

Disbursement of Sale Proceeds

Surplus

1. Surplus - the remaining funds after payment of all disbursements required by the final judgment of foreclosure and shown on the certificate of disbursements. § 45.032(1)(c), Fla. Stat. (2010). Disbursement of surplus funds is governed by Section 45.031, Fla. Stat. (2010).

2. Entitlement to surplus is determined by priority; in order of time in which they became liens. *Household Fin. Services, Inc. v. Bank of Am., N. A.*, 883 So. 2d 346, 347 (Fla. 4th DCA 2004). It is the duty of the court to prioritize the interests of the competing junior lien holders and the amounts due each. *Citibank v. PNC Mortgage Corp. of America*, 718 So. 2d 300, 301 (Fla. 2d DCA 1998).

(a) Default does not waive lienholder's rights to surplus funds. *Golindano v. Wells Fargo Bank*, 913 So. 2d 614 (Fla. 3d DCA 2005). A junior lienholder has priority over the property holder for surplus funds. *Id.*, 615.

(b) A senior lienholder is not entitled to share in surplus funds. *Garcia v. Stewart*, 906 So. 2d 1117, 1121 (Fla. 4th DCA 2005), (senior lienholder liens unaffected; improper party to junior lienholder foreclosure).

(c) Entitlement to balance of surplus after payment of priority interests - payable to the record owner as of the date of the filing of the lis pendens. *Suarez v. Edgehill*, 2009 WL 3271350 (Fla. App. 3d DCA Oct. 14, 2009).

Deficiency Judgment

1. Deficiency - is the difference between the fair market value of the security received and the amount of the debt. *Mandell v. Fortenberry*, 290 So. 2d 3, 6 (Fla. 1974); *Grace v. Hendricks*, 140 So. 790 (Fla. 1932).

2. A deficiency can be obtained only if a request for that relief is made in the pleadings and if personal jurisdiction has been obtained over the defendant or defendants against whom the deficiency is sought. *Bank of Florida in South Florida v. Keenan*, 519 So. 2d 51, 52 (Fla. 3d DCA 1988). The granting of a deficiency judgment is the rule rather than the exception. *Thomas v. Premier Capital, Inc.*, 906 So. 2d 1139, 1140 (Fla. 3d DCA 2005).

(a) Deficiency judgment not allowable if based on constructive service of process.

(b) New service of process on defendant was not required for deficiency judgment where personal jurisdiction had been originally conferred by service of foreclosure complaint. *L. A. D. Property Ventures, Inc. v. First Bank*, 2009 WL 3270846 (Fla. App. 2d DCA Oct. 14, 2009). "The law contemplates a continuance of the proceedings for entry of a deficiency judgment as a means of avoiding the expense and inconvenience of an additional suit at law to obtain the balance of the obligation owed by a debtor." *Id.*

3. Trial court has discretion to enter deficiency decree. § 702.06, Fla. Stat. (2008); *Thomas*, 906 So. 2d at 1140. The court needs to hold an evidentiary hearing. *Merrill v. Nuzum*, 471 So. 2d 128, 129 (Fla. 3d DCA 1985). The court can enter a default judgment provided the defendant was properly noticed. *Semlar v. Savings of Florida*, 541 So 2d 1369, 1370 (Fla. 4th DCA 1989).

(a) The exercise of discretion in denial of a deficiency decree must be supported by disclosed equitable considerations which constitute sound and sufficient reasons for such action. *Larsen v. Allocca*, 187 So. 2d 903, 904 (Fla. 3d DCA 1966).

4. A cause of action for deficiency cannot accrue until after entry of final judgment and a sale of the assets to be applied to the satisfaction of the judgment. *Chrestensen v. Eurogest, Inc.*, 906 So. 2d 343, 345 (Fla. 4th DCA 2005). The amount of deficiency is determined at the time of the foreclosure sale. *Estepa v. Jordan*, 678 So. 2d 878 (Fla. 5th DCA 1996). The amount bid at foreclosure sale is not conclusive evidence of the property's market value. *Century Group, Inc. v. Premier Financial Services*, 724 So. 2d 661, (Fla. 2d DCA 1999).

(a) The appraisal determining the fair market value must be properly admitted into evidence and be based on the sale date. *Flagship State Bank of Jacksonville v. Drew Equipment Company*, 392 So. 2d 609, 610 (Fla. 5th DCA 1981).

(b) The formula to calculate a deficiency judgment is the final judgment of foreclosure total debt minus the fair market value of the property. *Morgan v. Kelly*, 642 So. 2d 1117 (Fla. 3d DCA 1994).

(c) The amount paid by a mortgage assignee for a debt is "legally irrelevant" to the issue of whether the assignee is entitled to a deficiency award after a foreclosure sale. *Thomas*, 906 So. 2d at 1141.

4. Burden: The secured party has the burden to prove that the fair market value of the collateral is less than the amount of the debt. *Chidnese v. McCollem*, 695 So. 2d 936, 938 (Fla. 4th DCA 1997), *Estepa* 678 So. 2d at 878. However, the Third District Court has held that the burden is on the mortgagor resisting a deficiency judgment to demonstrate that the mortgagee obtained property in foreclosure worth more than the bid price at the foreclosure sale. *Addison Mortgage Co. v. Weit*, 613 So.2d 104 (Fla. 3d DCA 1993). See also, *Thunderbird, Ltd. v. Great American Ins. Co.*, 566 So. 2d 1296, 1299 (Fla. 1st DCA 1990), (court held that introduction of the certificate of sale from the foreclosure sale showing that the bid amount at the foreclosure sale was less than the amount of the debt shifted the burden to the mortgagee to go forward with other evidence concerning the fair market value of the property.)

5. Denial of deficiency decree in foreclosure suit for jurisdictional reasons, as distinguished from equitable grounds, is not res judicata so as to bar an action for deficiency. *Frumkes v. Mortgage Guarantee Corp.*, 173 So. 2d 738, 740 (Fla. 3d DCA 1965); *Klondike, Inc. v. Blair*, 211 So. 2d 41, 42 (Fla. 4th DCA 1968).

6. Reservation of jurisdiction in the final judgment of foreclosure – If jurisdiction is reserved, new or additional service of process on defendant is not required. *Estepa*, 678 So. 2d at 878. The motion and the notice of hearing must be sent to the attorney of record for the mortgagor. *Id.*, *NCNB Nat'l. Bank of Fla. v. Pyramid Corp.*, 497 So. 2d 1353, 1355 (Fla. 4th DCA 1986), (defaulted defendant entitled to notice of deficiency hearing). However, the motion for deficiency must be timely filed. If untimely, the deficiency claim could be barred upon appropriate motion by the defendant under Rule 1.420(e), Fla. R. Civ. P. (2010), *Frohman v. Bar-Or*, 660 So. 2d 633, 636 (Fla. 1995); *Steketee v. Ballance Homes, Inc.*, 376 So. 2d 873, 875 (Fla. 2d DCA 1979).

(a) No reservation of jurisdiction in the final judgment - motion for deficiency must be made within ten (10) days of issuance of title. *Frumkes*, 173 at 740.

(b) The lender can file a separate action for post-foreclosure deficiency. Section 702.06, Fla. Stat (2010). In a separate action, the defendant has the right to demand a trial by jury. *Hobbs v. Florida First Nat'l Bank of Jacksonville*, 480 So. 2d 153, 156 (Fla. 1st DCA 1985); *Bradberry v. Atlantic Bank of St. Augustine*, 336 So. 2d 1248, 1250 (Fla. 1st DCA 1976), (no jury trial right within foreclosure action). Section 55.01(2), Fla. Stat. (2010) mandates that final judgments in a separate action for deficiency contain the address and social security number of the judgment debtor, if known. This requirement is not imposed in a mortgage foreclosure action, in which an *in rem* judgment is sought.

7. Statute of limitations –

(a) A deficiency judgment or decree is barred when an action on the debt secured by the mortgage is barred. *Barnes v. Escambia County Employees Credit Union*, 488 So. 2d 879, 880 (Fla. 1st DCA 1986), abrogated on other grounds.

(b) Section 95.11, Fla. Stat. (2010) imposes a five-year statute of limitations for a foreclosure deficiency judgment.

(c) "A cause of action for deficiency does not accrue, and thus the statute of limitations does not begin to run, until the final judgment of foreclosure and subsequent foreclosure sale." *Chrestensen*, 906 So. 2d at 345.

8. There are statutory limitations imposed on a deficiency judgment when a purchase money mortgage is being foreclosed. Section 702.06, Fla. Stat. (2010) includes language that impairs the entitlement to a deficiency judgment with respect to a purchase money mortgage, when the mortgagee becomes the purchaser at foreclosure sale. Specifically, this statutory limitation provides: "the complainant shall also have the right to sue at common law to recover such deficiency, provided no suit at law to recover such deficiency shall be maintained against the original mortgagor in cases where the mortgage is for the purchase price of the property involved and where the original mortgagee becomes the purchaser thereof at foreclosure sale and also is granted a deficiency decree against the original mortgagor." Essentially, if the

lender purchases the subject property he has not incurred the damages and in fact may recoup or profit at a later sale. See also, *United Postal Savings Ass'n v. Nagelbush*, 553 So. 2d 189(Fla. 3d DCA 1989), *Taylor v. Prine*, 132 So. 2d 464, 465 (Fla. 1931).

(a) One Florida court ruled in a case where the purchase money mortgagee was also the purchaser that the "all important distinction" in the case was that "the purchaser at the foreclosure sale was not the mortgagee but ... an utter stranger to the parties," a third party purchaser, warranting reversal of the trial court's denial of deficiency judgment. *Lloyd v. Cannon*, 399 So. 2d 1095, 1096 (Fla. 1st DCA 1981).

Bankruptcy

1. The automatic stay provisions of 11 U. S. C. §362 enjoins proceedings against the debtor and against property of the bankruptcy estate.

(a) To apply, the subject real property must be listed in the bankruptcy schedules as part of the estate. 11 U. S. C. § 541.

2. Foreclosure cannot proceed until the automatic stay is lifted or terminated. If property ceases to be property of the bankruptcy estate, the stay is terminated.

(a) The automatic stay in a second case filed within one year of dismissal of a prior Chapter 7, 11 or 13 automatically terminates 30 days after the second filing, unless good faith is demonstrated. 11 U. S. C. § 362(c)(3).

(b) The third filing within one year of dismissal of the second bankruptcy case, lacks entitlement to the automatic stay and any party in interest may request an order confirming the inapplicability of the automatic stay.

(c) Multiple bankruptcy filings where the bankruptcy court has determined that the debtor has attempted to delay, hinder or defraud a creditor may result in the imposition of an order for relief from stay in subsequent cases over a two year period. 11 U. S. C. §362(d)(4).

3. Debtor's discharge in bankruptcy only protects the subject property to the extent that it is part of the bankruptcy estate.

4. Foreclosure cannot proceed until relief from automatic stay is obtained or otherwise terminated, or upon dismissal of the bankruptcy case.

Florida's Expedited Foreclosure Statute

1. Enacted by § 702.10, Fla. Stat. (2010).
2. Upon filing of verified complaint, plaintiff moves for immediate review of foreclosure by an order to show cause. (These complaints are easily distinguishable from the usual foreclosure by the order to show cause).

(a) The failure to file defenses or to appear at the show cause hearing "presumptively constitutes conduct that clearly shows that the defendant has relinquished the right to be heard." *Id.*

3. Not the standard practice among foreclosure practitioners, due to limitations:
(a) Statute does not foreclose junior liens;
(b) Procedures differ as to residential and commercial properties; and
(c) Statute only provides for entry of an *in rem* judgment; a judgment on the note or a deficiency judgment cannot be entered under the show cause procedure.

Common Procedural Errors

1. Incorrect legal description contained in the:
(a) Original mortgage – requires a count for reformation. An error in the legal description of the deed requires the joinder of the original parties as necessary parties to the reformation proceedings. *Chanrai Inv., Inc., v. Clement*, 566 So. 2d 838, 840 (Fla. 5th DCA 1990).

(b) Complaint and lis pendens – requires amendment.

(c) Judgment – Rule 1.540 (a), Fla. R. Civ. P. (2010) governs. For example, an incorrect judgment amount which omitted the undisputed payment of real estate taxes could be amended. *LPP Mortgage Ltd. v. Bank of America*, 826 So. 2d 462, 463 (Fla. 3d DCA 2002).

(d) Notice of Sale – requires vacating the sale and subsequent resale of property. *Hyte Development Corp. v. General Electric Credit Corp.*, 356 So. 2d 1254 (Fla. 3d DCA 1978).

(e) Certificate of title – a “genuine” scrivener’s error in the certificate of title can be amended. However, there is no statutory basis for the court to direct the clerk to amend the certificate of title based on post judgment transfers of title, faulty assignments of bid or errors in vesting title instructions.

(1) An error in the certificate of title which originates in the mortgage and is repeated in the deed and notice of sale requires the cancellation of the certificate of title and setting aside of the final judgment. *Lucas v. Barnett Bank of Lee County*, 705 So. 2d 115 (Fla. 2d DCA 1998). (For example, plaintiff’s omission of a mobile home and its vehicle identification number (VIN) included in the mortgage legal description, but overlooked throughout the pleadings, judgment and notice of sale, cannot be the amended in the certificate of title.) Due process issues concerning the mobile home require the vacating of the sale and judgment.

Mortgage Workout Options

1. Reinstatement: Repayment of the total amount in default or payments behind and restoration to current status on the note and mortgage.
2. Forbearance: The temporary reduction or suspension of mortgage payments.
3. Repayment Plan: Agreement between the parties whereby the homeowner repays the regularly scheduled monthly payments, plus an additional amount over time to reduce arrears.
4. Loan Modification: Agreement between the parties whereby one or more of the mortgage terms are permanently changed.
5. Short Sale: Sale of real property for less than the total amount owed on the note and mortgage.

(a) If the lender agrees to the short sale, the remaining portion of the mortgage debt, (the difference between the sale price of the property and mortgage balance, the deficiency), may be forgiven by the lender.

- (1) Formerly, the amount of debt forgiven was considered income imputed to the seller and taxable as a capital gain by the IRS. *Parker Delaney*, 186 F. 2d 455, 459 (1st Cir. 1950). However,

federal legislation has temporarily suspended imputation of income upon the cancellation of debt.

6. Deed-in-lieu of Foreclosure: The homeowner's voluntary transfer of the home's title in exchange for the lender's agreement not to file a foreclosure action.

Revised 7/14/10

D'Amour, Rose

From: Day, Lance
Sent: Monday, December 06, 2010 2:35 PM
To: Moran, Donald R.
Subject: FW: 120910 Meeting Notice Hyde Jones
Attachments: 120910 Meeting Notice Hyde Jones.doc

From: Miller, Alison
Sent: Monday, December 06, 2010 10:16 AM
To: Day, Lance
Subject: FW: 120910 Meeting Notice Hyde Jones

Judge Day,

This is the meeting I mentioned to you at Robert Harris'. Please let me know if you can make it.

