

43<sup>rd</sup> Judicial District of Pennsylvania

Court of Common Pleas

**RESIDENTIAL MORTGAGE FORECLOSURE DIVERSION PROGRAM**

The Monroe County Residential Mortgage Foreclosure Diversion Program is an effort by the Court of Common Pleas to address the increasing number of property foreclosures in the county.

Initiated in December, 2010 by the Administrative Order of President Judge Ronald E. Vican, the Program becomes effective on January 1, 2011. The primary objective of the Program is to provide a streamlined, unified process for the resolution of mortgage foreclosure proceedings through Court intervention, housing counseling, and conciliation conferences. In addition to the efforts of Judge Margherita Patti Worthington and Judge Arthur L. Zulick, both of the Court of Common Pleas, the Monroe County Commissioners, the Monroe County Bar Association, the Monroe County Sheriff's Office and several non-profit consumer credit counseling agencies play a substantial role in this effort.

**Eligibility for the Program**

A borrower is eligible for participation in the Program if:

- A complaint for mortgage foreclosure has been filed with the Monroe County Prothonotary's Office and is designated with an RM number;
- The property is owner-occupied ; and
- The property contains fewer than 5 (five) residential units

Commercial properties are not eligible for the program

**Participation in the Program**

Participation in the program can begin only after a Complaint in Mortgage Foreclosure has been filed by the lender in the Court of Common Pleas. The Sheriff's Office will then serve the borrower with the complaint which will include an "URGENT NOTICE" advising the borrower about the Diversion Program. The "URGENT NOTICE" advises the borrower to:

- Call a housing counselor within 15 days at the number provided in the Notice
- Complete and file a form attached to the notice with the Monroe County Prothonotary's Office

Participation in the Program is initiated by the call to the counselor AND the filing of the certification of participation with the Prothonotary's Office. The housing counseling number is **1-800-922-9537**.

Additionally, a lender who files a Motion for Judgment on the pleadings or a Motion for Summary Judgment in any case, including those cases where a complaint was filed prior to January 1, 2011, must also serve a copy of the "URGENT NOTICE" and Certification of Participation on the borrower together with the Motion being filed. Participation may begin in the same way after service on the borrower of those motions.

### **How the Program Works**

The borrower calls the Housing counselor at 1-800-922-9537.

The housing counselors in Monroe County are:

#### **Consumer Credit Counseling Service at 1-800-922-9537.**

Counseling Agencies will set up an appointment with the borrower and will provide the borrower with a list of what documentation is needed for the counseling appointment. The counselor may also assist the borrower in completing and filing the Certification of Participation with the Prothonotary. Upon the filing of the Certification of Participation, the borrower will have "opted-in" to the program. The Court will then issue an Order staying all proceedings on the mortgage foreclosure for 60 days and setting a date for a conciliation conference. The conference will be held before a court-appointed attorney who will serve as the conciliator and assist the parties in reaching an agreement. Copies of this Order are mailed to all parties and the housing counselor. To continue the stay of foreclosure proceedings, the borrower **MUST** submit a proposal to the lender's attorney and to Court Administration no later than fifteen (15) days before the conference. Until the scheduled Conciliation Conference occurs, the borrower will continue to work with the housing counselor and the lender in an attempt to reach an agreement.

After the conciliation and review by the court of the conciliator's recommendations, the court may enter an order that:

- Removes the borrower from the program and allows the foreclosure to proceed
- Continues the conciliation conference and the stay of foreclosure proceedings allowing additional time for the parties to reach an agreement
- Settles and discontinues the foreclosure action

### **Failure to Participate in the Program**

If an eligible borrower chooses not to participate in the program or fails to follow through and cooperate with the housing counselor, then the mortgage foreclosure will continue pursuant to the Pennsylvania Rules of Civil Procedure and the Monroe County Local Rules of Court.