City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

Legislation Text

File #: 160256, **Version:** 0

Calling on the Sheriff's Department and Mortgage Foreclosure Diversion Court to impose a Moratorium on all residential mortgage foreclosure sales and related Ejectment actions resulting from residential mortgage foreclosure in Philadelphia.

WHEREAS, The Philadelphia Mortgage Foreclosure Diversion Court serves as a national model for the prevention of residential foreclosures, and has successfully saved hundreds of thousands of family homes to avert homelessness for countless individuals; and

WHEREAS, Despite the great work toward limiting mortgage foreclosures and curbing homelessness, many homeowners are now experiencing challenges within the loan modification process and in pro se filing of documents with the Prothonotary's Office; and

WHEREAS, Homeowners have voiced numerous concerns about not receiving proper notice of hearing dates related to mortgage foreclosure and as a consequence they were not in attendance for the hearing which resulted in an automatic default judgment finding the homeowner financially responsible for hundreds of thousands of dollars including astronomical attorneys fees and other legal and court related charges; and

WHEREAS, Many families in Philadelphia have complained and produced evidence that may suggest systemic problems and failures related to the service and delivery of mortgage foreclosure notices regarding their homes. The gravity of a failure to receive proper notice of legal proceedings unfairly results in a finding against the homeowner, potentially causing him or her to lose their home without ever having a chance to appear in court and explain circumstances or challenge the amount of the debt owed; and

WHEREAS, It is the duty of this Body to protect the citizens and the neighborhoods of Philadelphia, and this Body has previously committed significant effort to address concerns and issues within the mortgage foreclosure process in effort to better balance the equities among big banks, large law firms and the average individual homeowner in Philadelphia. Yet, based on rise of recent concerns and evidence presented in public hearing on Resolution 150361 held on October 6, 2015, a much deeper review of the process and procedures within Mortgage Foreclosure Diversion Court is warranted; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That we hereby call on the Sheriff's Department and Mortgage Foreclosure Diversion Court to impose a moratorium on all residential mortgage foreclosure sales and related Ejectment actions resulting from residential mortgage foreclosure in Philadelphia in order to provide opportunity for further review and resolution of any systemic problems.

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