Alison E. Miller
Office of Council Member Kevin Hyde
Jacksonville City Council

From: Miller, Alison
Sent: Wednesday, December 01, 2010 2:45 PM
To: CITYC
Cc: Rohan, Steve
Subject: 120910 Meeting Notice Hyde Jones

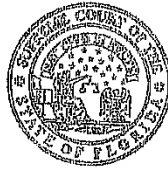
Please see the attached meeting notice. Council Member Hyde will meet with Council Member Warren Jones at 3 p.m., Thursday, December 9, 2010 in the Lynwood Roberts Room, first floor, City Hall to discuss 2010-766.

2010-766	ORD-MC Creating new Sec 634.102(f), Ord Code, to Estab a \$40 Court Cost on Felonies, Misdemeanors & Criminal Traffic Infractions to fund Elements of State Court Syst, Provide Progs thru Jax Area Legal Aid, Inc for Education, Mediation & Defense of Foreclosure Actions for Disadvantaged; Sunset on 12/31/14; Amend Sec 111.385 (Court Cost \$65 Trust Fund per Sec 939.185 F.S.) to Conform Same to Statutory Changes; Create New Sec 111.386 (Court Cost \$40 Trust Fund per Sec 939.185(1)(b) F.S.) to Receive Authorized Court Costs. (Rohan) (Introduced by C/M Hyde) Public Hearing Pursuant to Chapt 166, F.S. & CR 3.601 - 10/12/10
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All interested parties are encouraged to attend.

Alison Miller
Office of Council Member Kevin Hyde

3/1/2011



Supreme Court of Florida

500 South Duval Street
Tallahassee, Florida 32399-1925

CHARLES T. CANADY
CHIEF JUSTICE
BARBARA J. PARIENTE
R. FRED LEWIS
PEGGY A. QUINCE
RICKY L. POLSTON
JORGE LABARGA
JAMES E.C. PERRY
JUSTICES

THOMAS D. HALL
CLERK OF COURT

KEVIN WHITE
ACTING MARSHAL

MEMORANDUM

TO: Chief Judges of the Circuit Courts

FROM: Chief Justice Charles T. Canady *CTC*

DATE: November 17, 2010

SUBJECT: Mortgage Foreclosure Proceedings

Enclosed for your review and action is a letter dated November 12, 2010, that I received from the Florida Press Association and other organizations. The letter alleges that in some instances, members of the public and/or press either have been advised that they cannot attend mortgage foreclosure proceedings or have been prevented from attending such proceedings.

As the chief administrative officer of the Florida judicial branch, I am directing all chief judges to examine the current practices within their respective circuits to ensure that those practices are entirely consistent with the constitutional, statutory, procedural rule, and case law requirements of this state regarding the presumption that state court proceedings are open to the public.

I also ask that you communicate with all judges and court staff in your circuit to remind them of the relevant provisions relating to open court proceedings. It is important for you to communicate with the clerks of court and bailiffs within your circuit as well to ensure that those offices provide any visitors

Chief Judges of the Circuit Courts
November 17, 2010
Page Two

or callers with the correct information about attendance at mortgage foreclosure or other court proceedings.

I would also like to take this opportunity to clarify the Supreme Court's understanding of the goals of the Foreclosure and Economic Recovery Funding Initiative, which was partially funded by the Legislature during the 2010 Legislative Session. I have reviewed Judge John Laurent's memorandum of October 28, 2010, a copy of which is attached and incorporated herein by reference. I agree with his description of the 62-percent goal established by the Trial Court Budget Commission as a means to help measure the court system's progress in the initiative and to document how the appropriation for the foreclosure initiative is being spent. There is no reason why the 62-percent goal should interfere with a judge's ability to adjudicate each case fairly on its merits. Each case must be adjudicated in accordance with the law.

Thank you for your ongoing efforts to appropriately administer and resolve the avalanche of mortgage foreclosure cases that have been overwhelming the court system during the past few years. I recognize that the challenge you face in assuring that these cases are resolved properly is unprecedented. I am confident that with the cooperation of all judges and court staff—along with the tools of the revised rules of court procedure, implementation of the managed mediation program, and the influx of court resources through the Foreclosure and Economic Recovery Funding Initiative—the Florida courts will be able to meet this challenge in a manner that protects and preserves the rights of all parties as well as interested observers.

CTC/LG/dgh

Enclosures

cc: Trial Court Administrators



Florida Press Association
336 E. College Avenue, Suite 203
Tallahassee, FL 32301
(850) 521-1199
Fax (850) 577-3829

Chief Justice Charles T. Canady
Florida Supreme Court
500 South Duval Street
Tallahassee, FL 32399-1925

November 12, 2010

Dear Chief Justice Canady,

We write to express our concern that the right to open access to judicial proceedings is being unduly impeded in foreclosure proceedings around the state. Our organizations have received numerous reports that extraordinary barriers to access are preventing members of the general public, as well as representatives of the news media, from observing foreclosure proceedings in judicial circuits around the state. We believe these barriers undercut the transparency of the judicial process; they also violate the strong presumption of open access to judicial proceedings under Florida law. We urge you to take action to secure the public's right to observe the workings of the judicial system.

As you know, Florida law recognizes a strong presumption in favor of open access to judicial proceedings. We have no objection, of course, to ordinary security screening measures. We are concerned, however, that the barriers to access here go far beyond such measures, leaving members of the public and press subject to the discretion of individual foreclosure judges to admit or exclude them.

The reports we have received come from all around the state, and although the precise nature of the barriers to access varies, a troubling pattern emerges; foreclosure divisions recently established by the judicial circuits have been operating under a presumption of closure to members of the general public, rather than the presumption of openness mandated by Florida law. An illustrative, but not exhaustive, list of encounters that have been reported to our organizations since August 2010 follows:

- A court observer in Hillsborough County called the court to ask about the rules governing attendance at foreclosure proceedings and was told that the proceedings were not open to the public.
- A pro se defendant in Duval County was told by a member of court security that she could not access foreclosure proceedings because only attorneys were permitted.
- A court observer called the Orange County courthouse to ask about attending foreclosure proceedings. She was informed that foreclosure hearings were held "in private chambers" and therefore not open to the public.

- In Citrus County, an individual preparing to mount a pro se defense in his own foreclosure case attempted to attend foreclosure hearings in advance of his own so that he could know what to expect when his case was heard. He was told that foreclosure hearings are “private” and take place in judges’ chambers, and that he would not be permitted to observe them.
- Most recently, a legal aid attorney in Jacksonville attended a foreclosure proceeding accompanied by a reporter from Rolling Stone Magazine. Neither the attorney nor the reporter did anything disruptive to the proceedings. At one point the reporter left the proceedings in order to interview a pro se litigant whose case had just been heard. Later that day, the judge sent an email to the attorney castigating her for bringing the reporter into the proceedings. He stated that, while “attorneys are welcome in Chambers at their leisure,” members of the media are “permitted” entry only upon “proper request to the security officer.” He further informed the attorney that she “did not have authority to take anyone back to chambers without proper screening” and stated that her “apparent authorization that the reporter could pursue a property owner immediately out of Chambers into the hallway for an interview” may be “sited [sic] for possible contempt charges in the future.”¹

In raising our concerns about this pattern of exclusion, we rely on the extensive body of case law that has made Florida a model for open government. Systematically excluding members of the press and public from judicial foreclosure proceedings violates the robust guarantee of open access to courts provided by Florida law. This Court has held that “both civil and criminal court proceedings in Florida are public events and adhere to the well established common law right of access to court proceedings and records.” *Barron v. Fla. Freedom Newspapers, Inc.*, 531 So. 2d 113, 116 (Fla. 1988); see also Fla. R. Jud. Admin. 2.420 (codifying public right of access to records of the judiciary). *Barron* articulated this right of access in forceful terms. It emphasized that “a strong presumption of openness exists for all court proceedings” and outlined the carefully circumscribed exceptions to this broad rule:

[C]losure of court proceedings or records should occur only when necessary (a) to comply with established public policy set forth in the constitution, statutes, rules, or case law; (b) to protect trade secrets; (c) to protect a compelling governmental interest [e.g., national security; confidential informants]; (d) to obtain evidence to properly determine legal issues in a case; (e) to avoid substantial injury to innocent third parties [e.g., to protect young witnesses from offensive testimony; to protect children in a divorce]; or (f) to avoid substantial injury to a party by disclosure of matters protected by a common law or privacy right not generally inherent in the specific type of civil proceeding sought to be closed.

¹ Since the incident in Duval County was particularly egregious, we have also asked that Chief Judge Moran consider appropriate action.

Id., at 118. Even in these exceptional circumstances, “before entering a closure order, the trial court shall determine that no reasonable alternative is available to accomplish the desired result, and, if none exists, the trial court must use the least restrictive closure necessary to accomplish its purpose.” *Id.*

The protection of public access to judicial proceedings serves fundamental constitutional values. In particular, the “value of openness lies in the fact that people not actually attending trials can have confidence that standards of fairness are being observed; the sure knowledge that *anyone* is free to attend gives assurance that established procedures are being followed and that deviations will become known.” *Sarasota Herald-Tribune v. State*, 924 So. 2d 8, 12 (Fla. 2d DCA 2005) (quoting *Press-Enter. Co. v. Super. Ct.*, 464 U.S. 501, 508 (1984)). “A trial courtroom is a public place where people have a general right to be present, and what transpires in the courtroom is public property.” *Plaintiff B v. Francis*, No. 5:08-cv-79, 2010 WL 503067, *2 (N.D. Fla. Feb. 5, 2010). Foreclosure proceedings are currently a matter of intense public interest. Indeed, the media has, in recent months, scrutinized them for possible procedural deficiencies. *See, e.g.*, Gretchen Morgenson and Geraldine Fabrikant, *Florida’s High-Speed Answer to a Foreclosure Mess*, N.Y. TIMES, Sept. 14, 2010; Polyana da Costa, *Before Foreclosing, Judges Must Hear Out Homeowners*, MIAMI DAILY BUS. REV., Oct. 14, 2010.

As the examples outlined above show, Florida’s presumption of openness is being inverted in the context of foreclosure proceedings: courts across the state are effectively imposing a presumption of closure, which may be overcome only by special permission to observe proceedings. In effect, only those who actively assert their right of access in the face of initial barriers, and then ultimately receive permission, may exercise their right to observe foreclosure hearings.

Under Florida law, there are few justifications that can counterbalance the right to access. Even when those exceptional circumstances exist, the court must still determine that no more narrowly tailored alternative is available. *Barron*, 531 So. 2d at 118; *see also Globe Newspaper Co. v. Super. Ct. for the County of Norfolk*, 457 U.S. 596 (1982) (invalidating statute closing trials for certain sex offenses involving minors where state had a “compelling” interest in protecting minors’ privacy but where the court “offered no empirical support” that closure would effectively further that interest). There is no indication that closure of foreclosure courts occurs only when such rigorous analysis has taken place. Indeed, the opposite appears to be true: by choosing to conduct foreclosure hearings in “private” conference rooms or judicial chambers and treat those as closed proceedings, the burden shifts to members of the press or public to convince the court to allow access.

We recognize that the heavy volume of foreclosure cases has led to difficulties finding judges and courtrooms to hear the cases. As a result, some cases are being held in chambers for lack of an available traditional courtroom. Nevertheless, the proceedings must be open, even if they are held temporarily in a smaller and less formal physical

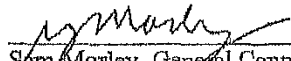
setting than usual. While we understand the necessity for ordinary and uniform security screening procedures, the unavailability of a traditional courtroom cannot justify a deprivation of the rights established under Florida law and the U.S. Constitution.

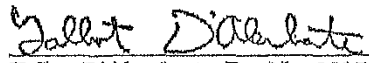
This Court has noted that the press plays an indispensable role in maintaining "the judicial system's credibility in a free society." *Barron*, 531 So. 2d at 116. That credibility cannot be maintained when members of the public and media are dependent on the indulgence of the presiding judge to allow them to observe important judicial proceedings.

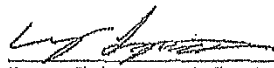
It is our sincere hope that we, and other representatives of the media, will be able to avoid instituting litigation over the issue of access to foreclosure proceedings. We do face certain time constraints, however, because Florida Rule of Appellate Procedure 9.100(d) provides for expedited review of orders excluding the public and media from judicial proceedings, and it requires such petitions to be filed within 30 days of an exclusion order.²

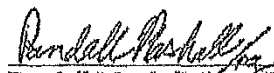
Accordingly, we respectfully urge you to take corrective action to ensure citizen and press access as guaranteed by Florida's right-of-access jurisprudence. In particular, we ask that you promulgate an Administrative Order or take other expeditious and appropriate action to ensure that both the public and media may observe proceedings consistent with Florida law and subject only to ordinary security measures

We thank you for your attention to this important matter.

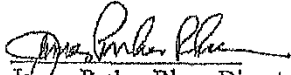

Sam Morley, General Counsel
The Florida Press Association


Talbot D'Alemberte, Bar No. 0017529
The Florida Press Association

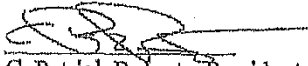

Larry Schwartz, Staff Attorney
The American Civil Liberties Union


Randall Marshall, Legal Director
The American Civil Liberties Union of Florida

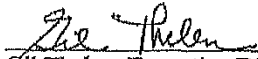
² The incident in Duval County occurred on October 26th. Accordingly, the last day to file a petition for review pursuant to Rule 9.100(d) is November 29th.



