

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION**

UNITED STATES OF AMERICA,)	
)	CIVIL NO. 2:12CV00054
Plaintiff,)	
)	JUDGE GRAHAM
v.)	
)	MAGISTRATE JUDGE ABEL
TERRENCE C. FERRELL, et al.,)	
)	
Defendants.)	

**DECREE IN FORECLOSURE
OF REVERSE MORTGAGE**

This cause came on to be considered upon the complaint duly filed by the plaintiff, UNITED STATES OF AMERICA; the answer of defendant Treasurer of Franklin County, Ohio; the entry of default (as provided by Rule 55, Federal Rules of Civil Procedure, for having failed to plead or otherwise defend as provided in said Rule) filed by the Clerk of this Court for and on behalf of the defendants, Terrence C. Ferrell, Donna Ferrell, and Unknown Spouse, Heirs, Devisees, Legatees, Executors, Administrators, and Assigns, if any, of Eileen J. Ferrell, Deceased; and upon the evidence.

This is an action to foreclose on a Home Equity Conversion Mortgage (HECM), known in the general financial field as a reverse mortgage. The reverse mortgage program was established by Congress under 12 U.S.C. § 1715, et seq. and further regulated by 24 C.F.R. Part 206, et seq. Under the reverse mortgage program, the borrower does not have a payment plan. The amount owed on the mortgage becomes due when the borrower dies or has vacated the

premises for a period of one year.

Plaintiff, United States of America, is the holder of an Adjustable Rate Note (Home Equity Conversion) wherein Eileen J. Ferrell, now deceased, is the borrower. Under the terms of Paragraph 7 of the Note (Plaintiff's Complaint, Exhibit 1) and Paragraph 9 of the reverse Mortgage (Plaintiff's Complaint Exhibit 2), payment in full was required on the date of death of Eileen J. Ferrell.

The Court finds that it has jurisdiction of the subject matter of this action and the defendants relating thereto.

The Court further finds that there is due to plaintiff on the mortgage indebtedness of Eileen J. Ferrell, Deceased on the note set out in the complaint the principal amount of \$70,934.53, plus taxes/insurance advances for the sum of \$7,431.75, plus service fees for the sum of \$6,195.00, plus interest as of October 31, 2011 for the sum of \$40,758.96, for a total sum due and owing to the United States of America of \$125,320.24, as of October 31, 2011; together with interest accruing at the rate of \$9.24 per day from October 31, 2011 on the principal amount to the date of sale, interest thereafter at the legal rate, and any authorized expenses incurred by the plaintiff chargeable to the mortgage account of said decedent under the terms of said note, or as otherwise provided by law.

The Court further finds that in the event of a court-ordered sale of the real estate, from the proceeds of the sale, first priority would be given to the Treasurer of Franklin County, Ohio for real estate taxes due and owing on Parcel Number 010-123981-00. Other defendants/lienholders would be paid in the order of their priority as determined by the Court.

IT IS THEREFORE, ORDERED:

1. That the terms of the mortgage contract of Eileen J. Ferrell, Deceased have been breached.

2. That unless the principal amount of \$70,934.53, plus taxes/insurance advances for the sum of \$7,431.75, plus service fees for the sum of \$6,195.00, plus interest as of October 31, 2011 for the sum of \$40,758.96, for a total sum due and owing to the United States of America of \$125,320.24, as of October 31, 2011; together with interest accruing at the rate of \$9.24 per day from October 31, 2011 are paid within ten days from the entry of this decree, the equity of redemption and right of redemption of any and all persons claiming through Eileen J. Ferrell, Deceased shall be foreclosed and the real property described in the complaint shall be sold free and clear of all liens, rights, or interest of the parties to this action, and that immediately after said ten day period, an Order for Sale shall issue to the United States Marshal for the Southern District of Ohio directing him to advertise and sell said real property according to law and the orders of this Court.

3. That Terrence C. Ferrell shall have ten days within which to exercise his right of redemption in the real property. In order to exercise this right, the party must contact the office of the United States Attorney to arrange payment of the amount listed in paragraph 2 within the permitted time.

4. That the liens and rights of all parties shall attach to the proceeds of sale in order of their priority, the settlement of claims and priorities being reserved pending further order of this Court.

5. That counsel for plaintiff, United States of America shall receive a copy of this Decree in Foreclosure through the Court's CM/ECF system. The Office of the United States

Attorney shall serve a copy of this Decree in Foreclosure, after it is entered, upon the following parties, who are not registered participants of the Court's CM/ECF system: Terrence C. Ferrell, Donna Ferrell, and Mary E. Johnson, Assistant Prosecuting Attorney.

s/ James L. Graham
JAMES L. GRAHAM
UNITED STATES DISTRICT JUDGE

APPROVED:

CARTER M. STEWART
United States Attorney

s/Bethany J. Hamilton
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