

## **Rule 9020-1 LOSS MITIGATION PROGRAM**

(a) The Loss Mitigation Program (“LMP”) is a structured process to facilitate consensual resolutions when residential property is at risk of foreclosure.

(b) For purposes of the LMP, the following definitions apply in W.PA.LBR 9020-1 through 9020-7:

- (1) “Core LMP Package” refers collectively to all of the forms and supporting documentation that the Creditor requires to initiate the assessment of loss mitigation options.
- (2) “Creditor” refers to any mortgage holder, servicer or trustee of an Eligible Loan.
- (3) “debtor” means any individual debtor in a case filed under Chapter 7, 11, 12 or 13 of the Bankruptcy Code, including joint debtors.
- (4) “Document Preparation Software” refers to a secure online program that facilitates the preparation of the Core LMP Package by populating the Primary LMP Documents and generating a customized checklist. A list of approved Document Preparation Software providers and related information shall be posted on the Court’s website.
- (5) “Eligible Loan” means any mortgage, lien or extension of money or credit secured by Eligible Property, regardless of whether the loan is considered to be subprime or non-traditional, was in foreclosure prior to the bankruptcy filing, is the first or junior mortgage or lien on the Eligible Property, and/or has been pooled, securitized or assigned to a creditor or trustee.
- (6) “Eligible Property” means any real property used as a the debtor’s principal residence in which the debtor holds an interest.
- (7) “LMP Period” is the time during which the LMP is in effect prior to its expiration or termination by Court order.
- (8) “loss mitigation” includes the full range of solutions that may prevent either the loss of a debtor’s Eligible Property to foreclosure, increased costs to the lender, or both, including but not limited to, loan modification, loan refinance, forbearance, short sale, or surrender of the Eligible Property in full satisfaction of obligations arising under an Eligible Loan.
- (9) “Portal” refers to a secure online service that allows LMP documents to be submitted, retrieved and tracked. A list of approved Portals and related information shall be posted on the Court’s website.
- (10) “Primary LMP Documents” refers collectively to the documentation that is generated by the Document Preparation Software.

(c) Unless otherwise ordered by the Court, the Local Bankruptcy Rules apply to the LMP, including but not limited to the caption requirements set forth in W.PA.LBR 9004-1, the certificate of service requirements set forth in W.PA.LBR 2002-1 and the notice requirements set forth in W.PA.LBR 5005-8.