James Parker Rhea, Director & General Counsel
The First Amendment Foundation



C. Patrick Roberts, President & CEO
Florida Association of Broadcasters



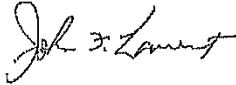
Gil Thelen, Executive Director
The Florida Society of Newspaper Editors



James Denton, Editor
The Florida Times-Union



MEMORANDUM

TO: Chief Judges of the Circuit Courts
FROM: John Laurent 
DATE: October 28, 2010
SUBJECT: Foreclosure Initiative

*The Honorable
John F. Laurent, Chair*

*The Honorable
Margaret Steinbeck,
Vice-Chair*

Members

- Catherine Brunson, Circuit Judge*
- Paul S. Bryan, Circuit Judge*
- Joseph P. Farina, Circuit Judge*
- Charles A. Francis, Circuit Judge*
- Mark Mahon, Circuit Judge*
- J. Thomas McGrady, Circuit Judge*
- Wayne M. Miller, County Judge*
- Belvin, Perry, Jr., Circuit Judge*
- Robert E. Roundtree, Jr., Circuit Judge*
- Clayton D. Simmons, Circuit Judge*
- Elijah Smiley, Circuit Judge*
- Patricia V. Thomas, Circuit Judge*
- Mike Bridenbach, Court Administrator*
- Tom Genung, Court Administrator*
- Sandra Lonergan, Court Administrator*
- Carol Lee Ortman, Court Administrator*
- Walt Smith, Court Administrator*
- Mark Weinberg, Court Administrator*
- Robin Wright, Court Administrator*

Ex-Officio Members

- The Honorable Kevin M. Emas
Florida Conference of Circuit Court Judges*
- The Honorable Susan F. Schaeffer
Chair Emeritus*

Supreme Court Liaison

- Justice James E. G. Perry*

Florida State Courts System
500 South Duval Street
Tallahassee, FL 32399-1900
www.flcourts.org

In follow up to the Judicial Administration Committee conference call held on October 18, 2010, I am writing to reiterate the Trial Court Budget Commission's purpose for tracking the progress of cases the trial courts are hearing using funding provided for the foreclosure and economic recovery initiative. When the Florida Legislature appropriated special funding of \$6 million to help the trial courts with the significant backlog of foreclosure cases, the Trial Court Budget Commission established a measurement of progress that corresponded to the funding received: 62% of the backlog cases potentially could be processed because the Legislature funded 62% of the original request from the courts. A simple case tracking system was set up to monitor the progress and identify any reasons for delays. This is so that we will be able to report to the Legislature on how these funds were used. However, the Legislature has not specifically directed us to make such a report.

The 62% rate is not a quota. The 62% rate is simply a goal set by the TCBC to help measure the courts' progress in this initiative and document how the appropriation for the foreclosure initiative is being spent. The 62% rate was set before the initiative began and, most notably, before many of the lender moratoriums and other delays occurred. Please assure judges working on this project that the 62% rate was never intended to interfere with their ability to adjudicate each case fairly on its merits.

We will continue to monitor the progress of this initiative because we have an obligation to account for how these funds have been used. But we also will document all issues related to any difficulties that prevent or delay the court from hearing and disposing of cases before them.

JL/ks

cc: TCBC Members

Supreme Court of Florida

No. AOSC10-57

IN RE: GUIDANCE CONCERNING MANAGED MEDIATION
PROGRAMS FOR RESIDENTIAL MORTGAGE FORECLOSURE
CASES

ADMINISTRATIVE ORDER

This Administrative Order clarifies In Re: Final Report and Recommendations on Residential Mortgage Foreclosure Cases, AOSC09-54 (December 28, 2009), and the Model Administrative Order in response to concerns reported to the Supreme Court regarding implementation of the statewide managed mediation program for residential mortgage foreclosure cases.

These concerns relate to mediator eligibility requirements not contained in AOSC09-54 or the Model Administrative Order; conflicts between reporting requirements imposed by local managed mediation programs and the reporting requirements contained in the Model Administrative Order; conflicts between the mediator reporting requirements contained in rule 1.730, Florida Rules of Civil Procedure, and the Mediation Report form; discrepancies between requirements contained in AOSC09-54 and the Model Administrative Order; and fees not authorized by AOSC09-54.

The Court in In Re: Final Report and Recommendations on Residential Mortgage Foreclosure Cases established a statewide managed mediation program for all circuit court residential mortgage foreclosure cases involving homestead property. The program was intended to operate as a uniform, statewide approach to managing the massive volume of residential mortgage foreclosure cases and facilitating communication and problem solving between the parties in these cases. The program was implemented through each circuit chief judge's issuance of an administrative order adapted from the Model Administrative Order appended to AOSC09-54. Under AOSC09-54, managed mediation program providers were to be "non-profit organizations" that were "independent of the judicial branch, capable of sustained operation without fiscal impact to the courts, [and] politically and professional neutral" with a "demonstrated ability to efficiently manage the extremely high volume of foreclosure actions in circuit court." The order specified that only Supreme Court certified circuit court mediators specially trained in residential mortgage foreclosure matters were to be assigned to mediate cases referred to the managed mediation programs, and the Court adopted specific standards and objectives for this training.

Eligibility Requirements for Mediators

A number of circuits have imposed geographic, residency, experience, or Florida Bar membership eligibility requirements on mediators participating in the

local managed mediation programs. AOSC09-54 stated that Supreme Court certified circuit court mediators specially trained in residential mortgage foreclosure matters were eligible for assignment to cases referred to the managed mediation programs. Eligibility requirements that exceed those stated in AOSC09-54 are not authorized. Any Florida Supreme Court certified circuit court mediator who has completed special foreclosure mediation training is eligible to participate in local managed mediation programs.

Discrepancies between AOSC09-54 and the Model Administrative Order

AOSC09-54 defined managed mediation providers as “non-profit organizations” that are “independent of the judicial branch, capable of sustained operation without fiscal impact to the courts, [and] politically and professionally neutral” with a “demonstrated ability to efficiently manage the extremely high volume of foreclosure actions in circuit court.” The Model Administrative Order at page A-68 stated that providers may be a “non-profit entity or associated with a reputable organization of proven competence, autonomous and independent of the judicial branch.” It is the Court’s intent that managed mediation providers be non-profit organizations, as stated in AOSC09-54.

While AOSC09-54 mandated the use of certified circuit court mediators specially trained in residential mortgage foreclosure matters in the managed mediation programs, the Model Administrative Order at page A-15 encouraged,

but did not require, the use of specially trained mediators in the programs. It is the Court's intent that only specially trained certified circuit court mediators participate in the managed mediation programs.

The Model Administrative Order has been amended at pages A-68 and A-15 to reflect the Court's intent concerning managed mediation providers and mediation training. The amended Model Administrative Order is appended to this Order.

Mediator Reporting Requirements

Rule 1.730, Florida Rules of Civil Procedure, provides that if no agreement is reached among the parties at mediation, the mediator shall report no agreement "without comment or recommendation." The Court acknowledged this rule language in the Model Administrative Order, stating that the mediator shall report on the outcome of mediation to the court without further comment or recommendation. Some circuits have modified the Model Administrative Order Mediation Report form (Exhibit 9 to the Model Administrative Order) to include other information, including whether the parties reached a "temporary" agreement or an "agreement for mediation to continue and be reset," "reached an impasse with a plan of action," or the mediation conference did not occur due to an identified cause. In addition, some managed mediation programs have reported that mediators have been pressured to report an impasse of mediation when an

adjournment would be appropriate. Rule 10.520, Florida Rules for Certified and Court-Appointed Mediators, states that a mediator shall comply with all statutes, court rules, local court rules, and administrative orders relevant to the practice of mediation. Mediators should report mediation outcomes accurately, and should report only the information required by the Model Administrative Order Mediation Report form.

The Court amends the Mediation Report form in accordance with recommendations of the Committee on Alternative Dispute Resolution Rules and Policy to delete the mediation outcomes of “Parties reached impasse” and “Mediation was terminated,” as this information is not authorized to be reported under rule 1.730. The amended form is substituted for the original form, and is appended as Exhibit 9 to the Model Administrative Order.

Administrative Costs Charge

AOSC09-54 does not authorize circuits to charge for or accept payments from managed mediation providers for performance of administrative responsibilities relating to the program.

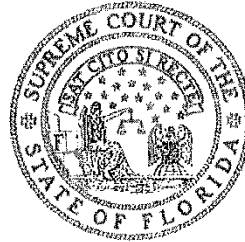
The Court commends the circuits for their timely, responsive, and efficient implementation of managed mediation programs. Changes to managed mediation programs required by this guidance should be implemented no later than one month from the date of this order.

DONE AND ORDERED at Tallahassee, Florida, on November 5, 2010.

Char. T. Canady
Chief Justice Charles T. Canady

ATTEST:

Thomas D. Hall
Thomas D. Hall, Clerk of Court



APPENDIX A

MODEL ADMINISTRATIVE ORDER

IN THE [number] JUDICIAL CIRCUIT OF FLORIDA

OFFICE OF THE CHIEF JUDGE

ADMINISTRATIVE ORDER NUMBER 2009 –[#]

ADMINISTRATIVE ORDER FOR CASE MANAGEMENT OF RESIDENTIAL FORECLOSURE CASES AND MANDATORY REFERRAL OF MORTGAGE FORECLOSURE CASES INVOLVING HOMESTEAD RESIDENCES TO MEDIATION

Whereas, pursuant to Article V, section 2(d) of the Florida Constitution, and section 43.26, Florida Statutes, the chief judge of each judicial circuit is charged with the authority and power to do everything necessary to promote the prompt and efficient administration of justice, and rule 2.215(b)(3), Florida Rules of Judicial Administration, mandates the chief judge to “develop an administrative plan for the efficient and proper administration of all courts within the circuit;” and

Whereas, rule 2.545 of the Rules of Judicial Administration requires that the trial courts “...take charge of all cases at an early stage in the litigation and...control the progress of the case thereafter until the case is determined...”, which includes “...identifying cases subject to alternative dispute resolution processes;” and

Whereas, Chapter 44, Florida Statutes, and rules 1.700-1.750, Florida Rules of Civil Procedure, provide a framework for court-ordered mediation of civil actions, except those matters expressly excluded by rule 1.710(b), which does not exclude residential mortgage foreclosure actions; and

Whereas, residential mortgage foreclosure case filings have increased substantially in the [number] Judicial Circuit, and state and county budget constraints have limited the ability of the courts in the [number] Judicial Circuit to manage these cases in a timely manner; and

Whereas, high residential mortgage foreclosure rates are damaging the economies of the count[y][ies] in the [number] Judicial Circuit; and

Whereas, the Supreme Court of Florida has determined that mandatory mediation of homestead residential mortgage foreclosure actions prior to the matter being set for final hearing will facilitate the laudable goals of communication,

facilitation, problem-solving between the parties with the emphasis on self-determination, the parties' needs and interests, procedural flexibility, full disclosure, fairness, and confidentiality. Referring these cases to mediation will also facilitate and provide a more efficient use of limited judicial and clerk resources in a court system that is already overburdened; and

Whereas, the *[name of Program Manager]* is an independent, nonpartisan, nonprofit organization that has demonstrable ability to assist the courts with managing the large number of residential mortgage foreclosure actions that recently have been filed in the *[number]* Judicial Circuit.

NOW, THEREFORE, IT IS ORDERED:

Definitions

As used in this Administrative Order, the following terms mean:

“RMFM Program” (Residential Mortgage Foreclosure Mediation Program) means the mediation program managed by *[name of Program Manager]* to implement and carry out the intent of this Administrative Order.

“The Program Manager” means *[name of Program Manager]*, qualified in accordance with parameters attached as Exhibit 13. Also referred to as the “Mediation Manager.”

“Plaintiff” means the individual or entity filing to obtain a mortgage foreclosure on residential property.

“Plaintiff’s representative” means the person who will appear at mediation who has full authority to settle without further consultation and resolve the foreclosure suit.

“Borrower” means an individual named as a party in the foreclosure action who is a primary obligor on the promissory note which is secured by the mortgage being foreclosed.

“Homestead residence” means a residential property for which a homestead real estate tax exemption was granted according to the certified rolls of the last assessment by the county property appraiser prior to the filing of the suit to foreclose the mortgage.

“Form A” means the certifications required herein in the format of Exhibit 1 attached.

“Plaintiff’s Disclosure for Mediation” means those documents requested by the borrower pursuant to paragraph 7 below.

“Borrower’s Financial Disclosure for Mediation” means those documents described in Exhibit 5 attached.

“Foreclosure counselor” means a counselor trained in advising persons of options available when facing a mortgage foreclosure, who has no criminal history of committing a felony or a crime of dishonesty, and who is certified by the United States Department of Housing and Urban Development (HUD) or National Foreclosure Mitigation Counseling Program (NFMC) as an agency experienced in mortgage delinquency and default resolution counseling.

“Communication equipment” means a conference telephone or other electronic device that permits all those appearing or participating to hear and speak to each other, provided that all conversation of the participants is audible to all persons present.

Scope

1. ***Residential Mortgage Foreclosures (Origination Subject to TILA)***. This Administrative Order shall apply to all residential mortgage foreclosure actions filed in the [number] Judicial Circuit in which the origination of the note and mortgage sued upon was subject to the provisions of the federal Truth in Lending Act, Regulation Z. However, compliance with this Administrative Order varies depending on whether the property secured by the mortgage is a homestead residence.

Upon the effective date of this Administrative Order, all newly filed mortgage foreclosure actions filed against a homestead residence shall be referred to the RMFM Program unless the plaintiff and borrower agree in writing otherwise or unless pre-suit mediation was conducted in accordance to paragraph 23. The parties to the foreclosure action shall comply with the conditions and requirements imposed by this Administrative Order. In actions to foreclose a mortgage on a homestead residence, the plaintiff and borrower shall attend at least one mediation session, unless the plaintiff and

borrower agree in writing not to participate in the RMFM Program or the Program Manager files a notice of borrower nonparticipation.

Upon the effective date of this Administrative Order, all newly filed residential mortgage foreclosure actions involving property that is not a homestead residence shall comply with the requirements of filing a Form A as required by paragraph 5 below and the requirements of paragraph 18 below (plaintiff's certification as to settlement authority).

At the discretion of the presiding judge, compliance with this Administrative Order may also be required for homestead residential mortgage foreclosure actions filed prior to the effective date of this Administrative Order, to residences which are not homestead residences, and any other residential foreclosure action the presiding judge deems appropriate. A party requesting that the case be sent to mediation with the RMFM Program at the discretion of the presiding judge shall make the request in format of Exhibit 3 attached.

2. ***Referral to Mediation.*** This Administrative Order constitutes a formal referral to mediation pursuant to the Florida Rules of Civil Procedure in actions involving a mortgage foreclosure of a homestead residence. The plaintiff and borrower are deemed to have stipulated to mediation by a mediator assigned by the Program Manager unless pursuant to rule 1.720(f), Florida Rules of Civil Procedure., the plaintiff and borrower file a written stipulation choosing not to participate in the RMFM Program. Referral to the RMFM Program is for administration and management of the mediation process and assignment of a Florida Supreme Court certified circuit civil court mediator who has been trained in mediating residential mortgage foreclosure actions and who has agreed to be on the panel of available certified circuit civil mediators. Mediators used in the RMFM Program shall be trained in accordance with the standards stated in Exhibit 12 attached. Mediation through the RMFM Program shall be conducted in accordance with Florida Rules of Civil Procedure and Florida Rules for Certified and Court-Appointed Mediators.
3. ***Compliance Prior to Judgment.*** The parties must comply with this Administrative Order and the mediation process must be completed before the plaintiff applies for default judgment, a summary judgment hearing, or a final hearing in an action to foreclose a mortgage on a homestead residence unless a notice of nonparticipation is filed by the Program Manager.

