

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY

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In re:

Adoption of Loss Mitigation Program Procedures
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THIRD AMENDED GENERAL ORDER ADOPTING LOSS
MITIGATION PROGRAM AND PROCEDURES

By resolution of the Board of Judges of the United States Bankruptcy Court for the District of New Jersey, the Loss Mitigation Program and Procedures (LMP) adopted on August 1, 2011 by General Order and last amended effective September 19, 2013, is revised as follows:

Section II. Loss Mitigation Defined - Amendment limits the definition of loss mitigation to loan modification or refinance.

Section III. Eligibility - Amendment removes availability of loss mitigation in Chapter 7 cases in Section III.A. and throughout the LMP. In Section III.B, the definition of real property is no longer limited to a principal residence.

Section V. Commencement of Loss Mitigation – Amendment includes additional service requirements and a 14-day objection period, as well as a statement confirming that LMP is no longer available in Chapter 7 cases. In addition, denial of loss mitigation within a specific time period may be grounds for an objection.

Section VI. Loss Mitigation Order – Amendment requires inclusion of specific adequate protection payment to be made in the proposed Loss Mitigation Order in Section VI.A. In Section VI.B.1., the amendment includes the provision that a request or motion for loss mitigation will not be considered as an objection to a motion for relief from stay. In addition, Section VI.B.3 clarifies distributions that may be included in interim confirmation orders.

Section VII. Duties of the Loss Mitigation Parties – Amendment eliminates Section VII.C., which required that a Loss Mitigation Final Report be filed. New Section VII.C. (formerly Section VII.D.) states that court approval is required to enter into any final agreement reached during loss mitigation. Section VII.D. has been eliminated.

Section VIII. Loss Mitigation Process – Amendment allows a party to request permission to exchange documents and communications conventionally if use of the portal would create an undue hardship. Previously, this relief was limited to a request by an attorney.

Section IX. Duration, Extension and Early Termination – Amendment reflects that parties may consent to extension or termination of the loss mitigation period. Where there is no consent, and an application to extend or terminate has been filed, the objection period has been extended from 3 days to 7 days. Amendment also modifies the impact on LMP when a case is dismissed.

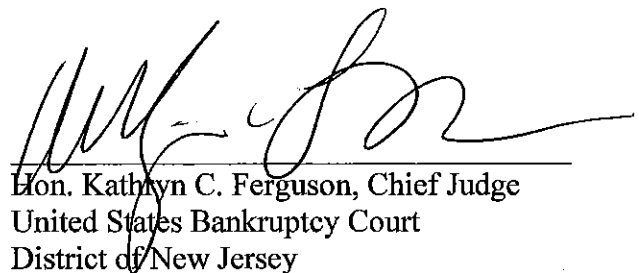
Section X. Resolution – Amendment incorporates 2 new Local Form Orders: *Order on Motion for Authorization to Enter into Final Loan Modification Agreement (Chapter 13)* and *Order on Motion for Authorization to Enter into Final Loan Modification Agreement (Chapter 11 or 12)* which must be submitted with any motion seeking the Court’s authorization to enter into a loan modification.

Throughout LMP – Amendment replaces any 10-day timeframes with 14-day timeframes, includes additional service requirements, and implements several stylistic modifications.

The revised LMP is attached as Exhibit A to this Third Amended General Order and is available in Clerk's Office and on the Court's website.

NOW, THEREFORE, IT IS ORDERED that the revised LMP is effective December 17, 2019.

Dated: December 17, 2019



Hon. Kathryn C. Ferguson, Chief Judge
United States Bankruptcy Court
District of New Jersey