IN THE COURT OF COMMON PLEAS OF LYCOMING COUNTY, PENNSYLVANIA

: DOCKET NO.

Plaintiff(s), : CIVIL ACTION

v. : MORTGAGE FORECLOSURE

Defendant(s). : DIVERSION PROGRAM

**NOTICE OF PARTICIPATION IN LYCOMING COUNTY**

**MORTGAGE FORECLOSURE DIVERSION PROGRAM**

Please take notice: Defendant(s) in the above-captioned action have opted to participate in the Lycoming County Mortgage Foreclosure Diversion Program. Accordingly, no judgment in mortgage foreclosure may be entered by default judgment or otherwise until either the conclusion of the below stated program or the entry of an Order of Court terminating participation in the program. The parties and/or their attorneys, if represented, must appear at any and all conferences scheduled by this Court, either in person or, with the permission of the Court, by telephone.

Defendant(s) is (are) hereby directed to contact North Penn Legal Services (North Penn) at (570) 323-8741 **within** **fourteen (14) days** of receiving this notice. North Penn will thereafter assign a *pro bono* attorney to represent Defendant(s) and will notify Plaintiff that a *pro bono* attorney has been assigned.

Upon notification from North Penn that a *pro bono* attorney has been assigned, Plaintiff shall provide Defendant(s), counsel for Defendant(s), and any assigned housing counselor a complete loss mitigation application, along with any documentation checklist, no later than **twenty-one (21) days** from the notification by North Penn. In the event that Plaintiff fails to provide the loss mitigation package, Defendant(s) may request, in writing, a status conference so that the Court may determine why Plaintiff has not complied with this requirement.

Upon receipt of the loss mitigation application, Defendant(s) shall have **twenty-one (21) days** to return to Plaintiff the completed application, along with any requested documentation. In the event Defendant(s) fail to return the loss mitigation package, Plaintiff may request, in writing, a status conference so that the Court may determine why Defendant(s) has (have) not complied with this requirement.

Upon receipt of the loss mitigation package, Plaintiff shall have **ten (10) days** to notify Defendant(s) of any deficiencies in the package. If Defendants have not been notified of any deficiencies at the expiration of the ten (10) days, Defendant(s) shall file the attached Certificate of Readiness for Settlement Conference.

Upon the filing of the Certificate of Readiness, the Court shall establish by order the settlement conference schedule, which will include the dates by which counsel shall hold an initial telephone conference between counsel (approximately thirty (30) days from the date of the order), and a date on which the court will hold a final conference (approximately sixty (60) days from the date of the order).

The purpose of these conferences will be to engage in meaningful settlement discussions with the assistance of counsel in order to explore the possibility of amicably resolving this mortgage foreclosure action. The parties and/or their representatives must have sufficient knowledge of the case and authority to negotiate settlement. If Plaintiff’s counsel does not have full authority to settle the matter, a representative with such authority must be available by telephone.

In the event that a settlement is not achieved by the final conference date, the Court may, in its discretion, extend the stay of this program and require additional conferences, order an in-person appearance by Plaintiff at a subsequent conference, or take any other action it deems appropriate under the law.

Please remember that settlement conferences are not hearings and that the parties are not required to settle. The conferences are not always successful. If the conference is successful, Defendant(s) should immediately see positive results. Defendant(s) may reduce mortgage payments or be given more time to bring the mortgage current. Defendant(s) need to keep in mind that if their property is worth far less than the mortgage debt, it may not be financially wise to keep the property, and they should consider whether surrendering the property is a better option than going forward. Further, any arrears added to the balance of the loan in a mortgage modification will increase their principal and the total amount of interest paid, which could make the modified loan a bad financial decision. Defendant(s) should seek legal and financial advice before modifying their mortgage in order to make an informed decision.

xc: Defendant(s)

Jennifer Heverly, Esq.

North Penn Legal Services

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