4. ***Delivery of Notice of RMFM Program with Summons.*** After the effective date of this Administrative Order, in all actions to foreclose a mortgage on residential property, the clerk of court shall attach to the summons to be served on each defendant a notice regarding managed mediation for homestead residences in the format of Exhibit 2 attached.

Procedure

5. ***Responsibilities of Plaintiff's Counsel; Form A.*** When suit is filed, counsel for the plaintiff must file a completed Form A with the clerk of court. If the property is a homestead residence, all certifications in Form A must be filled out completely. Within one business day after Form A is filed with the clerk of court, counsel for plaintiff shall also electronically transmit a copy of Form A to the Program Manager along with the case number of the action and contact information for all of the parties. The contact information must include at a minimum the last known mailing address and phone number for each party.

In Form A, plaintiff's counsel must affirmatively certify whether the origination of the note and mortgage sued upon was subject to the provisions of the federal Truth in Lending Act, Regulation Z. In Form A, plaintiff's counsel must also affirmatively certify whether the property is a homestead residence. Plaintiff's counsel is not permitted to respond to the certification with "unknown," "unsure," "not applicable," or similar nonresponsive statements.

If the property is a homestead residence and if the case is not exempted from participation in the RMFM Program because of pre-suit mediation conducted in accordance with paragraph 23 below, plaintiff's counsel shall further certify in Form A the identity of the plaintiff's representative who will appear at mediation. Plaintiff's counsel may designate more than one plaintiff's representative. At least one of the plaintiff's representatives designated in Form A must attend any mediation session scheduled pursuant to this Administrative Order. Form A may be amended to change the designated plaintiff's representative, and the amended Form A must be filed with the court no later than five days prior to the mediation session. All amended Forms A must be electronically transmitted to the Program Manager via a secure dedicated e-mail address or on the web-enabled

information platform described in paragraph 8 no later than one business day after being filed with the clerk of court.

6. ***Responsibilities of Borrower.*** Upon the Program Manager receiving a copy of Form A, the Program Manager shall begin efforts to contact the borrower to explain the RMFM Program to the borrower and the requirements that the borrower must comply with to obtain a mediation. The Program Manager shall also ascertain whether the borrower wants to participate in the RMFM Program.

The borrower must do the following prior to mediation being scheduled: meet with an approved mortgage foreclosure counselor and provide to the Program Manager the information required by the Borrower's Financial Disclosure for Mediation. The Borrower's Financial Disclosure for Mediation will depend on what option the borrower wants to pursue in trying to settle the action.

It shall be the responsibility of the Program Manager to transmit the Borrower's Financial Disclosure for Mediation via a secure dedicated e-mail address or to upload same to the web-enabled information platform described in paragraph 8; however, the Program Manager is not responsible or liable for the accuracy of the borrower's financial information.

7. ***Plaintiff's Disclosure for Mediation.*** Within the time limit stated below, prior to attending mediation the borrower may request any of the following information and documents from the plaintiff:

Documentary evidence the plaintiff is the owner and holder in due course of the note and mortgage sued upon.

A history showing the application of all payments by the borrower during the life of the loan.

A statement of the plaintiff's position on the present net value of the mortgage loan.

The most current appraisal of the property available to the plaintiff.

The borrower must deliver a written request for such information to the Program Manager in the format of Exhibit 6 attached no later than 25 days

prior to the mediation session. The Program Manager shall promptly electronically transmit the request for information to plaintiff's counsel.

Plaintiff's counsel is responsible for ensuring that the Plaintiff's Disclosure for Mediation is electronically transmitted via a secure dedicated e-mail address or to the web-enabled information platform described in paragraph 8 below no later than five (5) business days before the mediation session. The Program Manager shall immediately deliver a copy of Plaintiff's Disclosure for Mediation to the borrower.

8. ***Information to Be Provided on Web-Enabled Information Platform.*** All information to be provided to the Program Manager to advance the mediation process, such as Form A, Borrower's Financial Disclosure for Mediation, Plaintiff's Disclosure for Mediation, as well as the case number of the action and contact information for the parties, shall be submitted via a secure dedicated e-mail address or in a web-enabled information platform with XML data elements.
9. ***Nonparticipation by Borrower.*** If the borrower does not want participate in the RMFM Program, or if the borrower fails or refuses to cooperate with the Program Manager, or if the Program Manager is unable to contact the borrower, the Program Manager shall file a notice of nonparticipation in the format of Exhibit 4 attached. The notice of nonparticipation shall be filed no later than 120 days after the initial copy of Form A is filed with the court. A copy of the notice of nonparticipation shall be served on the parties by the Program Manager.
10. ***Referral to Foreclosure Counseling.*** The Program Manager shall be responsible for referring the borrower to a foreclosure counselor prior to scheduling mediation. Selection from a list of foreclosure counselors certified by the United States Department of Housing and Urban Development shall be by rotation or by such other procedures as may be adopted by administrative order of the chief judge in the circuit in which the action is pending. The borrower's failure to participate in foreclosure counseling shall be cause for terminating the case from the RMFM Program.
11. ***Referrals for Legal Representation.*** In actions referred to the RMFM Program, the Program Manager shall advise any borrower who is not represented by an attorney that the borrower has a right to consult with an attorney at any time during the mediation process and the right to bring an

attorney to the mediation session. The Program Manager shall also advise the borrower that the borrower may apply for a volunteer *pro bono* attorney in programs run by lawyer referral, legal services, and legal aid programs as may exist within the circuit. If the borrower applies to one of those agencies and is coupled with a legal services attorney or a volunteer *pro bono* attorney, the attorney shall file a notice of appearance with the clerk of the court and provide a copy to the attorney for the plaintiff and the Program Manager. The appearance may be limited to representation only to assist the borrower with mediation but, if a borrower secures the services of an attorney, counsel of record must attend the mediation.

12. ***Scheduling Mediation.*** The plaintiff's representative, plaintiff's counsel, and the borrower are all required to comply with the time limitations imposed by this Administrative Order and attend a mediation session as scheduled by the Program Manager. No earlier than 60 days and no later than 120 days after suit is filed, the Program Manager shall schedule a mediation session. The mediation session shall be scheduled for a date and time convenient to the plaintiff's representative, the borrower, and counsel for the plaintiff and the borrower, using a mediator from the panel of Florida Supreme Court certified circuit civil mediators who have been specially trained to mediate residential mortgage foreclosure disputes. Mediation sessions will be held at a suitable location(s) within the circuit obtained by the Program Manager for mediation. Mediation shall be completed within the time requirements established by rule 1.710(a), Florida Rules of Civil Procedure.

Mediation shall not be scheduled until the borrower has had an opportunity to meet with an approved foreclosure counselor. Mediation shall not be scheduled earlier than 30 days after the Borrower's Financial Disclosure for Mediation has been transmitted to the plaintiff via a secure dedicated e-mail address or uploaded to the web-enabled information platform described in paragraph 8.

Once the date, time, and place of the mediation session have been scheduled by the Program Manager, the Program Manager shall promptly file with the clerk of court and serve on all parties a notice of the mediation session.

13. ***Attendance at Mediation.*** The following persons are required to be physically present at the mediation session: a plaintiff's representative designated in the most recently filed Form A; plaintiff's counsel; the

borrower; and the borrower's counsel of record, if any. However, the plaintiff's representative may appear at mediation through the use of communication equipment, if plaintiff files and serves, at least five (5) days prior to the mediation, a notice in the format of Exhibit 7 attached advising that the plaintiff's representative will be attending through the use of communication equipment and designating the person who has full authority to sign any settlement agreement reached. Plaintiff's counsel may be designated as the person with full authority to sign the settlement agreement.

At the time that the mediation is scheduled to physically commence, the Program Manager shall enter the mediation room prior to the commencement of the mediation conference and, prior to any discussion of the case in the presence of the mediator, take a written roll. That written roll will consist of a determination of the presence of the borrower; the borrower's counsel of record, if any; the plaintiff's lawyer; and the plaintiff's representative with full authority to settle. If the Program Manager determines that anyone is not present, that party shall be reported by the Program Manager as a non-appearance by that party on the written roll. If the Program Manager determines that the plaintiff's representative present does not have full authority to settle, the Program Manager shall report that the plaintiff's representative did not appear on the written roll as a representative with full settlement authority as required by this Administrative Order. The written roll and communication of authority to the Program Manager is not a mediation communication.

The authorization by this Administrative Order for the plaintiff's representative to appear through the use of communication equipment is pursuant to rule 1.720(b), Florida Rules of Civil Procedure (court order may alter physical appearance requirement), and in recognition of the emergency situation created by the massive number of residential foreclosure cases being filed in this circuit and the impracticality of requiring physical attendance of a plaintiff's representative at every mediation. Additional reasons for authorizing appearance through the use of communication equipment for mortgage foreclosure mediation include a number of protective factors that do not exist in other civil cases, namely the administration of the program by a program manager, pre-mediation counseling for the borrower, and required disclosure of information prior to mediation. The implementation of this Administrative Order shall not create any expectation that appearance through the use of communication equipment will be authorized in other civil cases.

If the plaintiff's representative attends mediation through the use of communication equipment, the person authorized by the plaintiff to sign a settlement agreement must be physically present at mediation. If the plaintiff's representative attends mediation through the use of communication equipment, the plaintiff's representative must remain on the communication equipment at all times during the entire mediation session. If the plaintiff's representative attends through the use of communication equipment, and if the mediation results in an impasse, within five (5) days after the mediation session, the plaintiff's representative shall file in the court file a certification in the format of Exhibit 8 attached as to whether the plaintiff's representative attended mediation. If the mediation results in an impasse after the appearance of the plaintiff's representative through the use of communication equipment, the failure to timely file the certification regarding attendance through the use of communication equipment shall be grounds to impose sanctions against the plaintiff, including requiring the physical appearance of the plaintiff's representative at a second mediation, taxation of the costs of a second mediation to the plaintiff, or dismissal of the action.

Junior lienholders may appear at mediation by a representative with full settlement authority. If a junior lienholder is a governmental entity comprised of an elected body, such junior lienholder may appear at mediation by a representative who has authority to recommend settlement to the governing body. Counsel for any junior lienholder may also attend the mediation.

The participants physically attending mediation may consult on the telephone during the mediation with other persons as long as such consultation does not violate the provisions of sections 44.401-406, Florida Statutes.

14. ***Failure to Appear at Mediation.*** If either the plaintiff's representative designated in the most recently filed Form A or the borrower fails to appear at a properly noticed mediation and the mediation does not occur, or when a mediation results in an impasse, the report of the mediator shall notify the presiding judge regarding who appeared at mediation without making further comment as to the reasons for an impasse. If the borrower fails to appear, or if the mediation results in an impasse with all required parties present, and if the borrower has been lawfully served with a copy of the complaint, and if

the time for filing a responsive pleading has passed, the matter may proceed to a final hearing, summary judgment, or default final judgment in accordance with the rules of civil procedure without any further requirement to attend mediation. If plaintiff's counsel or the plaintiff's representative fails to appear, the court may dismiss the action without prejudice, order plaintiff's counsel or the plaintiff's representative's to appear at mediation, or impose such other sanctions as the court deems appropriate including, but not limited to, attorney's fees and costs if the borrower is represented by an attorney. If the borrower or borrower's counsel of record fails to appear, the court may impose such other sanctions as the court deems appropriate, including, but not limited to, attorney's fees and costs.

15. ***Written Settlement Agreement; Mediation Report.*** If a partial or final agreement is reached, it shall be reduced to writing and signed by the parties and their counsel, if any. Pursuant to rule 1.730(b), Florida Rules of Civil Procedure, if a partial or full settlement agreement is reached, the mediator shall report the existence of the signed or transcribed agreement to the court without comment within 10 days after completion of the mediation. If the parties do not reach an agreement as to any matter as a result of mediation, the mediator shall report the lack of an agreement to the court without comment or recommendation. In the case of an impasse, the report shall advise the court who attended the mediation, and a copy of Form A or any amended Form A shall be attached to the report for the court to determine if at least one of the plaintiff's representative named in Form A appeared for mediation. The mediator's report to the court shall be in the format of Exhibit 9 attached.

16. ***Mediation Communications.*** All mediation communications occurring as a result of this Administrative Order, including information provided to the Program Manager that is not filed with the court, shall be confidential and inadmissible in any subsequent legal proceeding pursuant to Chapter 44, Florida Statutes, the Florida Rules of Civil Procedure, and the Florida Rules for Certified and Court-Appointed Mediators, unless otherwise provided for by law.

17. ***Failure to Comply with Administrative Order.*** In all residential foreclosure actions, if a notice for trial, motion for default final judgment, or motion for summary judgment is filed with the clerk of court, no action will be taken by the court to set a final hearing or enter a summary or default final judgment until the requirements of this Administrative Order have been met. In cases

involving a homestead residence, the presiding judge shall require that copies of either 1) the most recently filed Form A and the report of the mediator, or 2) the most recently filed Form A and the notice of borrower's nonparticipation be sent to the presiding judge by the plaintiff or plaintiff's counsel prior to setting a final hearing or delivered with the packet requesting a summary or default final judgment.

The failure of a party to fully comply with the provisions of this Administrative Order may result in the imposition of any sanctions available to the court, including dismissal of the cause of action without further notice.

18. ***Mediation Not Required If Residence Is Not Homestead.*** If the plaintiff certifies in Form A that the property is NOT a homestead residence when suit is filed, plaintiff's counsel must file and serve with the complaint a certification identifying the agent of plaintiff who has full authority to settle the case without further consultation. The certification shall be in the form of Exhibit 10 attached.

If the plaintiff certifies in Form A that the property is NOT a homestead residence, the matter may proceed to a final hearing, summary judgment, or default final judgment in accordance with the rules of civil procedure without any further requirement to attend mediation, unless otherwise ordered by the presiding judge.

RMFM Program Fees

19. ***RMFM Program Fees.*** The fee structure for the RMFM Program is based on the assumption that a successful mediation can be accomplished with one mediation session. Accordingly, pursuant to rule 1.720(g), Florida Rules of Civil Procedure, the reasonable program fees for the managed mediation, including foreclosure counseling, the mediator's fee, and administration of the managed mediation program, is a total of no more than \$750.00 payable as follows:

- 1) not more than \$400.00 paid by plaintiff at the time suit is filed for administrative fees of the RMFM Program, including outreach to the borrower and foreclosure counseling fees; and

- 2) not more than \$350.00 paid by plaintiff within 10 days after notice of the mediation conference is filed for the mediation fee component of the RMFM Program fees.

If more than one mediation session is needed, the total program fee stated above will also cover a second mediation session. However, if an additional mediation session is needed after the second session, the plaintiff shall be responsible for the payment of the program fees for such additional mediation sessions, unless the parties agree otherwise. The program fees for the third and each subsequent mediation session shall be no more than \$350.00 per session.

