



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

Post-Foreclosure Strategies and Understanding
Your Rights



LOS ANGELES COUNTY
**CONSUMER &
BUSINESS AFFAIRS**

Our Mission

To promote a fair and vibrant marketplace, we serve consumers, businesses, and communities through education, advocacy, and complaint resolution.

**Serving Los Angeles
County Consumers and
Businesses since 1976**

Foreclosure Prevention Program

- ▶ Samuel Luquin, Foreclosure Prevention Counselor
 - ▶ sluquin@dcba.lacounty.gov
- ▶ Contact DCBA:
 - homehelp@dcba.lacounty.gov
 - dcba.lacounty.gov
 - (833) 238-4450



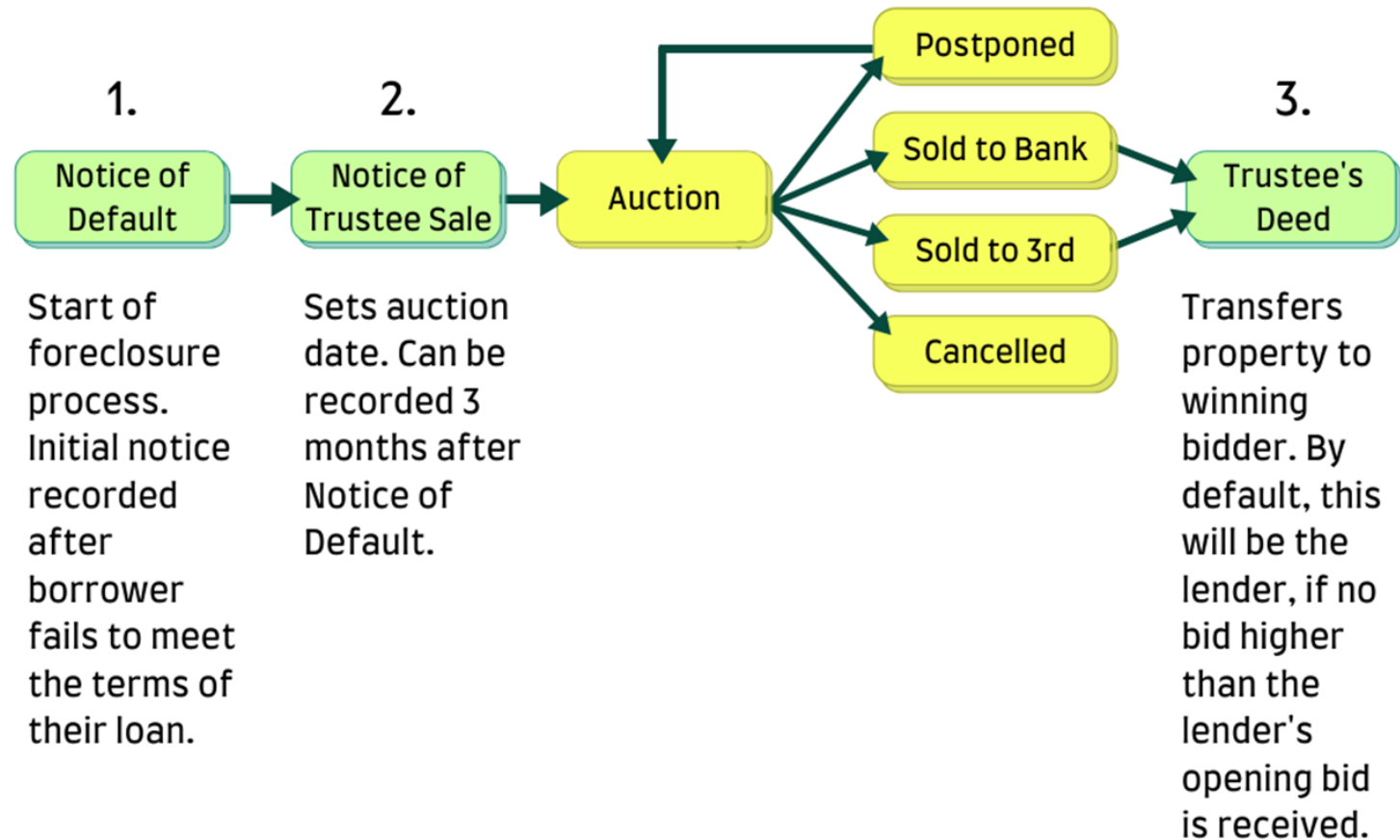
What Is Foreclosure?

- The legal process used by lenders to recover balance of the loan when a property owner fails to meet the obligations of the loan.

