

**STEP BY STEP PROCESS FOR LUZERNE COUNTY  
MORTGAGE FORECLOSURE DIVERSIONARY PROGRAM**

1. As soon as a new complaint is filed, which complaint shall include in the caption, if applicable, "owner occupied mortgage foreclosure" the Prothonotary will identify and forward this complaint to the Court Administrator.
2. The Court Administrator will then send out a notice to the homeowner indicating that they may participate in the court diversionary program or mediation provided they call one of three identified credit counseling agencies within 30 days. A copy of this notice is also sent to the lender's counsel.
3. Upon a call within the 30 days to the credit counseling agency, a Practice Order will be issued to the lender's counsel asking him to identify who the counseling agency is to deal with in negotiating a possible settlement. (This order will include a provision requesting the moving party not to proceed further until mediation has occurred.)
4. As soon as the lender identifies the party with whom the credit counseling agency shall negotiate, the counseling agent will contact that party and ask what documents are required and begin to assemble, with the help of the debtor, the needed documents.
5. An attorney will be appointed from a pro-bono pool to assist the debtor in the mediation process.
6. On the day of mediation, the parties will discuss possible settlement, if settlement has not occurred prior, and report to the Court the results of same.
7. If the negotiation is successful, the parties will reduce any resolution to writing and the court will be finished with this case. The same is true if no resolution is possible and thereafter the case will proceed as in the normal course.

8. At the mediation conference, if the parties wish an additional month to resolve the issues, the mediation will be continued for one month and appear on the list.

### **CASES IN PROGRESS**

1. If a case is in progress and a judge identifies an owner-occupied mortgage foreclosure, that judge will notify the Court Administrator of this proceeding. The Court will hold this file until mediation occurs or the party fails to opt into the Program.

2. Parties opt-in in the same manner as with a new process by calling a counseling agency within 30 days and thereafter, the matter proceeds as above.

Please note that in no case will the mortgagee be required to cease proceeding unless there is a Practice Order as received by the mortgagee's counsel. It is not necessary to call the Court Administrator to determine whether a matter is in mediation as it will be in mediation only if you receive a Practice Order so stating.

**Please note that all mediations occur on the third (3<sup>rd</sup>) Friday of the month at 9:00 a.m. in Courtroom B, 20 n. Pennsylvania Avenue, Wilkes-Barre, PA, the auxiliary court building.**