

# Nevada Judicial Branch



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State of Nevada Foreclosure Mediation Program  
May 2012

# Benefits of Foreclosure Mediation

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- **Cost Effective – No Tax \$\$\$**
  - Other than the NOD recording fee (paid by lender\*), lender and homeowner equally share the cost of the \$400 mediation fee
  
- **Quick**
  - 4 Hour mediation sessions
  - Mediation must conclude within 135 days of FMP receiving required documentation and fees from homeowners and lenders
  
- **Efficient**
  - Decision makers must be present
  - Participate in good faith
  - Necessary documents and fees required from both parties prior to mediation

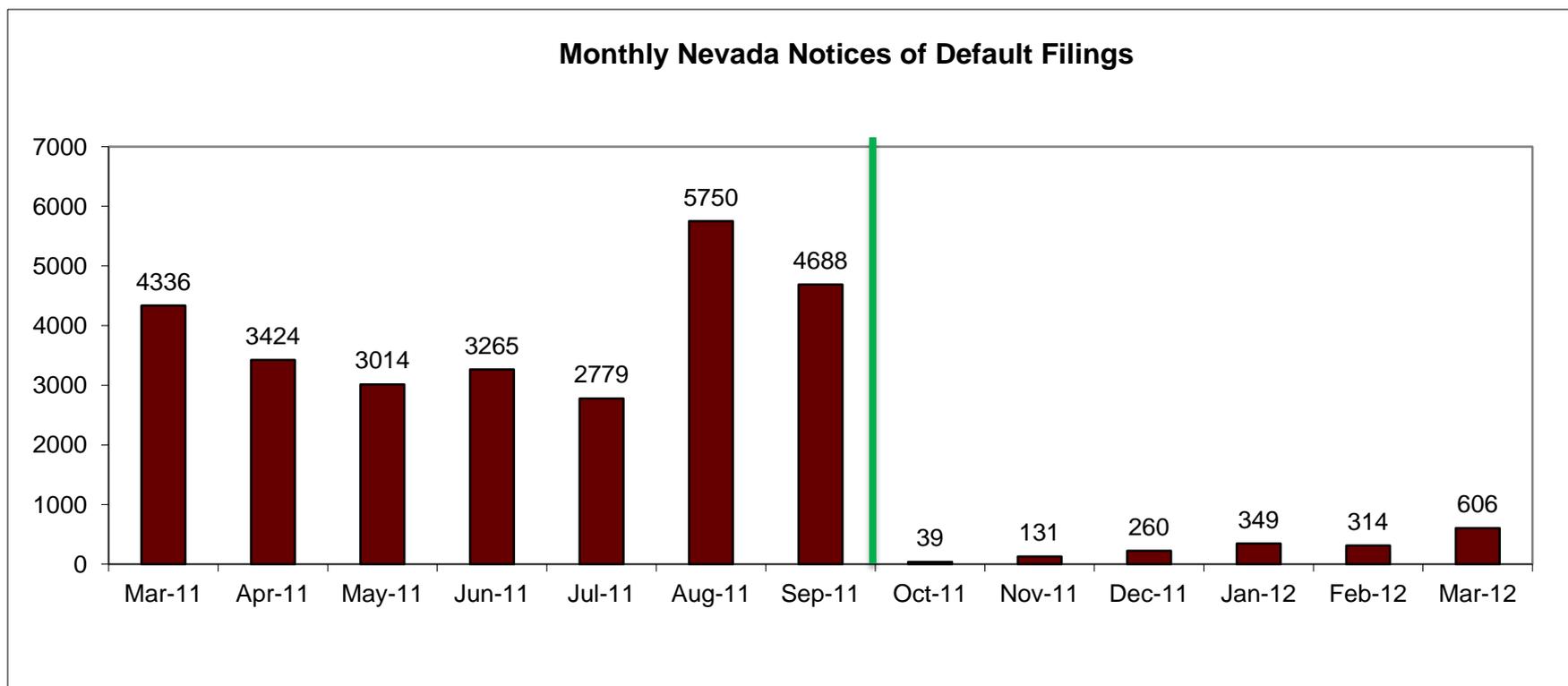
\* A fee of \$200 is charged on ALL Notices of Default and Elections to Sell; approx. \$45 is applied to the FMP; approx. \$5 goes to legal aid programs; approx. \$150 goes to the State General Fund (counties may take up to 1.5% of \$200 fee for processing).

