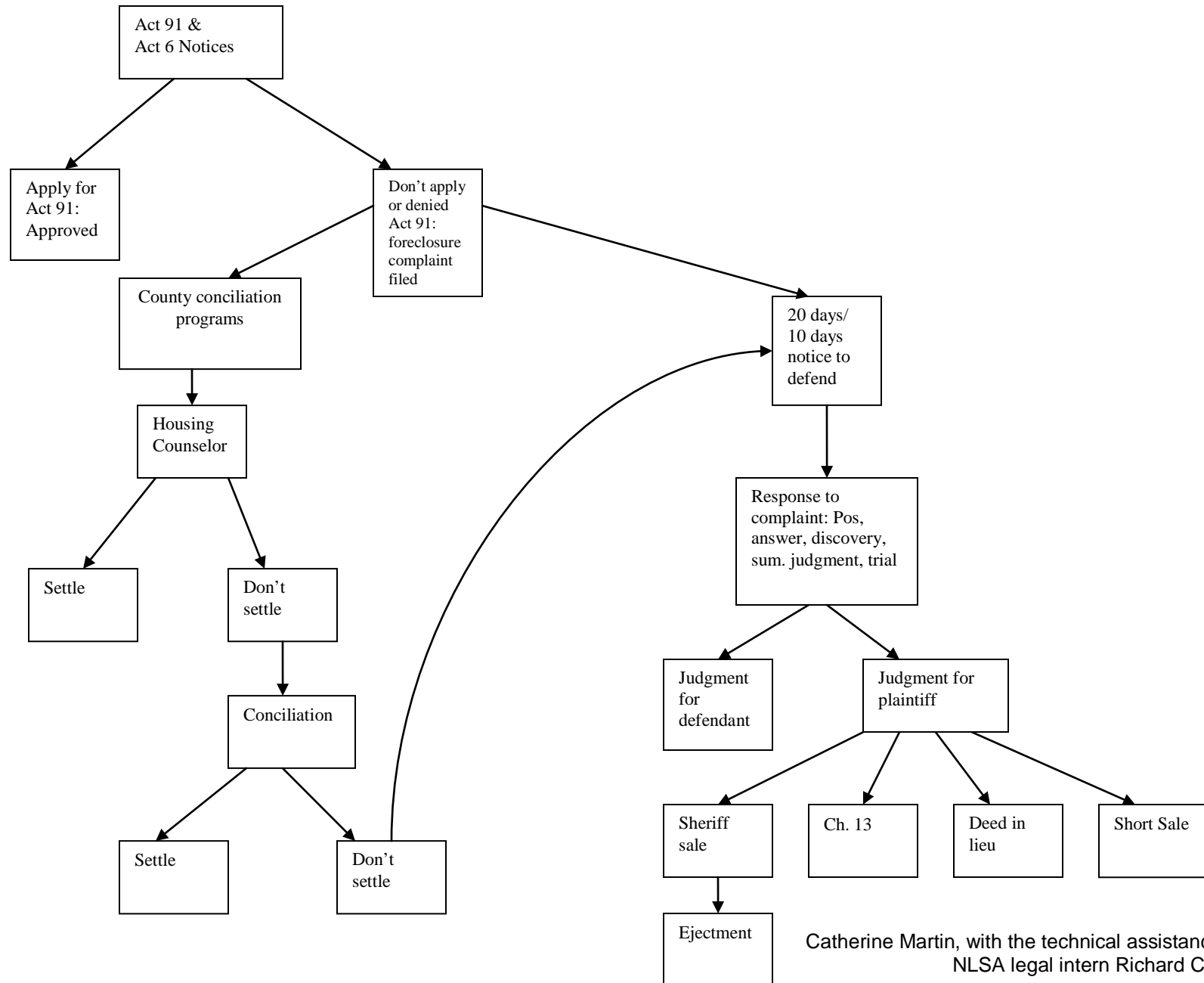
Date
Defendant(s) or Counsel for Defendant(s)

BY THE COURT:

The Honorable Annette M. Rizzo

The Honorable Annette M. Rizzo

Chronology of a Mortgage Foreclosure



Catherine Martin, with the technical assistance of
NLSA legal intern Richard Carey

**ALLEGHENY COUNTY RESIDENTIAL MORTGAGE
FORECLOSURE PROGRAM**

TRAINING FOR PRO BONO LAWYERS

AGENDA
FEBRUARY 20, 2009

8:55-9:00 a.m.	CLE administrative matters	Barbara Kern
9:00-9:10 a.m.	Overview of the Project Objectives; procedure; limitations	Barbara Griffin
9:10-9:20 a.m.	Chronology of a foreclosure case	Catherine Martin
9:20-9:50 a.m.	Understanding the lending process 1. Origination process & players 2. Servicing 3. Loan types 4. Underwriting 101: the 4Cs	Greg Simmons Dan Sullivan
9:50-10:00 a.m.	Understanding the counselor's role 1. Determining homeowner's viability 2. Direct to servicer settlement attempt	Greg Simmons Dan Sullivan
10:00-10:15 a.m.	The conciliation process	Judge McCarthy
10:15-10:30 a.m.	BREAK	
10:30-10:40 a.m.	Review of information sent to the lawyer	Jason Hague
10:40-11:15 a.m.	Overview of legal defenses for purposes of negotiation 1. At origination 2. Servicing	Daniel Haller Dawn Williams
11:15-11:30 a.m.	Lender's perspective: how borrower can improve chances of successful settlement	Michael McKeever
11:30-11:50 a.m.	Possible outcomes if not resolved by housing counselor: 1. Repayment plan/loan mod. 2. Risks of settlement: waivers/drop dead 3. Mortgage Debt Relief Act	Daniel Haller Dawn Williams Catherine Martin
11:50-12:05 p.m.	Review of sample consent orders	Dawn Williams/panel
12:05-12:15 p.m.	Foreclosure continues if no settlement: PO's; answer; discovery; sum.judgment	Daniel Haller

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IN THE COURT OF COMMON PLEAS OF ALLEGHENY COUNTY, PENNSYLVANIA
CIVIL DIVISION

CHASE HOME FINANCE, LLC
Plaintiff

MG 09-0000xx

v.

XXXXXX

Defendants

PRAECIPE FOR ENTRY OF LIMITED APPEARANCE IN FORECLOSURE ACTION

TO THE PROTHONOTARY:

Pursuant to the Order of Court entered on February 18, 2009 in Civil Division at Administrative Docket No. 59 of 2009, kindly enter my limited appearance as counsel for the Defendant with regard only to the Conciliation pending in the above-captioned foreclosure action. I am providing free representation to the Defendants.

The Defendants are indigent and meet the income and asset eligibility guidelines of the Mortgage Foreclosure Conciliation Project.

Date

Catherine T. Martin
Attorney for Defendants