Judicial vs. Non-Judicial

- Judicial
 - A mortgage involves the borrower and lender
 - Lenders must sue in court in order to foreclose
- Non-Judicial
 - A deed of trust involves the borrower, lender, and a trustee. Borrower conveys the power-to-sell to trustee. When borrower defaults, lender sends a request to the trustee to initiate foreclosure proceedings
 - Foreclosure trustee conducts public auction without court proceedings
- California
 - Both, but generally a non-judicial state

California Foreclosure Process



Notice of Default

Recording Requested By:
First American Title Insurance Company

When Recorded Mail To:
**First American Trustee Servicing Solutions,
LLC
6 Campus Circle, 2nd Floor
Westlake, TX 76262**

CERTIFIED BY FIRST AMERICAN TITLE
INSURANCE COMPANY TO BE A COPY
OF THE DOCUMENT RECORDED ON 01/04/2011
AS INSTRUMENT NO. **12345678**
IN BOOK PAGE
OFFICIAL RECORDS OF SANTA CLARA

Space above this line for Recorder's use only

TS No. **CA123456**
APN: **123-45-678**
TSG No. **12345**

Pursuant to California Code Section 2924c(b)(1) please be advised of the following:

NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST IMPORTANT NOTICE

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the legal right to bring your account into good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account, which is normally five days business days prior to the date set for the sale of your property. No sale date may be set until three months from the date this Notice of Default may be recorded (which date of recordation appears on this notice).

This amount is **\$57,891.44** as of **12/30/2010**, and will increase until your account becomes current. While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition of reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the three month period stated above) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of your property by paying the entire amount demanded by your creditor.

To find out the amount you must pay, or to arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact:

**90708-WELLS FARGO HOME MORTGAGE
c/o First American Trustee Servicing Solutions, LLC
6 Campus Circle, 2nd Floor
Westlake, TX 76262
8664295179**

Notice of Sale

RECORDING REQUESTED BY:
RECONTRUST COMPANY
1800 Tapo Canyon Rd., CA6-914-01-94
SIMI VALLEY, CA 93063

WHEN RECORDED MAIL TO:
RECONTRUST COMPANY
1800 Tapo Canyon Rd., CA6-914-01-94
SIMI VALLEY, CA 93063

Attn:
TS No. 2345678

Title Order No. 2345

APN No.: 234-56-789

NOTICE OF TRUSTEE'S SALE

**YOU ARE IN DEFAULT UNDER A DEED OF TRUST, DATED 11/23/2005.
UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE
SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE
NATURE OF THE PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A
LAWYER.**

Notice is hereby given that RECONTRUST COMPANY, N.A., as duly appointed trustee pursuant to the Deed of Trust executed by JOHN and JANE DOE, dated 11/23/2005 and recorded 12/13/2005, as Instrument No. 123456, in Book, Page, of Official Records in the office of the County Recorder of SANTA CLARA County, State of California, will sell on 07/15/2010 at 11:00 AM, At the North Market Street entrance to the County Courthouse, 190 North Market Street, San Jose, CA 95121

at public auction, to the highest bidder for cash or check as described below, payable in full at time of sale, all right, title, and interest conveyed to and now held by it under said Deed of Trust, in the property situated in said County and State and as more fully described in the above referenced Deed of Trust. The street address and other common designation, if any, of the real property described above is purported to be: 123 MAIN STREET, SAN JOSE CA 95125. The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein.

The total amount of the unpaid balance with interest thereon of the obligation secured by the property to be sold plus reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is \$308,713.51. It is possible that at the time of sale the opening bid may be less than the total indebtedness due.

In addition to cash, the Trustee will accept cashier's checks drawn on a state or national bank, a check drawn by a state or federal credit union, or a check drawn by a state or federal savings and loan association, savings association, or savings bank specified in Section 5102 of the Financial Code and authorized to do business in this state.

Said sale will be made, in an "AS IS" condition, but without covenant or warranty, express or implied, regarding title, possession or encumbrances, to satisfy the indebtedness secured by said Deed of Trust, advances thereunder, with interest as provided, and the unpaid principal of the Note secured by said Deed of Trust with interest thereon as provided in said Note, plus fees, charges and expenses of the Trustee and of the trusts created by said Deed of Trust. If required by the provisions of Section 2923.5 of the California Civil Code, the declaration from the mortgagee, beneficiary or authorized agent is attached to the Notice of Trustee's Sale duly recorded with the appropriate County Recorder's office.