# Program Participation

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- Foreclosure Mediation allows homeowners to seek mediation with a lender following the filing of a Notice of Default
- Homeowner elects to mediate or waives participation
- Lender is notified of homeowners intent to mediate
- Mediation is assigned to a trained mediator who facilitates the process of helping the parties come to a resolution
- Provides a forum for lender and homeowner to discuss alternatives to foreclosure
- Outcome of the mediation is memorialized in the Mediator's Statement

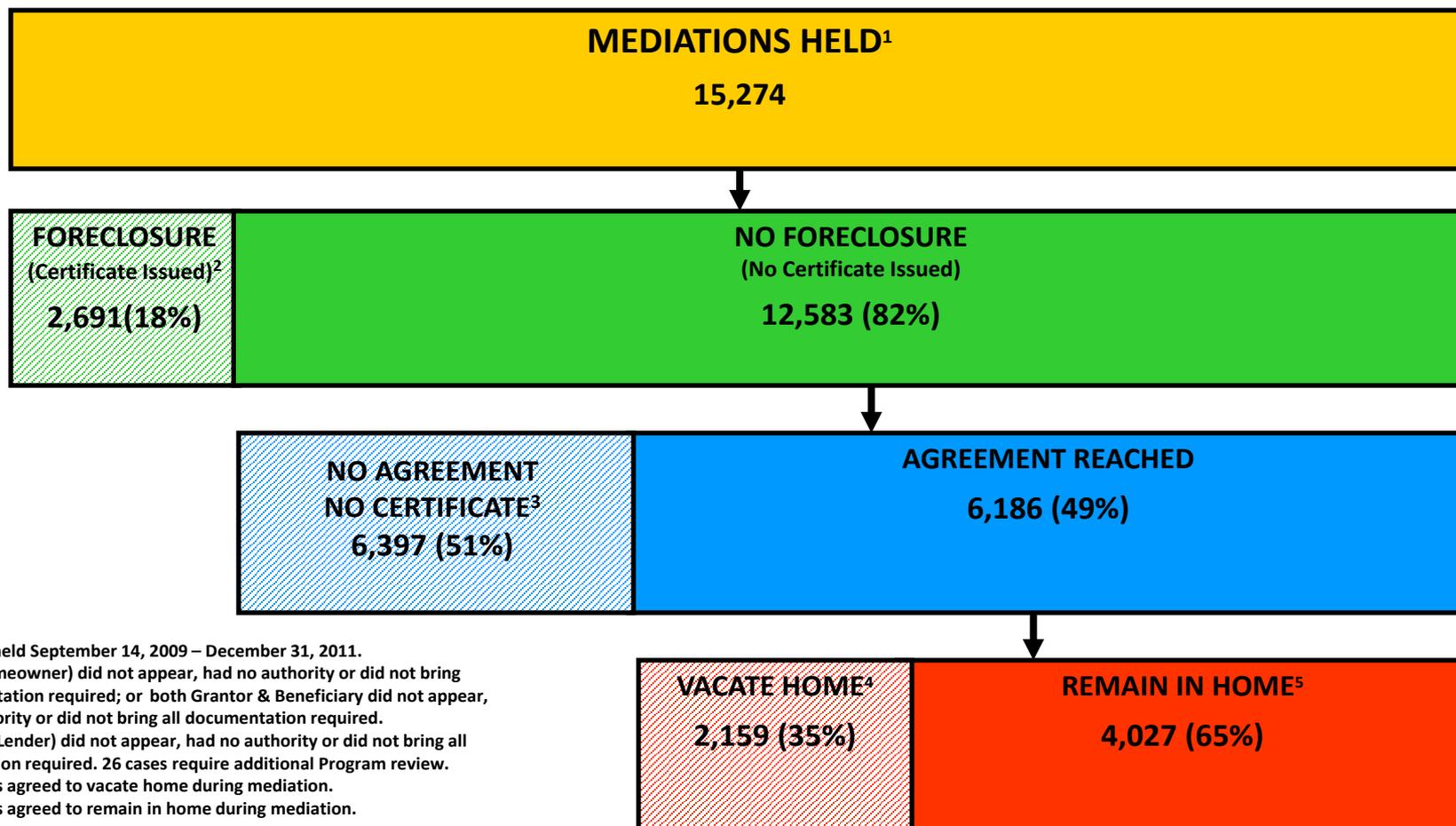
# Notices of Default (March 2011- March 2012)



Total NOD filings include all residential properties in Nevada. County Recorders do not exclusively identify owner-occupied residential properties.