All program fees shall be paid directly to the Program Manager. If the case is not resolved through the mediation process, the presiding judge may tax the program fees as a cost or apply it as a set off in the final judgment of foreclosure.

If the borrower cannot be located, chooses not to participate in the RMFM Program, or if the borrower does not make any contact with the foreclosure counselor, the plaintiff shall be entitled to a refund of the portion of the Program fees attributable to foreclosure counseling. If mediation is scheduled and the borrower announces an intention not to participate further in the RMFM Program prior to the mediation session, or if the case settles and the Program Manager has notice of the settlement at least five (5) days prior to the mediation session, the plaintiff shall be entitled to a refund of the Program fees allocated for the mediation session. If notice of settlement is not received by the Program Manager at least five (5) days prior to the scheduled mediation session, the plaintiff shall not be entitled to any refund of mediation fees.

The total fees include the mediator's fees and costs; the cost for the borrower to attend a foreclosure counseling session with an approved mortgage foreclosure counselor; and the cost to the Program Manager for administration of the managed mediation program which includes but is not limited to providing neutral meeting and caucus space, scheduling, telephone lines and instruments, infrastructure to support a web-enabled information platform, a secure dedicated email address or other secure system for information transmittal, and other related expenses incurred in managing the foreclosure mediation program.

Program Manager to Monitor Compliance and Satisfaction

20. *Monitoring Compliance Concerning Certain Provisions of This Administrative Order, Satisfaction with RMFM Program, and Program Operation.* The Program Manager shall be responsible for monitoring whether Form A has been filed in all residential foreclosure actions that commence after the effective date of this Administrative Order and whether the RMFM Program fees have been paid if the residence is a homestead residence. The Program Manager shall send compliance reports to the chief judge or the chief judge's designee in the format and with the frequency required by the chief judge.

The Program Manager may assist with enforcing compliance with this Administrative Order upon filing a written motion pursuant to rule 1.100(b), Florida Rules of Civil Procedure, stating with particularity the grounds therefor and the relief or order sought. Example orders are attached as Exhibit 11.

The Program Manager shall also provide the chief judge with periodic reports as to whether plaintiffs and borrowers are satisfied with the RMFM Program.

The Program Manager shall also provide the chief judge with reports with statistical information about the status of cases in the RMFM Program and RMFM Program finances in the format and with the frequency required by the chief judge.

21. *Designation of Plaintiff Liaisons with RMFM Program.* Any plaintiff who has filed five (5) or more foreclosure actions in the [number] Judicial Circuit while this Administrative Order is in effect shall appoint two RMFM Program liaisons, one of whom shall be a lawyer and the other a representative of the entity servicing the plaintiff's mortgages, if any, and, if none, a representative of the plaintiff. Plaintiff's counsel shall provide written notice of the name, phone number (including extension), email, and mailing address of both liaisons to the chief judge and the Program Manager within 30 days after the effective date of this Administrative Order, and on the first Monday of each February thereafter while this Administrative Order is in effect.

The liaisons shall be informed of the requirements of this Administrative Order and shall be capable of answering questions concerning the administrative status of pending cases and the party's internal procedures relating to the processing of foreclosure cases, and be readily accessible to discuss administrative and logistical issues affecting the progress of the plaintiff's cases through the RMFM Program. Plaintiff's counsel shall promptly inform the chief judge and Program Manager of any changes in designation of the liaisons and the contact information of the liaisons. The liaisons shall act as the court's point of contact in the event the plaintiff fails to comply with this Administrative Order on multiple occasions and there is a need to communicate with the plaintiff concerning administrative matters of mutual interest.

List of Participating Mediators and Rotation of Mediators

22. ***List of Participating Mediators and Rotation of Mediators.*** The Program Manager shall post on its website the list of Florida Supreme Court certified mediators it will use to implement the RMFM Program and will state in writing the criteria, subject to approval by the chief judge, the program will use in selecting mediators. The Program Manager shall also state in writing the procedure, subject to the approval by the chief judge, the program will use to rotate the appointment of mediators. The RMFM Program shall ~~require~~ encourage the use of mediators who have been trained to mediate mortgage foreclosure cases, reflecting the diversity of the community in which it operates. Assignment of mediators shall be on a rotation basis that fairly spreads work throughout the pool of mediators working in the RMFM Program, unless the parties mutually agree on a specific mediator or the case requires a particular skill on the part of the mediator.

Pre-Suit Mediation Encouraged

23. ***Pre-Suit Mediation.*** Mortgage lenders, whether private individuals, commercial institutions, or mortgage servicing companies, are encouraged to use any form of alternative dispute resolution, including mediation, *before* filing a mortgage foreclosure lawsuit with the clerk of the court. Lenders are encouraged to enter into the mediation process with their borrowers *prior* to filing foreclosure actions in the [number] Judicial Circuit to reduce the costs to the parties for maintaining the litigation and to reduce to the greatest extent possible the stress on the limited resources of the courts caused by the large

numbers of such actions being filed across the state and, in particular, in the [number] Judicial Circuit.

If the parties participated in pre-suit mediation using the RMFM Program or participated in any other pre-suit mediation program having procedures substantially complying with the requirements of this Administrative Order, including provisions authorizing the exchange of information, foreclosure counseling, and requiring use of Florida Supreme Court certified circuit civil mediators specially trained to mediate residential mortgage foreclosure actions, the plaintiff shall so certify in Form A, in which case the plaintiff and borrower shall not be required to participate in mediation again unless ordered to do so by the presiding judge. A borrower may file a motion contesting whether pre-suit mediation occurred in substantial compliance with the RMFM Program.

Nothing in this paragraph precludes the presiding judge from sending the case to mediation after suit is filed, even if pre-suit mediation resulted in an impasse or there was a breach of the pre-suit mediation agreement.

This Administrative Order shall be recorded by the clerk of the court in each county of the [number] Judicial Circuit, takes effect on [effective date], and will remain in full force and effect unless and until otherwise ordered.

ORDERED on _____, 20[___].

[NAME OF CHIEF JUDGE], Chief Judge
[number] Judicial Circuit, State of Florida

RMFM PROGRAM TIMELINES

TIMELINE FROM DATE SUIT FILED:

Suit is filed

- Form A filed with Complaint
- RMFM Program fees paid by Plaintiff
- Notice of RMFM Program attached to Summons

1 business day after suit is filed

- Form A electronically transmitted to Program Manager by Plaintiff's counsel

60-120 days after suit is filed

- Borrower meets with foreclosure counselor
- Borrower's Financial Disclosure for Mediation is transmitted to IT platform
- Mediation session is scheduled
- Borrower requests Plaintiff's Disclosure for Mediation, if desired

120 days after suit is filed

- Notice of Nonparticipation filed by Program Manager, if applicable

TIMELINE WITH MEDIATION SESSION AS POINT OF REFERENCE

Prior to mediation being scheduled

- RMFM Program fees paid by Plaintiff
- Borrower must contact Program Manager
- Borrower must meet with foreclosure counselor
- Borrower must complete and submit Borrower's Financial Disclosure for Mediation packet to Program Manager

30 days prior to mediation session

- Program Manager electronically transmits Borrower's Financial Disclosure for Mediation to the IT platform

25 days prior to mediation session

- Borrower makes written request for Plaintiff's Disclosure for Mediation if desired

5 days prior to mediation session

- Any amended Form A designation of the plaintiff's representative must be filed with the Clerk

3 business days prior to mediation session

- Plaintiff's counsel transmits Plaintiff's Financial Disclosure for Mediation to the IT platform

1 day prior to mediation session

- Any amended Form A designation of the plaintiff's representative must be uploaded to the IT platform

10 days after mediation session

- Program Manager/Mediator files mediator's report with the clerk of court and serves copies on the parties

INDEX OF EXHIBITS

1. FORM A
2. NOTICE OF RMFM PROGRAM TO BE SERVED WITH SUMMONS
3. BORROWER'S REQUEST TO PARTICIPATE IN RMFM PROGRAM
4. NOTICE OF BORROWER'S NONPARTICIPATION
5. BORROWER'S FINANCIAL DISCLOSURE FOR MEDIATION
6. BORROWER'S REQUEST FOR PLAINTIFF'S DISCLOSURE FOR MEDIATION
7. PLAINTIFF'S NOTICE OF ATTENDING MEDIATION BY TELEPHONE
8. PLAINTIFF'S CERTIFICATION REGARDING ATTENDING MEDIATION BY TELEPHONE
9. MEDIATOR'S REPORT
10. CERTIFICATION REGARDING SETTLEMENT AUTHORITY (Residence Not Homestead)
11. ORDERS FOR REFERRALS, COMPLIANCE, AND ENFORCEMENT
12. MEDIATION TRAINING STANDARDS
13. PARAMETERS FOR MANAGED MEDIATION
14. RMFM PROGRAM FLOWCHART

EXHIBIT 1

FORM A

Please complete online at http://www.*** and file original with the Clerk of Court
IN THE CIRCUIT COURT IN AND FOR _____ COUNTY, FLORIDA

[Name of Plaintiff]
Plaintiff,

Case No.:

vs.

[Names of Defendant(s)]
Defendant(s)

Form "A"

(Certifications Pursuant to [number] Judicial Circuit Administrative Order 200[___])

Certificate of Plaintiff's Counsel Regarding Origination of Note and Mortgage

THE UNDERSIGNED, as counsel of record for plaintiff and as an officer of the court, certifies the origination of the note and mortgage sued upon in this action ___ WAS or ___ WAS NOT subject to the provisions of the federal Truth in Lending Act, Regulation Z.

Certificate of Plaintiff's Counsel Regarding Status of Residential Property

THE UNDERSIGNED, as counsel of record for plaintiff and as an officer of the court, certifies the property that is the subject matter of this lawsuit ___ IS or ___ IS NOT a homestead residence. A "homestead residence" means a residential property for which a homestead real estate tax exemption was granted according to the certified rolls of the last assessment by the county property appraiser prior to the filing of the suit to foreclose the mortgage.

If the residential property is a homestead residence, complete both of the following:

Certificate of Plaintiff's Counsel Regarding Pre-Suit Mediation

The following certification ___ DOES or ___ DOES NOT apply to this case:

THE UNDERSIGNED, as counsel of record for plaintiff and as an officer of the court, certifies that prior to filing suit a plaintiff's representative with full settlement authority attended and participated in mediation with the borrower, conducted by [Name of Program Manager], and the mediation resulted in an impasse or a pre-suit settlement agreement was reached but the settlement agreement has been breached. The undersigned further certifies that prior to mediation the borrower received services from a HUD or NFMC approved foreclosure counselor, Borrower's Financial Disclosure for Mediation was provided, and Plaintiff's Disclosure for Mediation was provided.

Certificate of Plaintiff's Counsel Regarding Plaintiff's Representative at Mediation

THE UNDERSIGNED, as counsel of record for plaintiff and as an officer of the court, certifies the following is a list of the persons, one of whom will represent the plaintiff in mediation with full authority to modify the existing loan and mortgage and to settle the foreclosure case, and with authority to sign a settlement agreement on behalf of the plaintiff (*list name, address, phone number, facsimile number, and email address*):

Plaintiff's counsel understands the mediator or the RMFM Program Manager may report to the court who appears at mediation and, if at least one of plaintiff's representatives named above does not appear at mediation, sanctions may be imposed by the court for failure to appear.

As required by the Administrative Order, plaintiff's counsel will transmit electronically to the RMFM Program Manager the case number of this action, the contact information regarding the parties, and a copy of this Form A, using the approved web-enable information platform.

Date:

(*Signature of Plaintiff's Counsel*)
[Printed name, address, phone number and
Fla. Bar No.]

EXHIBIT 2

NOTICE OF RMFM PROGRAM TO BE SERVED WITH SUMMONS

IN THE CIRCUIT COURT FOR THE [NUMBER] JUDICIAL CIRCUIT
IN AND FOR [COUNTY], FLORIDA

**A NOTICE FROM THE COURT REGARDING LAWSUITS TO FORECLOSE
MORTGAGES ON HOMES**

If you are being sued to foreclose the mortgage on your primary home and your home has a homestead exemption and if you are the person who borrowed the money for the mortgage, you have a right to go to “mediation.” At “mediation,” you will meet with a Florida Supreme Court certified mediator appointed by the court and also a representative of the company asking to foreclose your mortgage to see if you and the company suing you can work out an agreement to stop the foreclosure. **The mediator will not be allowed to give you legal advice or to give you an opinion about the lawsuit.** The mediator’s job is to remain neutral and not take sides, but to give both sides a chance to talk to each other to see if an agreement can be reached to stop the foreclosure. If you and the company suing you come to an agreement, a settlement agreement will be written up and signed by you and the company suing you. With some limited exceptions, what each side says at the mediation is confidential and the judge will not know what was said at mediation.

You will not have to pay anything to participate in this mediation program. To participate in mediation, **as soon as practical**, you must contact *[name of the Program Manager]* by calling *[phone number]* between 9:00 a.m. and 5:00 p.m., Monday through Friday.

To participate in mediation, you must also provide financial information to the mediator and meet with an approved foreclosure counselor prior to mediation. You will not be charged any additional amount for meeting with a foreclosure counselor. You may also request certain information from the company suing you before going to mediation.

[Name of the Program Manager] will explain more about the mediation program to you when you call.

If you have attended mediation arranged by *[name of the Program Manager]* prior to being served with this lawsuit, and if mediation did not result in a settlement, you may file a motion asking the court to send the case to mediation again if your financial circumstances have changed since the first mediation.

AS STATED IN THE SUMMONS SERVED ON YOU, YOU OR YOUR LAWYER MUST FILE WITH THE COURT A WRITTEN RESPONSE TO THE COMPLAINT TO FORECLOSE THE MORTGAGE WITHIN 20 DAYS AFTER YOU WERE SERVED. YOU OR YOUR LAWYER MUST ALSO SEND A COPY OF YOUR WRITTEN RESPONSE TO THE PLAINTIFF’S ATTORNEY. YOU MUST TIMELY FILE A WRITTEN RESPONSE TO THE COMPLAINT EVEN IF YOU DECIDE TO PARTICIPATE IN MEDIATION.

[Signature of Chief Judge]
CHIEF JUDGE, *[number]* Judicial Circuit

EXHIBIT 3

BORROWER'S REQUEST TO PARTICIPATE IN RMFM PROGRAM

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

BORROWER'S REQUEST TO PARTICIPATE IN RMFM PROGRAM

_____, (*printed name*), as the borrower on the mortgage sued upon in this case, hereby requests that this case be referred by the court to mediation using the RMFM Program. The undersigned states, under penalty of perjury, that he or she is currently living on the property as a primary residence and the property has a homestead tax exemption.

Signed on _____, 20__.

