

QUESTIONS AND ANSWERS RELATING TO ADMINISTRATIVE ORDER DATED MAY 2, 2011

What is the purpose of the Order?

The main purpose of Chief Justice's Order is to insure communication between the mortgagor (debtor) and the mortgagee (lender) during the foreclosure process so that any and options relating to refinancing, modification or programs can be explored.

What parties are subject to the Order?

1. Mortgagor is every owner, mortgagor and debtor under the note and mortgage being foreclosed.
2. Mortgagee is the owner and holder of the note and mortgage, servicer or any other party seeking to foreclose the mortgage.

What property is subject to the Order?

The Order applies only to OWNER-OCCUPIED DWELLINGS.

When does the Order take effect?

1. Actions pending on May 9, 2011.
 - a. If the case has had a final hearing on the merits and not gone to foreclosure sale, the case is subject to Paragraphs B (1) (a) through (e) of the Order.
 - b. If the case has not had a final hearing on the merits, the case is subject to Paragraphs B (1) (a) through (e) of the Order.
 - c. The properties sold on May 2, 2011 and the re-bids from the May 2, 2011 sale are not subject to the Order and may proceed.
2. Actions filed after May 9, 2011.

The foreclosure actions must comply with Paragraphs B(1) (a) through (e) and Paragraph B(2)of the Order.

What happens if agreement is reached between the mortgagor and mortgagee?

1. In the event and agreement is reached it shall be but in writing and served on all parties to the action.
2. If an agreement is reached, the action will be stayed for 90 days following the entry of the agreement.
3. If the mortgagor (debtor) fails to comply with the terms of the agreement before the expiration of the 90 days, the lender shall file and "Notice of Breach of Agreement" after which the foreclosure action may continue.
4. If the mortgagor is in compliance with the agreement after the 90 days, the lender shall promptly file the notice of dismissal without prejudice. and serve the notice on all parties.