Source: Nevada's County Recorders

**STATE OF NEVADA FORECLOSURE MEDIATION PROGRAM**  
**HISTORICAL OUTCOME STATISTICS**  
 September 14, 2009 through December 31, 2011



1. Mediations held September 14, 2009 – December 31, 2011.

2. Grantor (Homeowner) did not appear, had no authority or did not bring all documentation required; or both Grantor & Beneficiary did not appear, had no authority or did not bring all documentation required.

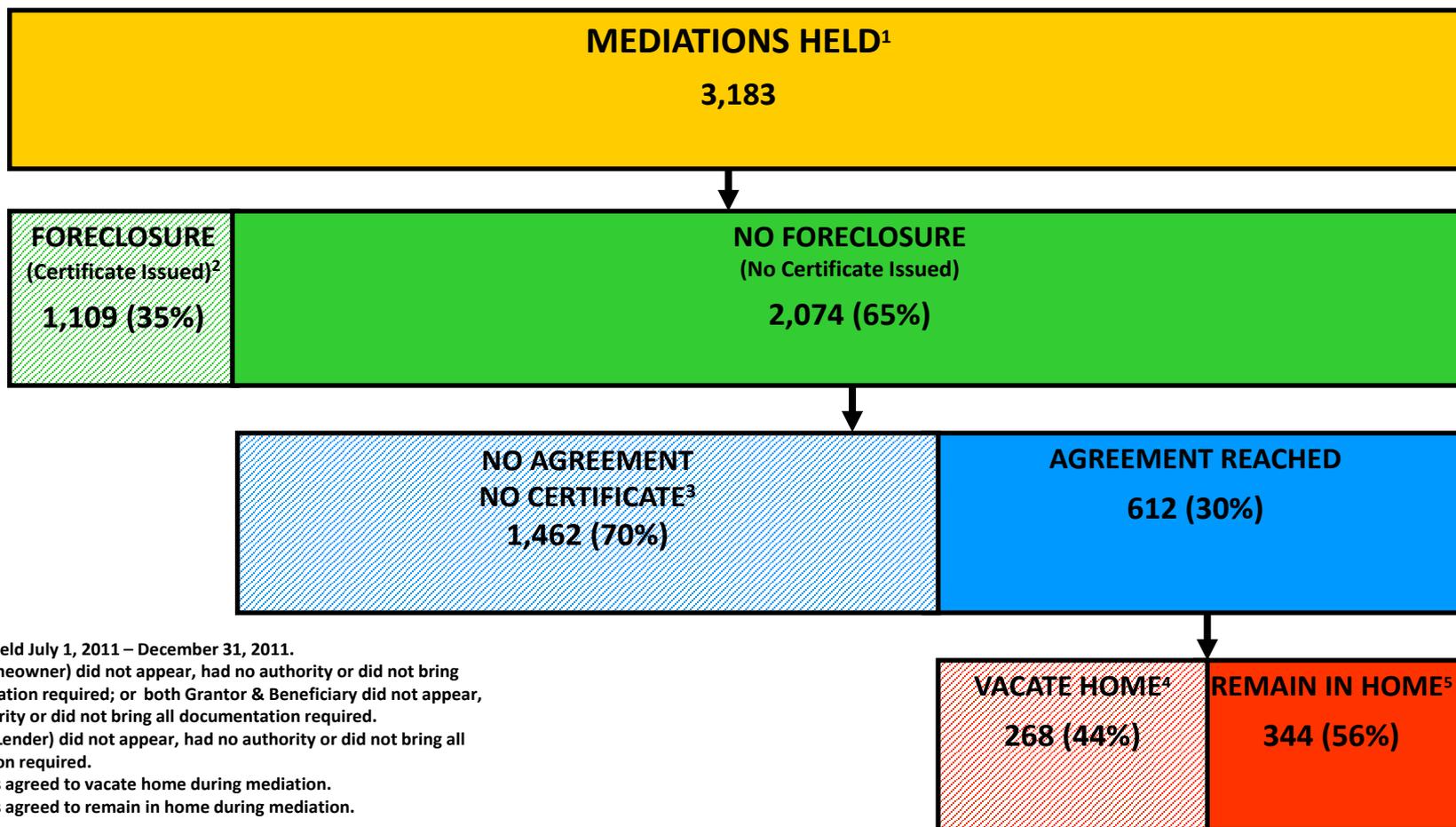
3. Beneficiary (Lender) did not appear, had no authority or did not bring all documentation required. 26 cases require additional Program review.