(*Signature*)

(*Printed Name*)

[Certificate of Service on the parties]

EXHIBIT 4

NOTICE OF BORROWER'S NONPARTICIPATION

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

**NOTICE OF BORROWER NONPARTICIPATION
WITH RMFM PROGRAM**

[Name of Program Manager] hereby gives notice to the court that _____,
(Borrower) will not be participating in the RMFM Program because:

- Borrower has advised that [he/she] does not wish to participate in mediation for this case;
- Borrower has failed or refuses to meet with a foreclosure counselor;
- Borrower has failed or refuses to comply with the Borrower's Financial Disclosure for Mediation;
- The RMFM Program has been unable to contact Borrower.

Signed on _____, 20__.

[Name of Program Manager]

BY: _____
(Signature)

(Printed Name)

[Certificate of Service on the parties]

EXHIBIT 5

BORROWER'S FINANCIAL DISCLOSURE FOR MEDIATION

EXHIBIT 5A: LOAN MODIFICATION

EXHIBIT 5B: SHORT SALE

EXHIBIT 5C: DEED IN LIEU OF FORECLOSURE

EXHIBIT 5A

BORROWER'S FINANCIAL DISCLOSURE FOR MEDIATION (LOAN MODIFICATION)

FORECLOSURE MEDIATION FINANCIAL WORKSHEET

Case No.:	
_____	_____
Plaintiff's Name	First Defendant's Name

SECTION 1: PERSONAL INFORMATION

Borrower's Name		Co-Borrower's Name	
Social Security Number	Date of Birth (mm/dd/yyyy)	Social Security Number	Date of Birth (mm/dd/yyyy)
<input type="checkbox"/> Married	<input type="checkbox"/> Civil Union/ Domestic Partner	<input type="checkbox"/> Married	<input type="checkbox"/> Civil Union/ Domestic Partner
<input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (single, divorced, widowed)	<input type="checkbox"/> Separated	<input type="checkbox"/> Unmarried (single, divorced, widowed)
Dependents (Not listed by Co-Borrower)		Dependents (Not listed by Borrower)	
Present Address (Street, City, State, Zip)		Present Address (Street, City, State, Zip)	

SECTION 2: EMPLOYMENT INFORMATION

Employer	<input type="checkbox"/> Self Employed	Employer	<input type="checkbox"/> Self Employed
Position/Title	Date of Employment	Position/Title	Date of Employment
Second Employer		Second Employer	
Position/Title	Date of Employment	Position/Title	Date of Employment
	Borrower	Co-Borrower	Total
Gross Salary/Wages			
Net Salary/Wages			
Unemployment Income			
Child Support/Alimony			
Disability Income			
Rental Income			
Other Income			
Total (do not include Gross income)			

SECTION 3: EXPENSE AND LIABILITIES

	Monthly Payments	Balance Due
First Mortgage		
Second Mortgage		
Other Liens/Rents		
Homeowners' Association Dues		
Hazard Insurance		
Real Estate Taxes		
Child Care		
Health Insurance		
Medical Charges		
Credit Card/Installment Loan		
Credit Card/Installment Loan		
Credit Card/Installment Loan		
Automobile Loan 1		
Automobile Loan 2		
Auto/Gasoline/Insurance		
Food/Spending Money		
Water/Sewer/Utilities		
Phone/Cell Phone		
Other		
Total		

SECTION 4: ASSETS

	Estimated Value
Personal Residence	
Real Property	
Personal Property	
Automobile 1	
Automobile 2	
Checking Accounts	
Saving Accounts	
IRA/401K/Keogh Accounts	
Stock/Bonds/CDs	
Cash Value of Life Insurance	
Other	
Total	

Reason for Delinquency/Inability to Satisfy Mortgage Obligation:

- | | | |
|--|---|---|
| <input type="checkbox"/> Reduction in income | <input type="checkbox"/> Medical issues | <input type="checkbox"/> Death of family member |
| <input type="checkbox"/> Poor budget management skills | <input type="checkbox"/> Increase in expenses | <input type="checkbox"/> Business venture failed |
| <input type="checkbox"/> Loss of Income | <input type="checkbox"/> Divorce/separation | <input type="checkbox"/> Increase in loan payment |
| <input type="checkbox"/> Other: _____ | | |

SECTION 4: ASSETS CON'T

Further Explanation:

I / We obtained a mortgage loan(s) secured by the above-described property.

I / We have described my/our present financial condition and reason for default and have attached required documentation.

I / We consent to the release of this financial worksheet and attachments to the mediator and the plaintiff or plaintiff's servicing company by way of the plaintiff's attorney.

By signing below, I / we certify the information provided is true and correct to the best of my / our knowledge.

Signature of Borrower

SSN

Date

Signature of Co-Borrower

SSN

Date

Please attach the following:

- ✓ Last federal tax return filed
- ✓ Proof of income (e.g. one or two current pay stubs)
- ✓ Past two (2) bank statements
- ✓ If self-employed, attach a copy of the past six month's profit and loss statement

This is an attempt to collect a debt and any information obtained will be used for that purpose.

Fannie Mae Hardship Form 1021

Home Affordable Modification Program Hardship Affidavit

Borrower Name (first, middle, last): _____

Date of Birth: _____

Co-Borrower Name (first, middle, last): _____

Date of Birth: _____

Property Street Address: _____

Property City, State, Zip: _____

Servicer: _____

Loan Number: _____

In order to qualify for _____'s ("Servicer") offer to enter into an agreement to modify my loan, I/we am/are submitting this form to the Servicer and indicating by my/our checkmarks the one or more events that contribute to my/our difficulty making payments on my/our mortgage loan:

My income has been reduced or lost. For example: unemployment, underemployment, reduced job hours, reduced pay, or a decline in self-employed business earnings. I have provided details below under "Explanation."

Borrower: Yes ___ No ___ Co-Borrower: Yes ___ No ___

My household financial circumstances have changed. For example: death in family, serious or chronic illness, permanent or short-term disability, increased family responsibilities (adoption or birth of a child, taking care of elderly relatives or other family members). I have provided details below under "Explanation."

Borrower: Yes ___ No ___ Co-Borrower: Yes ___ No ___

My expenses have increased. For example: monthly mortgage payment has increased or will increase, high medical and health-care costs, uninsured losses (such as those due to fires or natural disasters), unexpectedly high utility bills, increased real property taxes. I have provided details below under "Explanation."

Borrower: Yes ___ No ___ Co-Borrower: Yes ___ No ___

My cash reserves are insufficient to maintain the payment on my mortgage load and cover basic living expenses at the same time. Cash reserves include assets such as cash, savings, money market funds, marketable stocks or bonds (excluding retirement accounts). Cash

reserves do not include assets that serve as an emergency fund (generally equal to three times my monthly debt payments). I have provided details below under "Explanation."

Borrower: Yes ___ No ___ Co-Borrower: Yes ___ No ___

My monthly debt payments are excessive, and I am overextended with my creditors. I may have used credit cards, home equity loans or other credit to make my monthly mortgage payments. I have provided details below under "Explanation."

Borrower: Yes ___ No ___ Co-Borrower: Yes ___ No ___

There are other reasons I/we cannot make our mortgage payments. I have provided details below under "Explanation."

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the federal government in order to monitor compliance with federal statutes that prohibit discrimination in housing. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender or servicer may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, the lender or servicer is required to note the information on the basis of visual observation or surname if you have made this request for a loan modification in person. If you do not wish to furnish the information, please check the box below.

BORROWER:

Ethnicity:

- Hispanic/Latino
- Not Hispanic/Latino

Race:

- American Indian/Alaska Native
- Asian
- Black/African American
- Native Hawaiian/Other Pacific Islander
- White

I do not wish to furnish this information

CO-BORROWER:

Ethnicity:

- Hispanic/Latino
- Not Hispanic/Latino

Race:

- American Indian/Alaska Native
- Asian
- Black/African American
- Native Hawaiian/Other Pacific Islander
- White

I do not wish to furnish this information

TO BE COMPLETED BY INTERVIEWER

Interviewer's Name (print or type): _____

Name/Address of Interviewer's Employer: _____

Face-to-face interview

Interviewer's Signature/Date _____ / _____

Address _____

Telephone (include area code) _____

Internet address _____

BORROWER/CO-BORROWER ACKNOWLEDGEMENT

1. Under penalty of perjury, I/we certify that all of the information in this affidavit is truthful and the event(s) identified above has/have contributed to my/our need to modify the terms of my/our mortgage loan.
2. I/we understand and acknowledge the Servicer may investigate the accuracy of my/our statements, may require me/us to provide supporting documentation, and that knowingly submitting false information may violate Federal law.
3. I/we understand the Servicer will pull a current credit report on all borrowers obligated on the Note.
4. I/we understand that if I/we have intentionally defaulted on my/our existing mortgage, engaged in fraud or misrepresented any fact(s) in connection with this Hardship Affidavit, or if I/we do not provide all of the required documentation, the Servicer may cancel the Agreement and may pursue foreclosure on my/our home.
5. I/we certify that my/our property is owner-occupied and I/we have not received a condemnation notice.
6. I/we certify that I/we am/are willing to commit to credit counseling if it is determined that my/our financial hardship is related to excessive debt.
7. I/we certify that I/we am/are willing to provide all requested documents and respond to all Servicer communication in a timely manner. I/we understand that time is of the essence.
8. I/we understand that the Servicer will use this information to evaluate my/our eligibility for a loan modification or other workout, but the Servicer is not obligated to offer me/us assistance based solely on the representations in this affidavit.
9. I/we authorize and consent to Servicer disclosing to the U.S. Department of Treasury or other government agency, Fannie Mae and/or Freddie Mac any information provided by me/us or retained by Servicer in connection with the Home Affordable Modification Program.

 Borrower Signature Date
 E-mail Address: _____
 Cell phone # _____
 Home Phone # _____
 Work Phone # _____
 Social Security # _____ - _____ - _____

 Co-Borrower Signature Date
 E-mail Address: _____
 Cell phone # _____
 Home Phone # _____
 Work Phone # _____
 Social Security # _____ - _____ - _____

EXPLANATION:

(Provide any further explanation of the hardship making it difficult for you to pay on your mortgage.)

EXHIBIT 5B

BORROWER'S FINANCIAL DISCLOSURE FOR MEDIATION (SHORT SALE)

In addition to the FANNIE MAE HARDSHIP FORM 1021 in Exhibit 5A above, the following information must be uploaded into the web-enabled IT platform on behalf of the borrower:

Signed purchase contract for the homestead residence

Listing agreement for sale of the homestead residence

Preliminary HUD-1

Written permission from the borrower authorizing the plaintiff or any agent of the plaintiff to speak with the real estate agent about the borrower's loan

Borrowers should be reminded that the sale MUST be an arm's length transaction, and the property cannot be sold to anyone with close personal or business ties to the borrower.

EXHIBIT 5C

BORROWER'S FINANCIAL DISCLOSURE FOR MEDIATION (DEED IN LIEU OF FORECLOSURE)

In addition to the FANNIE MAE HARDSHIP FORM 1021 in Exhibit 5A above, the following information must be uploaded into the web-enabled IT platform on behalf of the borrower:

Current title search for the homestead residence

EXHIBIT 6

BORROWER'S REQUEST FOR PLAINTIFF'S DISCLOSURE FOR MEDIATION

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s).:

Plaintiff(s),

vs.

Defendant(s).

**NOTICE OF BORROWER'S REQUEST FOR PLAINTIFF'S
DISCLOSURE FOR MEDIATION**

_____, (*printed name*), as the borrower on the mortgage
sued upon in this case, hereby requests the following information and disclosure
from the plaintiff pursuant to Administrative Order [*number*] entered in the
[*number*] Judicial Circuit (*mark the information and documents requested*):

- ___ Documentary evidence the plaintiff is the owner and holder in due
course of the note and mortgage sued upon.
 - ___ A history showing the application of all payments by the borrower
during the life of the loan.
 - ___ A statement of the plaintiff's position on the present net present value
of the mortgage loan.
 - ___ The most current appraisal of the property available to the plaintiff.
- Signed on _____, 20__.

(*Signature*)

[Certificate of Service on the parties]

EXHIBIT 7

PLAINTIFF'S NOTICE OF ATTENDING MEDIATION THROUGH THE USE OF COMMUNICATION EQUIPMENT

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

**NOTICE THAT PLAINTIFF'S REPRESENTATIVE WILL APPEAR
THROUGH THE USE OF COMMUNICATION EQUIPMENT AND
DESIGNATION OF AUTHORITY TO SIGN SETTLEMENT
AGREEMENT**

Plaintiff gives notice of exercising the option to allow plaintiff's representative designated in Form A filed in this case to attend mediation through the use of communication equipment, and designates *[name of person]* as the person who will be physically present at mediation with full authority on behalf of plaintiff to sign any settlement agreement reached at mediation.

On the date of the mediation, plaintiff's representative can be reached by calling the following telephone number: *[telephone number, including area code and extension]*.

Signed on _____, 20__.

[Name of Plaintiff]

(Signature)

(Printed Name)

[Certificate of Service by Plaintiff's Counsel]

EXHIBIT 8

PLAINTIFF'S CERTIFICATION REGARDING ATTENDANCE AT MEDIATION THROUGH THE USE OF COMMUNICATION EQUIPMENT

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

**CERTIFICATION REGARDING ATTENDANCE AT MEDIATION
THROUGH THE USE OF COMMUNICATION EQUIPMENT**

[Name], who was designated as Plaintiff's Representative in Form A filed herein, under penalty of perjury, states to the court that [he][she] (*mark as appropriate*)

- Attended mediation through the use of communication equipment, and was on the communication equipment at all times during the entire mediation.
- Attended mediation, through the use of communication equipment but was not on the communication equipment at all times during the mediation.

Signed on _____, 20__.

(Signature)

(Printed Name)

[Certificate of Service by Plaintiff's Counsel]

EXHIBIT 9
MEDIATION REPORT

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case Number: _____

vs.

MEDIATOR REPORT

Pursuant to the Court's Order, a Mediation Conference was conducted by
Florida Supreme Court Certified Circuit Court Mediator _____ on
_____ (day), _____ (date).

The following were physically present at the Mediation Conference (please
print clearly or type):

Plaintiff

Plaintiff's Attorney

Defendant

Defendant's Attorney

Others physically present: _____

Plaintiff's Representative present by electronic equipment: _____

The result of the Mediation Conference is as follows (Mediator selects only one):

_____ The parties reached an agreement. [] PARTIAL [] FULL

The agreement was [] reduced to writing and signed by the parties
[] transcribed

_____ There was no agreement.

_____ The mediation was ADJOURNED to _____ (Day, Date and Time)

Mediator Signature: _____

For Residential Mortgage Foreclosure Mediation Programs ONLY:

A copy of the most recently filed Form A is attached to this report for the court's
use.