RECONTRUST COMPANY, N.A.
1800 Tapo Canyon Rd., CA6-914-01-94
SIMI VALLEY, CA 93063
Phone/Sale Information: (800) 281-8219

By: /s/ Title Officer

RECONTRUST COMPANY, N.A. is a debt collector attempting to collect a debt. Any information obtained will be used for that purpose.

Trustee's Deed Upon Sale

<p>RETURN TO REQUESTING OFFICE</p> <p>THE TRUSTEES' NAME (S):</p> <p>State:</p> <p>Street Address:</p> <p>City & State:</p>	<p style="text-align: center;">SPACE ABOVE THIS LINE FOR RECORDERS USE</p> <p style="text-align: center;">Trustee's Deed Upon Sale T.S. NO.</p> <p>The undersigned trustee declares:</p> <p>(1) The gross price was not less than the following: (a) The amount of the original debt together with costs not less than \$ _____ (b) The amount paid by the grantor at the trustee's sale not less than \$ _____ (c) The documentary transfer tax not less than \$ _____ (d) Real property is in () County of _____ and () City of _____, and</p> <p>CHICAGO TITLE COMPANY, a corporation, County of _____, is the duly appointed Trustee under the Deed of Trust hereinafter described, does hereby grant and convey, but without covenant or warranty, express or implied, to</p> <p>_____ of _____ County of _____ State of California, described as follows:</p> <p>TRUSTEE STATES THAT: This conveyance is made pursuant to the powers conferred upon Trustee by that certain Deed of Trust dated and recorded by _____ of _____ County, California, and also in fulfillment of the conditions specified in said Deed of Trust concerning this conveyance.</p> <p>Article _____ of the Deed of Trust is a Notice of Default and Election to Sell, which was recorded in the office of the Recorder of said County. All requirements of law regarding the mailing of copies of notice and the posting and publication of copies of the Notice of Sale which was required has been complied with.</p> <p>Said property was sold by said Trustee at public auction at _____, California, in which the property is situated. _____, in the County of _____, California, being the highest bidder at such sale, became the purchaser of said property and paid therefor to said Trustee the amount of \$ _____, in lawful money of the United States, or by the satisfaction, pro tanto, of the obligations then secured by said Deed of Trust.</p> <p>By Witness Whereof, said CHICAGO TITLE COMPANY, a corporation, or Trustee, has this day caused its corporate seal to be hereunto affixed by its Vice-President and Assistant Secretary, then and duly authorized by resolution of its Board of Directors.</p> <p>Dated _____, Chicago Title Company, as Trustee hereunto</p> <p style="text-align: center;">CHICAGO TITLE COMPANY ACKNOWLEDGMENT OF NOTARY PUBLIC</p> <p>STATE OF CALIFORNIA,) COUNTY OF _____)</p> <p>On _____ before me, _____, (hereinafter named), who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) have subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.</p> <p>I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.</p> <p>WITNESS my hand and official seal.</p> <p>Signature _____ (Not)</p>
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After the Foreclosure

- Notice to Vacate
 - Previous owner receives 3 days before eviction
 - Tenants potentially may receive a longer notice before eviction
 - Notices and Service (Unlawful Detainer)
- Cash for Keys Negotiation



Excess Proceeds

Trustee's Deed Upon Sale

- ▶ Amount owed
- ▶ Amount sold
- ▶ Date
- ▶ Trustee
- ▶ Assistance



Types of Liens and Priority

- ▶ Purchase
- ▶ Reverse Mortgage
- ▶ Home Equity Line of Credit (HELOC)
- ▶ Tax
- ▶ Judgements
- ▶ Home-Owners Association (HOA)
- ▶ Lien position
 - ▶ 1st and 2nd
- ▶ Survivability
- ▶ Right of Redemption
- ▶ Superior Liens

Homeowner Notification Program

- ▶ Established in 1996 to alert homeowners of newly recorded document
- ▶ Applies to **Grant Deeds, Quitclaim Deeds, and Deeds of Trust**
- ▶ Mail a notice of recordation to the party or parties within **30 days** of the recording of one of those documents
- ▶ Provide information, counseling and assistance



LOS ANGELES COUNTY
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*Your Partner
in Homeownership*



A Deed Has Been Recorded on Your Home
HAVE A QUESTION? Call (855) 351-0066

No matter what homeownership challenge you are facing, the Department of Consumer and Business Affairs is here to help. Call us right away if:

- ☐ Your home was sold without your knowledge.
- ☐ The title was transferred without your knowledge.
- ☐ The document was changed after you signed it.
- ☐ Your signature was forged.
- ☐ Some pages are missing or the copies are not clear.
- ☐ You don't understand the document.