4. Homeowners agreed to vacate home during mediation.

5. Homeowners agreed to remain in home during mediation.

\*Reflects preliminary totals through December 31, 2011. This data has not been audited and is subject to revision by Quality Assurance.

**STATE OF NEVADA FORECLOSURE MEDIATION PROGRAM  
HISTORICAL OUTCOME STATISTICS**  
July 1, 2011 through December 31, 2011



1. Mediations held July 1, 2011 – December 31, 2011.

2. Grantor (Homeowner) did not appear, had no authority or did not bring all documentation required; or both Grantor & Beneficiary did not appear, had no authority or did not bring all documentation required.

3. Beneficiary (Lender) did not appear, had no authority or did not bring all documentation required.

4. Homeowners agreed to vacate home during mediation.

5. Homeowners agreed to remain in home during mediation.

\*Reflects preliminary totals through December 31, 2011. This data has not been audited and is subject to revision by Quality Assurance.

# Mediator Statement

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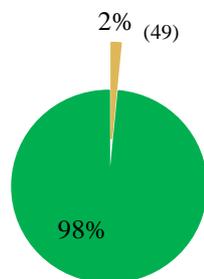
- Mediator reports mediation agreements and outcomes to the program by way of a Mediator's Statement
- If an agreement is reached, it is noted in detail within the Mediator's Statement
  - Loan modification agreements allow homeowner to stay in home.
  - Agreements to relinquish the property results in a certificate to foreclose.
  - In some cases, however, an agreement is not reached.
- Mediator Statement records specific Beneficiary Compliance Outcomes
- Compliance failures may lead to sanctions against the lender upon review in the District Court

# Beneficiary Compliance Outcomes

(July 1, 2011 – December 31, 2011)

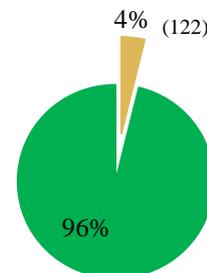
## Attendance Compliance

- % Beneficiary Did Not Attend Mediation
- % Beneficiary Did Attend Mediation



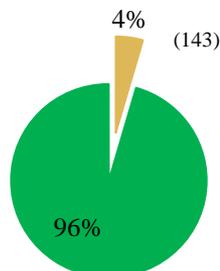
## Good Faith Compliance

- % Beneficiary Did Not Participate in Good Faith
- % Beneficiary Did Participate in Good Faith



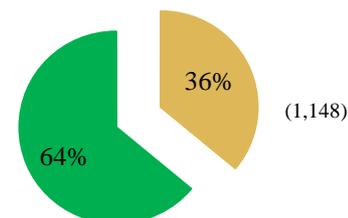
## Authority Compliance

- % Beneficiary Had No Authority to Negotiate
- % Beneficiary Had Authority to Negotiate



## Document Compliance

- % Beneficiary Missing Required Documents
- % Beneficiary Brought Required Documents