[Certificate of Service]

EXHIBIT 10

CERTIFICATION REGARDING SETTLEMENT AUTHORITY (RESIDENCE NOT HOMESTEAD)

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s).:

Plaintiff(s),

vs.

Defendant(s).

PLAINTIFF'S CERTIFICATION SETTLEMENT AUTHORITY

(Residence Is Not Homestead)

In compliance with Administrative Order [number], the undersigned attorney certifies that following person or entity has full authority to negotiate a settlement of this case with the borrower without further consultation:

(All of the following information must be provided)

Name:

Mailing Address:

Telephone Number (including area code and extension):

Fax Number:

Email Address:

Loan/File Number:

Notice to Defendants: Because of privacy laws and rules, the plaintiff will only be able to negotiate a modification of the loan with the named borrower on the underlying debt.

I certify a copy of this certification was served on defendants with the summons.

Date:

[Signature, Address, Phone Number of Plaintiff's Counsel]

EXHIBIT 11

ORDERS FOR REFERRALS, COMPLIANCE, AND ENFORCEMENT

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

ORDER TO SHOW CAUSE

(Plaintiff's Failure to Comply with Administrative Order [number])

It appearing to the court that Plaintiff has failed to comply with the requirements of Administrative Order [number] in regards to the following (*as marked*):

Form A

___ Plaintiff failed to file Form A.

___ Plaintiff failed to electronically submit Form A to the Program Manager using the approved web-based information platform.

Payment of RMFM Program Fees

___ Plaintiff failed to pay the portion of the RMFM Program fees payable at the time suit is filed.

___ Plaintiff failed to pay the portion of the RMFM Program fees payable within 10 days after the notice conference is filed.

Electronic Transmittal of Case Number and Borrower Contact Information

___ Plaintiff failed to electronically submit the case number and contact

information to the borrower to the Program Manager using the approved web-based information platform.

Failure to File and Serve Certification Regarding Settlement Authority

___ Plaintiff failed to file and serve the certification regarding the person or entity with full settlement authority where the residence is not homestead (Form Exhibit 9 attached to the Administrative Order).

Attendance at Mediation

___ Plaintiff's counsel failed to attend mediation.

___ Plaintiff's representative designated in the most recent Form A filed in the court file failed to attend mediation.

___ Plaintiff's agent with full authority to sign a settlement agreement failed to attend mediation.

___ Plaintiff's representative failed to attend by telephone at all times during the mediation session.

___ After the mediation resulted in an impasse, plaintiff's representative failed to file the certification regarding attendance at mediation by telephone at all times (Form Exhibit 7 attached to the Administrative Order).

IT IS ORDERED that Plaintiff shall appear before the court at the *[designation of courthouse/courtroom]* on *[date]* at *[time]* to show cause why sanctions for noncompliance the Administrative Order *[number]* should not be imposed. Plaintiff is cautioned that failure to appear at the show cause hearing may result in the case being dismissed and the imposition of other appropriate sanctions.

Signed on *[date]*

[signature block for judge]

[Certificate of Service]

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s), _____

vs.

Defendant(s).

ORDER AFTER SHOW CAUSE HEARING

(Plaintiff's Failure to Comply with Administrative Order [number])

The court having determined that Plaintiff has failed to comply with the requirements of Administrative Order [number], it is ORDERED and ADJUDGED (*as marked*):

Form A

_____ Within 10 days from the date of this order, Plaintiff shall file and electronically submit Form A to the Program Manager using the approved web-based information platform.

Payment of RMFM Program Fees

_____ Within 10 days from the date of this order, Plaintiff shall pay \$ _____ of the RMFM Program fees to the Program Manager.

Electronic Transmittal of Case Number and Borrower Contact Information

_____ Within 10 days from the date of this order, Plaintiff shall electronically submit the case number and contact information to the borrower to the Program Manager using the approved web-based information platform.

Failure to File and Serve Certification Regarding Settlement Authority

___ Within 10 days after the date of this order, Plaintiff shall file and serve the certification regarding the person or entity with full settlement authority where the residence is not homestead (Form Exhibit 9 attached to the Administrative Order).

Attendance at Mediation

___ Plaintiff's counsel shall attend the next scheduled mediation in this case.

___ _____ (Name), as plaintiff's representative designated in the most recent Form A filed in the court file, shall physically attend the next scheduled mediation in this case.

___ _____ (Name), as plaintiff's agent with full authority to sign a settlement agreement shall attend the next scheduled mediation in this case.

Dismissal

___ This case is dismissed without prejudice.

Additional Sanctions

___ The court determines _____ is entitled to an award of attorney's fees and cost, the amount of which shall be determined at a subsequent hearing.

Signed on [date]

[signature block for judge]

[Certificate of Service]

IN THE CIRCUIT COURT OF THE _____ JUDICIAL CIRCUIT
IN AND FOR _____ COUNTY, FLORIDA

Case No(s):

Plaintiff(s),

vs.

Defendant(s).

ORDER REFERRING CASE TO RMFM PROGRAM

(Case Filed Prior to *[effective date of Administrative Order]*)

It appearing to the court that the residence which is the subject of this action to foreclose a mortgage is a "homestead residence" to which Administrative Order *[number]* applies and that Defendant _____ (Borrower) has requested that the case be referred to mediation, it is ORDERED:

The case is referred to the RMFM Program for mediation, and the plaintiff and borrower shall comply with Administrative Order *[number]*. Within 10 days from the date of this order, the plaintiff shall pay that portion of the RMFM Program fees payable at the time suit is filed, file a properly filled out Form A in the manner required by the administrative order, and electronically transmit Form A to the Program Manager using the approved web-based information platform.

The plaintiff and borrower are to cooperate with the Program Manager and must attend any mediation scheduled by the Program Manager.

The plaintiff is advised and cautioned that failure to comply in a timely manner with the requirements of this order will result in dismissal of the cause of action without further order of the court.

Signed on *[date]*

[signature block for judge]

[Certificate of Service]

EXHIBIT 12

MEDIATION TRAINING STANDARDS

Residential Mortgage Foreclosure Training Standards

Introduction

Achieving an informed and committed workforce of Residential Mortgage Foreclosure Mediators requires not only a grasp of the obvious mediation skills, but an extension of those skills into practical and substantive knowledge areas including, but not limited to, mortgage loan products, securities, loan servicers, court processes, and resolution options. A training model which includes both a preliminary online modular dissemination of information followed by live classroom training will provide this knowledge. Participants' completion of online training modules prior to a one-day live class will facilitate better discussion and greater comprehension. Post training access to online practice resources can improve, develop statewide practice and provide real time content updates.

Development of this training model is not only feasible, but also can be developed in a timely way. We recommend that each training provider maintain a needs-based approach to training, reflect on and respond to the participants' needs, and clearly state a training rationale that will serve as a methodological and ethical touchstone. It is our hope that this outline for Residential Mortgage Foreclosure Mediation Training Objectives and Standards will lead to quality mortgage foreclosure mediation training and practice throughout the State of Florida.

1. Mortgage Foreclosure Mediation Training Goals

At the conclusion of the training, the participants shall be able to:

- Recognize Basic Legal Concepts in Mortgage Foreclosure Mediation
- Identify Negotiation Dynamics in Mortgage Foreclosure Mediation
- Identify Mediation Process and Techniques in Mortgage Foreclosure Mediation
- Recognize Financial Issues in Mortgage Foreclosure Mediation
- Identify Communication Skills in Mortgage Foreclosure Mediation
- Recognize Ethical Issues in Mortgage Foreclosure Mediation

2. Learning Objectives

- a. Basic Legal Concepts in Mortgage Foreclosure Mediation
 - 1) Recognize basic legal concepts in mortgage foreclosures.
 - 2) Explain the process of, and timelines in, mortgage foreclosure and in the mortgage foreclosure mediation process.
 - 3) Identify the state rules, state and federal statutes, servicing guidelines, and local procedures and forms governing mortgage foreclosure mediation.
 - 4) Identify the protections, constraints, and exceptions of the Florida Confidentiality and Privilege Act in the context of Mortgage Foreclosure Mediation.

- b. Negotiation Dynamics in Mortgage Foreclosure Mediation
 - 1) Recognize the issues of settlement authority as they relate to the stakeholders in Mortgage Foreclosure Mediation.
 - 2) Recognize the impact of physical, telephonic, videoconference, on line or other electronic means of appearance at the mediation conference on the negotiation.
 - 3) Recognize the role(s) of the following in the Mortgage Foreclosure Mediation process:
 - i. lender
 - ii. loan servicer
 - iii. investor
 - iv. mortgage broker
 - v. mortgage pool
 - vi. second mortgagee
 - vii. condominium association
 - viii. homeowners' association
 - ix. lien holders (i.e., municipal, mechanics lien)
 - x. MERS
 - xi. appraiser

- 4) Recognize techniques for assessing risks and incentives in a mortgage foreclosure case.
- 5) Recognize concept of “good faith” and distinguish it from state court appearance requirements.
- 6) Recognize basic mortgage nomenclature and sources, types and structure of mortgages.
- 7) Identify options for resolution such as:
 - i. modification of mortgage terms
 - ii. partial loan forgiveness
 - iii. placement of delinquent payments at the end of the loan term
 - iv. short sale
 - v. deed in lieu of foreclosure
 - vi. waiver of deficiency judgment
 - vii. stipulation to modify (i.e., if mortgagor makes X number of payments, then the loan will be modified)
 - viii. principal set aside
 - ix. repayment plan
 - x. loan reinstatement
 - xi. “right to rent” (i.e., the bank owns the property and rents it to the former borrower at the market rental rate)

c. Mediation Process and Techniques in Mortgage Foreclosure Mediation

- 1) Identify procedural elements which should be addressed prior to the parties’ entry into the mediation room including telephonic and other electronic equipment.
- 2) Identify information which needs to be exchanged prior to mediation (i.e., Pooling and Servicing Agreement; life of loan history; mortgagee current financial disclosure; different loss mitigation, loan modification and other resolution options).
- 3) Identify issues which are appropriate for mortgage foreclosure

mediation and those that are not appropriate.

- 4) Identify individuals who are essential participants in mortgage foreclosure mediation as well as those who are entitled to be present and those who are not required to participate but whose participation may be helpful in mediation.
 - 5) Describe techniques for mediating when all parties are self-represented, some parties are self-represented, or all parties are presented by counsel.
 - 6) Identify appropriate techniques for handling a situation where a representative appearing for a party does not have full authority to settle.
 - 7) Discuss the dynamics of mediating when one or more parties, participants, or representatives frequently participate in mediation.
 - 8) Discuss how emotions affect mortgage foreclosure issues and a party's ability to effectively mediate.
 - 9) Identify the role and procedures of the Program Manager
- d. Financial Issues in Mortgage Foreclosure Mediation
- 1) Understand the Net Present Value Model of the Making Home Affordable Program.
 - 2) Understand debt-to-income ratios and guidelines and potentials for re-defaults.
 - 3) Identify Fannie Mae, Freddie Mac, FHA, VA, and other loan servicer and investor issues and options.
- e. Communication Skills in Mortgage Foreclosure Mediation
- 1) Identify appropriate questions to assist the parties see their own and the other party's issues.

- 2) Identify resources for foreign language interpreters and when and how to use them.

f. Ethical Issues in Mortgage Foreclosure Mediation

- 1) Recognize power imbalances and when a mediator shall advise the parties of the right to seek independent legal counsel.
- 2) Understand that a mediator shall not offer a personal or professional opinion intended to coerce the parties, unduly influence the parties, decide the dispute, direct a resolution of any issue or indicate how the court in which the case has been filed will resolve the dispute.
- 3) Memorializing the parties' agreement.

3. **Training Parameters**

a. Training Provider

- 1) Training may be provided by the Program Manager(s) OR by independent training providers.

b. Funding

- 1) Fees would be paid by mediators to training provider(s) and may include entire training process.

c. Structure

- 1) A series of self – study web based modules corresponding to the six categories of learning objectives outlined in these recommendations – each followed by an online quiz; completed at participant's own pace.
- 2) Final online test for pass code entry to live class.
- 3) Live classroom training

- i. Length of Training. An instructional hour is defined as 50 minutes.
 - ii. Span of Training. Live mortgage foreclosure mediation training shall be presented over a period of one (1) day.
- 4) Certificate of Completion of Advanced Course on Florida Residential Mortgage Foreclosure Mediation given to participant. Access to web-based modules terminates.
- 5) Optional Online Learning Forum - for continued learning provided by Program Manager(s) OR by independent training providers – additional monthly fee for access

4. Recommended Course Content Requirements

Required Training Materials. At a minimum, training providers shall provide each of their attendees with a training manual that includes:

- a. An agenda annotated with the learning objectives to be covered in each section and the intended method of instruction;
- b. Sample mortgage foreclosure mediated settlement agreements;
- c. Sample federal government forms, i.e. HAMP Program Hardship Affidavit, HAMP Trial Period Plan, HAMP FAQs, IRS Form 4506-T, Foreclosure Mediation Financial Worksheet;
- d. Suggested readings including:
 - i. Chapter 44, Florida Statutes – Mediation Alternatives to Judicial Action
 - ii. Florida Rules for Certified and Court-Appointed Mediators
 - iii. Rules 1.510 and 1.700 - 1.750, Florida Rules of Civil Procedure
 - iv. Chapter 697, Florida Statutes – Instruments Deemed Mortgages and the Nature of a Mortgage
 - v. Chapter 701, Florida Statutes – Assignment and Cancellation of Mortgages

- vi. Chapter 702, Florida Statutes – Foreclosure of Mortgages, Agreements for Deeds, and Statutory Liens
- vii. Chapter and/or sections pertaining to Condominiums and Homeowner Associations
- viii. Section 55.10(1), Florida Statutes (2004) pertaining to judgment liens
- ix. Federal statutes (i.e. Bankruptcy; Truth in Lending Act, Hope for Homeowners Act of 2008, Fair Debt Collection Practices Act, Service Members Civil Relief Act of 2003, and others to be identified and defined more specifically)
- x. Homeowner Affordability and Stability Plan, Home Affordable Modification Program (HAMP), and guidelines for servicers
- xi. Glossary of Terms
- xii. List of local, state and federal resources for borrowers
- xiii. Internet Links to useful on line resources
- xiv. Current Supreme Court of Florida Administrative Order, In Re Task Force on Residential Mortgage Foreclosure Cases
- xv. Local Judicial Circuit Administrative Order on Residential Mortgage Foreclosure Cases
- xvi. Additional reading resources provided by the Mediation Manager

5. Training Methodology

- a. Pedagogy. Residential mortgage foreclosure mediation training programs shall include, but are not limited to, the following: lecture, group discussion, and a mortgage foreclosure mediation demonstration.
 - 1) Use of subject matter specialists, i.e. lender, borrower, loan servicer, investor, plaintiff and defense counsel, mortgage foreclosure counselor, community resources.
 - 2) A subject matter specialist shall have a substantial part of his or her professional practice in the area about which the specialist is lecturing and shall have the ability to connect his or her area of expertise with the residential mortgage foreclosure mediation process.