Homeowners Can Count on Us!

Enhanced Homeowner Notification

- SB 62 expanded the homeowner notification program to include two additional documents
 - Notice of Default
 - Notice of Trustee' Sale
- SB 827 reduced the time to mail a notice from 20-days to 14-days.
- AB 1106 extended the program for an additional 10-years



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*Your Partner
in Homeownership*



FREE Foreclosure Help: Call (855) 351-0066

A Notice of Default or a Notice of Sale
has been recorded on your home.
Act now! Contact us to get the
right kind of help. We can:

- ☐ Work with your lender.
- ☐ Explore all options to save your home.
- ☐ Provide eviction information and alternate housing options.



Watch Out for Scams!

Foreclosure Prevention Services

- The Foreclosure Prevention Unit is designed to help property owners navigate the foreclosure process and explore all options available to avoid foreclosure.
- Open a dialogue between property owners and their lenders to ensure a property owner is reviewed for assistance correctly.
- Provide guidance and understanding when lenders provide options to property owners.
- Individual attention is provided by DCBA to discuss the details of each property owner's unique situation.



Mortgage Relief Resources

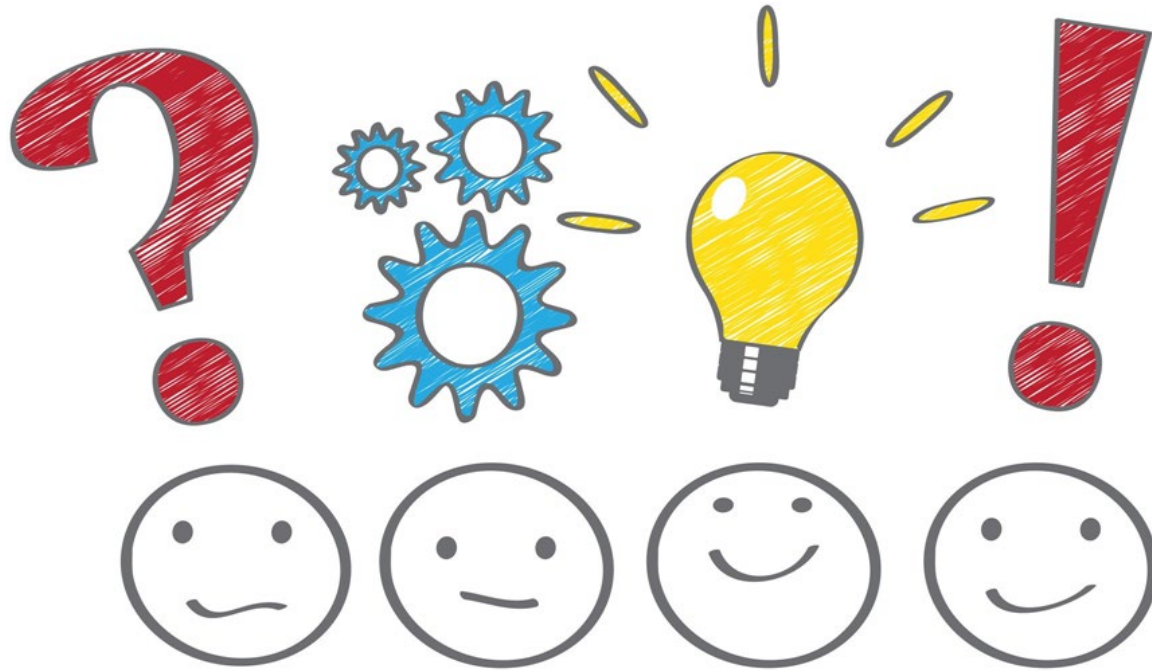
- Los Angeles County Mortgage Relief program
 - Property must be owner occupied and located in the County of Los Angeles.
 - (888) 895-2647 nhslacounty.org/mortgagereliefprogram
- California COVID-19 Rent Relief
 - Renters and Landlords may apply
 - (833) 430-2122 housing.ca.gov
- California Mortgage Relief Fund
 - Aimed at owners of single family, owner-occupied homes.
 - (800) 569-4287 calhfa.ca.gov/HAF/htm
- County of Los Angeles Foreclosure Prevention
 - (800) 593-8222 dcba.lacounty.gov



Beware of Scams

- ▶ Foreclosures are public record in the State of California
- ▶ Vulnerable to deceptive individuals/organizations
- ▶ Ads on TV, radio or billboards to get a loan without credit check





Questions?