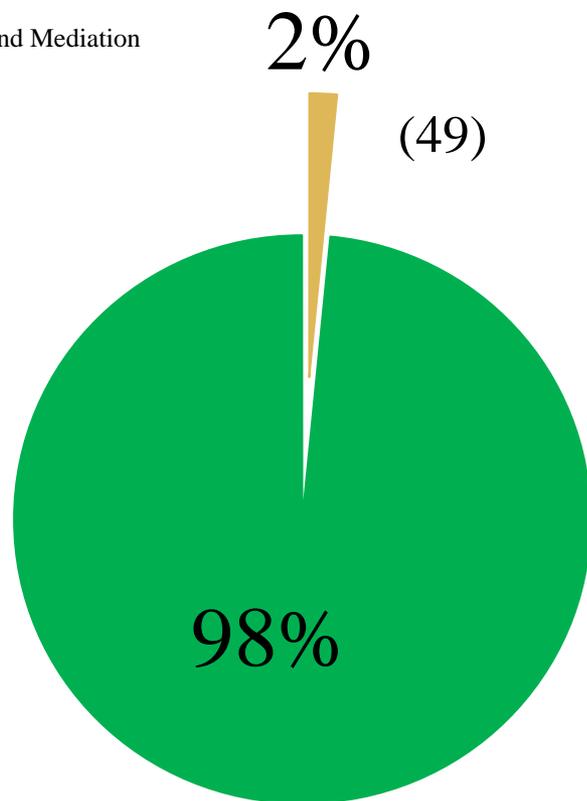
# Beneficiary Attendance Compliance

(July 1, 2011 – December 31, 2011)

Total: 3,183 Mediations Completed

■ % Beneficiary Did Not Attend Mediation

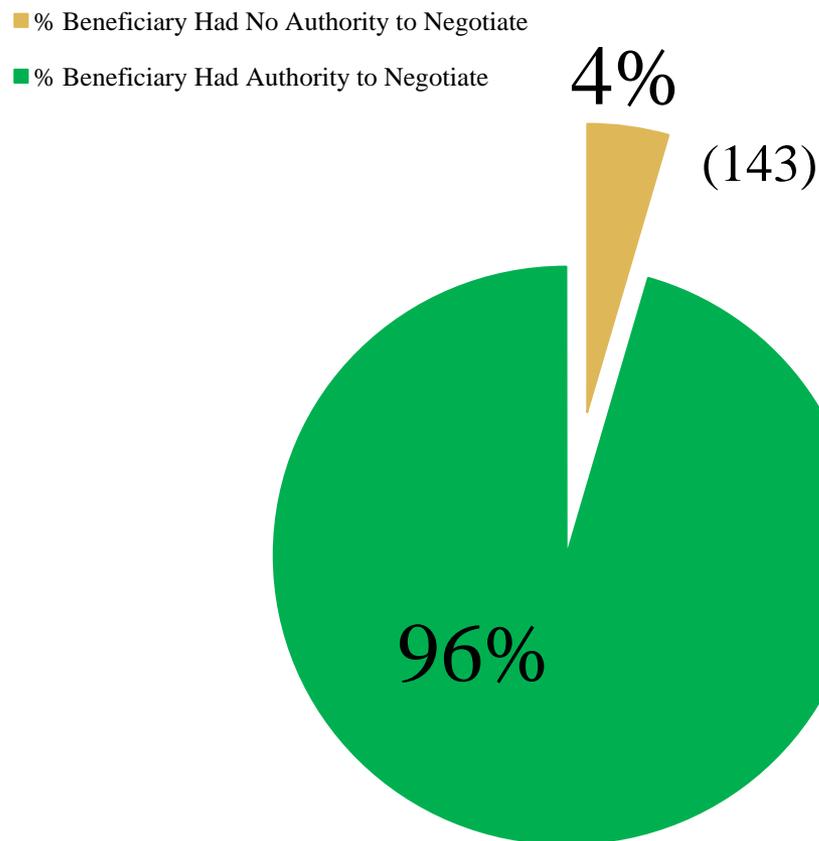
■ % Beneficiary Did Attend Mediation



# Beneficiary Authority Compliance

(July 1, 2011 – December 31, 2011)

