



Buffalo and Pepin County
Foreclosure Mediation Program
Reasonable and Sustainable

Notice of Availability of Mediation

A Mediation Request is not a response to the Summons

A foreclosure action has been started against you. Please read the Summons and Complaint. Make sure you understand your rights and the time period for filing an Answer or Responsive Pleading. If you do not file an Answer or Responsive Pleading, the court may grant judgment against you and you may lose your right to object to anything that you disagree with in the Complaint.

What is the foreclosure mediation program?

A foreclosure mediation program has been set up to assist any homeowner whose one to four family owner occupied residential property is the subject of a mortgage foreclosure action in Buffalo or Pepin counties. There is no screening based on income or property value.

Mediation in this program is a two-step process. First, the homeowner must work with a qualified housing counselor to prepare a proposal for mediation. After the proposal is prepared, a trained mediator is assigned to meet with the homeowner and the lender to help them reach agreement. Any discussions in mediation are confidential.

How does the homeowner apply for foreclosure mediation?

The Summons and Complaint served on the homeowner must contain notice of the availability of mediation and an application form. Forms are provided by the Clerk.

The homeowner desiring mediation files a mediation application form with the Clerk of Court in the county where the action is pending. There is no fee for filing the application. The homeowner should request mediation within 15 days of receiving the Summons, but mediation may be available even after that date.

Is participation in mediation required?

Participation is voluntary for the homeowner. However, if the homeowner requests mediation, participation is mandatory for the lender.

The Court may waive the mediation process in appropriate cases. Examples include mortgages previously refinanced or modified under programs such as HARP and HAMP and loans with failed prior lender workouts due to homeowner nonpayment or other default.

How can the Housing Counselor help?

In order to increase the chance of success at mediation, there is a requirement that the homeowner meet with a qualified housing counselor. That person is specially trained and certified to inform the homeowner of programs which may assist them in finding alternatives to foreclosure.

Several government programs exist which may help avoid foreclosure. Examples of some such programs are found at <http://www.makinghomesaffordable.gov/>. There may be others as well. Even if there is no government program, a housing counselor may help the homeowner evaluate options and prepare proposals for mediation.

When a homeowner requests mediation, they are matched with a housing counselor in this area. That housing counselor will help the homeowner gather information needed to look for programs that may be available and to prepare a proposal for the meeting with the mediator and the lender.

The goal is to complete the entire counselor and mediation process within 45 to 60 days.

What does mediation cost?

There is no cost to apply for mediation or to work with a housing counselor. If the case goes to a mediation conference, the homeowner and the lender must each pay \$100 to the mediator at the time of the mediation.

Does the foreclosure stop during the mediation process?

There is no requirement that the lender halt the foreclosure procedure during the mediation process. However, experience in other counties has been that lenders are very interested in reaching a solution with the homeowner and many times voluntarily will not continue with the foreclosure as long as there is a prospect for settlement.

In any case, the homeowner is still required to comply with all mandatory deadlines set by the court, including the time to answer the Complaint.

Does the homeowner need a lawyer to participate in the mediation program?

While everyone is always strongly encouraged to be represented by an attorney, homeowners are not required to be represented by an attorney.

Who must attend the mediation session?

The mediation session must be attended in person by all homeowners. A representative of the lender must also attend in person. Either may have other persons, such as loan officers and tax advisers, available by phone.