- b. Residential Mortgage Foreclosure Mediation Demonstration. All mortgage foreclosure mediation training programs shall present a residential mortgage foreclosure role play mediation demonstration either live (including video conferencing) or by video/DVD presentation.
- c. Web-Based Methodologies. Web-based technologies may be used as an optional delivery method or as a post-training forum for continued learning and discussion for mediators. An online version of the training may provide a repository for the rapidly changing residential mortgage foreclosure training information.
- d. Assessment. Post-training assessment by participants, using post-training surveys combining a Likert scale with narrative response components, should inform content development and methodologies and provide quality assurance for training providers. The post-training survey would give the participants the opportunity to evaluate the effectiveness of the trainer(s), the substantive content of the program, and the practical value of the training, and to offer additional suggestions or comments.

EXHIBIT 13

PARAMETERS FOR MANAGED MEDIATION

PARAMETERS FOR PROVIDERS OF MANAGED MEDIATION SERVICES

Purpose: To define the parameters of managers directing mediation services for parties involved in residential mortgage foreclosure litigation.

A. Characteristics of Program Manager

1. Compliant with ADR principles as promulgated by the supreme court, and ADR statutes and rules;
2. Non-profit organization that is independent of the judicial branch, capable of sustained operation without fiscal impact to the courts, politically and professionally neutral, with a demonstrated ability to efficiently manage the extremely high volume of foreclosure actions in circuit court entity or associated with a reputable organization of proven competence, autonomous and independent of the judicial branch;
3. Capable of efficient administration of large case loads;
4. Sensitive to cultural, diversity, and Americans with Disabilities Act issues;
5. Politically and professionally neutral;
6. Knowledgeable of court procedures, current trends, laws, rules, and regulations affecting residential foreclosures;
7. Fiscally transparent and accountable;
8. Quickly adaptable to a dynamic and rapidly evolving legal environment;
9. Financially stable;
10. Capable of sustained operation without fiscal impact on the courts;
11. Capable of effectively implementing information technology systems and web-based programs;
12. Alert to ethical and confidentiality issues; and
13. Agreeable to acting as manager for voluntary pre-suit mediation.

B. Services to be Provided by Program Manager

1. Receive mediation referrals and, within designated time limits, schedule and coordinate mediation conferences: date, place and time; reserve and provide venues for mediation and caucus; manage continuances and re-scheduling;

2. Maintain financial books and records to insure transparency and accuracy of receipts and expenditures;
3. Prepare financial statements, financial and performance reports (for example, attendance and failure to attend mediation reports);
4. Establish and maintain performance standards for staff and mediators, including maintaining a roster of mediators comprised of persons who are properly trained in accordance with the standards attached, and who are otherwise qualified, and effective in foreclosure mediation;
5. Assist in specialized training of mediators for workout options and resources;
6. Arrange and pay for interpreters;
7. Bill, collect, deposit, and disburse mediation fees and refunds; pay for necessary services and costs incidental to mediation managing as required to implement mediation administrative order;
8. Establish procedures for managing and communicating with *pro se* litigants and attorneys. This includes implementing a process for prompt outreach to borrower-owners immediately after suit has been filed; the goal of the outreach is to inform mortgagors about the mediation program, invite their participation, and to start the process of referral to mortgage foreclosure counseling and the collection of required financial information;
9. Establish procedures for complying with confidentiality rules;
10. Establish a system for managing mediators that:
 - a. Provides for the impartial assignment of mediators, for example, by the use of a rotating list,
 - b. Is open to qualified supreme court certified mediators who are capable of providing effective services in the residential foreclosure setting, and

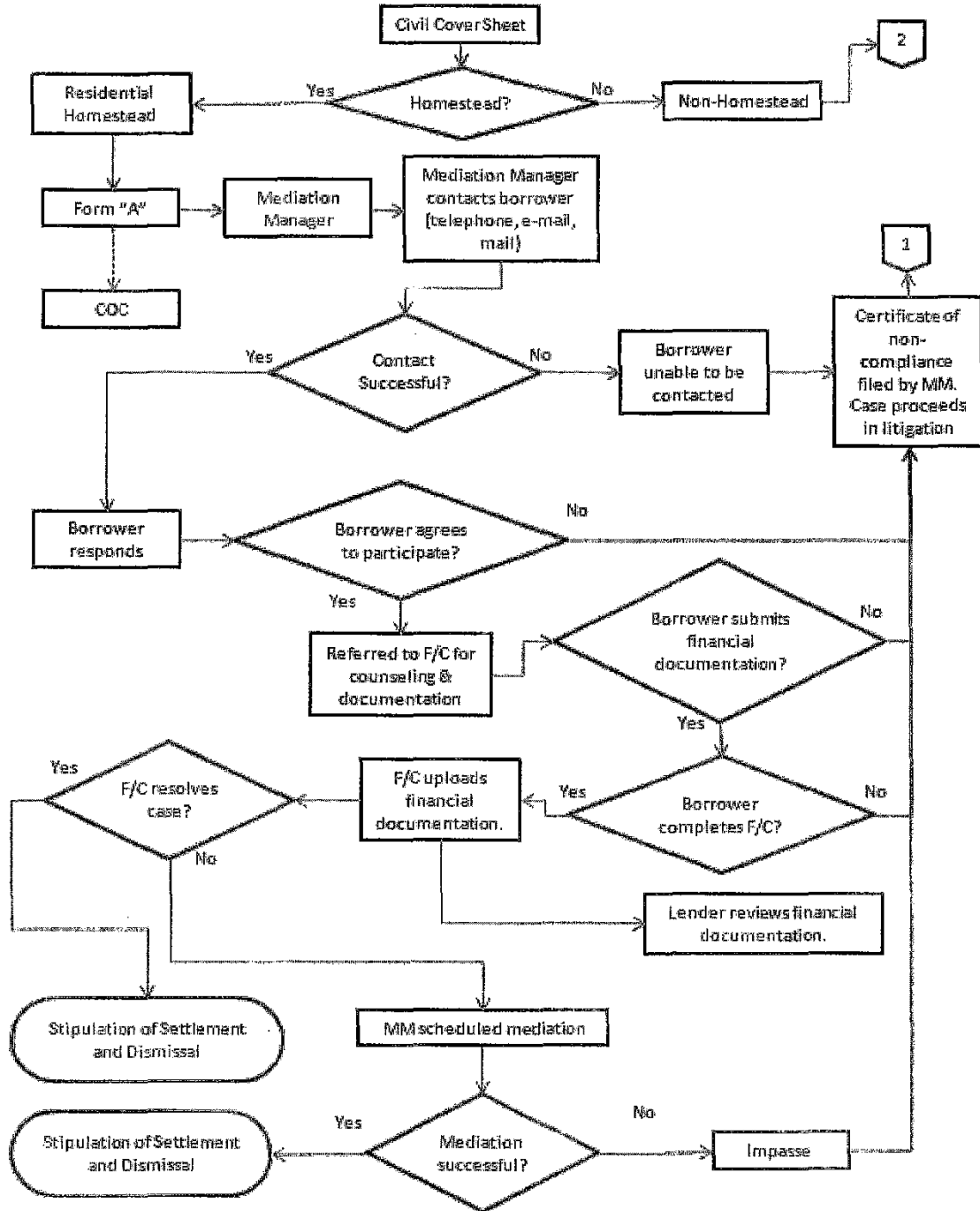
- c. Allows for more than one Mediation Managing entity in the circuit if approved by the chief judge.
- 11. Monitor or supervise the preparation of mediation settlement agreements;
- 12. In accordance with the Administrative Order establish the schedule for division of fees between mediators, managers and others;
- 13. Prepare operational reports as required by the chief judge, regarding the number of cases mediated, impasse or successful mediations, etc.;
- 14. Solicit qualified mediators and maintain current list of mediators available for residential foreclosure cases;
- 15. Establish procedures for disqualifying and replacing mediators with ethical or other conflicts;
- 16. Coordinate the referral of mortgagors to certified foreclosure counselors pre-mediation;
- 17. Refer unrepresented parties to legal aid, or panels of pro bono or reduced fee attorneys;
- 18. Facilitate the exchange of documents between the parties, pre- and post-mediation, including the establishment and maintenance of a secure web-based communication system between the Program Manager and all parties to mediation using a platform capable of transmitting financial data, email, mediation forms and attachments, and able to track participant payments and refunds;
- 19. Maintain for dissemination to owner-borrowers a list of approved foreclosure counselors willing to perform services at the rates established by the court;
- 20. Answer inquiries from mediators and parties re the mediation process and forms;
- 21. Establish a system for resolving complaints against mediators and other persons involved in the Managed Mediation Program;

22. Establish procedures for participant evaluation of mediation program services, including satisfaction surveys;
23. Develop the forms and procedures necessary to verify compliance with the residential foreclosure mediation program by lender/servicer representatives, their attorneys, and borrowers; and
24. Using judicial disqualification criteria as a model, disclose to the chief judge any direct or indirect financial ties to lenders/servicers (including any immediate family members), whether present or within the past three (3) years, with a continuing obligation to disclose.

EXHIBIT 14

RMFM PROGRAM FLOWCHART

Managed Mediation Process



August 12, 2009

D'Amour, Rose

From: Shore, Brent
Sent: Wednesday, November 17, 2010 11:20 AM
To: Ivey, James; Stelma, Joe
Cc: Moran, Donald R.; Norris, Elizabeth; D'Amour, Rose
Subject: RE: Foreclosure Cases - Courtroom Assignments

I am talking about January. Is there any reason to leave it vacant? 505 is not conducive to our meetings, but we are making it work.

-----Original Message-----

From: Ivey, James
Sent: Wednesday, November 17, 2010 10:36 AM
To: Stelma, Joe
Cc: Moran, Donald R.; Shore, Brent; Norris, Elizabeth; D'Amour, Rose
Subject: Re: Foreclosure Cases - Courtroom Assignments

I spoke with Judge Soud about that yesterday & he requested if we could leave room 510 as it is now for the time being.

On Nov 17, 2010, at 10:25 AM, "Stelma, Joe" <Jstelma@coj.net> wrote:

> since the foreclosures are now in a courtroom alst of people want to
> use 510 again. lets discuss tomorrow about opening it back up

>
>
> Fourth Circuit Court Administrator
> 330 E. Bay Street, Room 508
> Jacksonville, Florida 32202
> Work: (904) 630-1655
> Fax: (904) 630-8209

>
>
> -----Original Message-----
> **From:** Shore, Brent
> **Sent:** Wednesday, November 17, 2010 8:31 AM
> **To:** Stelma, Joe
> **Subject:** RE: Foreclosure Cases - Courtroom Assignments

>
>
> Thanks. Hope you feel better soon.

>
> -----Original Message-----
> **From:** Stelma, Joe
> **Sent:** Tuesday, November 16, 2010 3:22 PM
> **To:** Shore, Brent
> **Subject:** Re: Foreclosure Cases - Courtroom Assignments

>
> I agree. Out with a bad cold and sinus will follow up with you.
>
> Sent from my iPhone
>
> On Nov 16, 2010, at 12:19 PM, "Shore, Brent" <BSHORE@coj.net> wrote:

>>
>> Joe- Since these hearings will now be held in a Courtroom, is there
>> any reason the monthly County Judges' meeting can't be moved back to
>> its original location? Thanks.

>> -----Original Message-----

>> From: Emery, Caroline
>> Sent: Tuesday, November 16, 2010 12:11 PM
>> To: CTADM1_JUDGES; CTADM1_JA'S; Hon Robert Foster; JA Sherry Colson;
>> Hon Brian J. Davis; JA Agnes Prelow; Hon Grandville C. Burgess; JA
>> Monica Benischeck; Dot Cook (FCS); 'Conni Lewis'; Hon. William H.
>> Wilkes; Lenore Dunaway; Hon John H. Skinner; Symantha Juneau; Hon
>> Timothy R. Collins; Michelle Gipson; Hon Richard R. Townsend; Katie
>> Wilt; Hon Mack Crenshaw Jr.; Kaye Tate; Hon Daniel Wilensky; Star
>> Mariano; GM William Grant; Akel, Franklin; Heiney, Mia; Ivey, James;
>> Marchant, Debra; Harrison, Wanda; D'Amour, Rose; Norris, Elizabeth;
>> Ellis, Michele; Maurer, Bud; Sourbeer, Jeff
>> Subject: FW: Foreclosure Cases - Courtroom Assignments
>>
>> FYI
>>
>>
>> Caroline Emery, Court Counsel
>> Duval County Courthouse
>> Room 220
>> 330 East Bay Street
>> Jacksonville, FL 32202
>> Wk: 904-630-7256
>>
>> <img-Y16114217-0001.pdf>

D'Amour, Rose

From: Stelma, Joe
Sent: Wednesday, November 17, 2010 10:26 AM
To: Moran, Donald R.
Cc: Shore, Brent; Norris, Elizabeth; D'Amour, Rose; Ivey, James
Subject: FW: Foreclosure Cases - Courtroom Assignments

since the foreclosures are now in a courtroom alst of people wnat to use 510 again. lets discuss tomorrow about opening it back up

Fourth Circuit Court Administrator
330 E. Bay Street, Room 508
Jacksonville, Florida 32202
Work: (904) 630-1655
Fax: (904) 630-8209

-----Original Message-----

From: Shore, Brent
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To: Stelma, Joe
Subject: RE: Foreclosure Cases - Courtroom Assignments

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Subject: Re: Foreclosure Cases - Courtroom Assignments

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Sent from my iPhone

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> **Sent:** Tuesday, November 16, 2010 12:11 PM
> **To:** CTADM1_JUDGES; CTADM1_JA'S; Hon Robert Foster; JA Sherry Colson;
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> Wilkes; Lenore Dunaway; Hon John H. Skinner; Symantha Juneau; Hon
> Timothy R. Collins; Michelle Gipson; Hon Richard R. Townsend; Katie
> Wilt; Hon Mack Crenshaw Jr.; Kaye Tate; Hon Daniel Wilensky; Star
> Mariano; GM William Grant; Akel, Franklin; Heiney, Mia; Ivey, James;
> Marchant, Debra; Harrison, Wanda; D'Amour, Rose; Norris, Elizabeth;
> Ellis, Michele; Maurer, Bud; Sourbeer, Jeff
> **Subject:** FW: Foreclosure Cases - Courtroom Assignments

> FYI

>
>
> Caroline Emery, Court Counsel
> Duval County Courthouse
> Room 220
> 330 East Bay Street