Total: 3,183 Mediations Completed



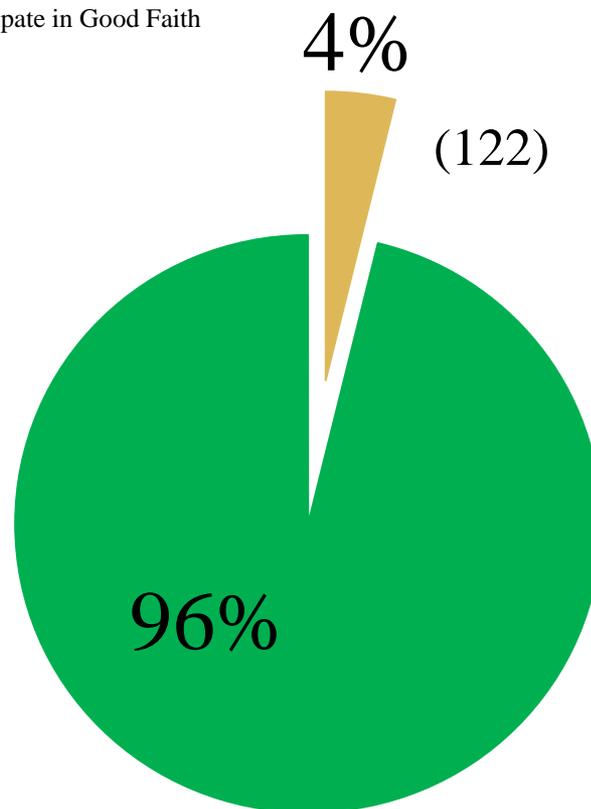
# Beneficiary Good Faith Compliance

(July 1, 2011 – December 31, 2011)

Total: 3,183 Mediations Completed

■ % Beneficiary Did Not Participate in Good Faith

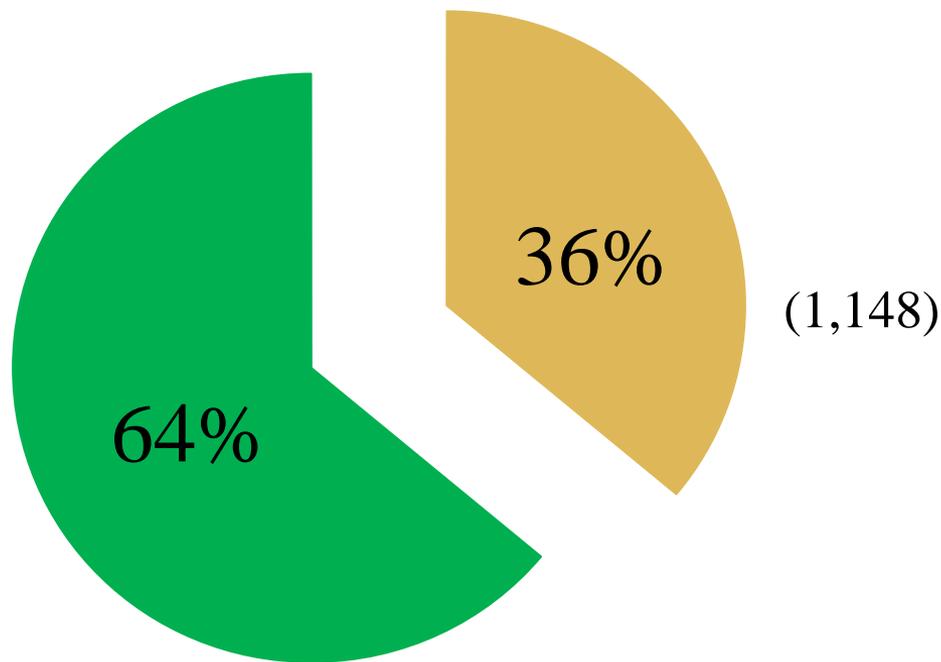
■ % Beneficiary Did Participate in Good Faith



# Beneficiary Document Compliance

(July 1, 2011 – December 31, 2011)

- % Beneficiary Missing Required Documents
- % Beneficiary Brought Required Documents



# Petition for Judicial Review

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- The number of PJRs since 2009 totals 678
  - Second Judicial District – 208
  - Eighth Judicial District – 444
  - Rural Judicial Districts – 26
- Parties entitled to de novo reviews and evidentiary hearings
- Beneficiary Non-Compliance can result in judicial sanctions (*Pasillas v. HSBC Bank US*, 255 P.3d 1281, and *Leyva v. National Default Servicing Corp.*, 255 P.3d 1275.)

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**FOR MORE INFORMATION PLEASE GO TO:**

**[WWW.NEVADAJUDICIARY.US](http://WWW.NEVADAJUDICIARY.US)**

**CLICK ON**

**“FORECLOSURE MEDIATION”**

Should you have any questions about this presentation, please contact  
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