

THE NEXT TWO PAGES ARE ONLY REQUIRED IF WE WILL BE FORECLOSING ON A SINGLE FAMILY, OWNER OCCUPIED PROPERTY, SECURED BY A FIRST MORTGAGE:

This law affects loans secured by a first, (senior) Deed of Trust, residential real property, not exceeding 4 dwelling units and is owner-occupied, regardless of when the loan was first recorded.

There are numerous provisions to this law. As a Trustee, we cannot give legal advice and for your protection it may be advisable for you to contact an attorney about all provisions required of a lender.

The following provisions are required of each lender on owner-occupied residential properties not exceeding 4 dwelling units and must be verified by a Trustee before recording a Notice of Default.

This law requires a lender to contact the borrower in person, or by telephone 30 days in advance of the recording of a Notice of Default, in order to assess the borrower's financial situation and to explore options for the borrower to avoid foreclosure. During the initial contact, the lender shall advise the borrower that he or she has the right to request a subsequent meeting and, if requested, the lender shall schedule the meeting to occur within 14 days. The assessment of the borrower's financial situation and discussion of options may occur during the first contact, or at the subsequent meeting scheduled for that purpose.

The notification requirements are as follows:

1. Send a first class letter that includes a toll free phone number to a HUD-Certified Housing Counseling agency. The local number is: 888-995-4673.
2. After the letter has been sent, the lender shall attempt to contact the borrower by telephone at LEAST 3 times, at different hours, and on different days. Please make a note of the attempted calls or if contact is made. (See attached form).
3. If the borrower does not respond within 2 weeks after the telephone call requirements have been satisfied, the lender shall then send a Certified letter, with return receipt requested. (Sample letter attached).

CONTACT VERIFICATION FORM

Date Borrower surrendered property, (if applicable): _____

Date First Class letter was mailed: _____

Phone contact: Date and Time: _____

Phone contact: Date and Time: _____

Phone contact: Date and Time: _____

Subsequent meeting scheduled: _____

Date Certified letter mailed: _____

Signed under penalty of perjury on this _____ day of _____, 20__.

Signature of Beneficiary(s)

SAMPLE LETTER

This letter is to inform you that I am going to begin foreclosure proceedings if you do not cure the default of your loan.

In accordance with California Civil Code Section 2923.5, I am offering to meet with you in order to assess your financial situation and explore options for you to avoid foreclosure. If you choose to have such a meeting, I will schedule it to take place within 14 days.

Be advised that you may find it helpful to talk to a HUD-certified housing counseling agency. The toll free telephone number of your local agency is 888-995-4673.

You may contact me by phone at the following number: _____, or by writing to me at _____

Should you choose to have a meeting.