



NOVEMBER 2012 BCG TELEPHONE BRIEFING

BCG MONTHLY TELEPHONE BRIEFING

Friday, November 16, 2012

12:00 pm-1:30 pm

(with live Q&A)

ALDRICH BONNEFIN & MOORE, PLC

Counsel to Bankers' Compliance Group®

New California Homeowners Bill of Rights—Provisions Applicable to Smaller Lenders

Governor Jerry Brown signed the Homeowners Bill of Rights into law on July 11, 2012. The bill becomes effective on January 1, 2013. While much of the bill applies only to larger lenders, important parts apply to “small mortgage lenders,” defined as a lender who did not exceed 175 residential foreclosures (1-4 units) in its preceding annual reporting period. The “annual reporting period” is to be established with the lender’s primary regulator.

Our November Handout will discuss only the provisions of the new law that apply to “small mortgage lenders.” Most BCG members should fit within this term. Although some questions remain as to how the “annual reporting period” will be defined for counting foreclosures, many BCG members will easily qualify as “small mortgage lenders.”

The bill extends the SB 1137 pre-foreclosure “due diligence” requirements (originally applicable only to loans made from 2003 through 2007) to all residential mortgages on owner-occupied, one-to-four unit properties regardless of recording date. The substantive pre-foreclosure due diligence requirements of SB 1137 have also been expanded. Additionally the lender is prohibited from recording a notice of default, much less proceeding to foreclosure sale, while certain loan modification applications are pending. We will discuss the new law as it impacts small mortgage lenders at our November Telephone Briefing.

CHANGES TO CALIFORNIA LAWS ON SERVICE OF LEVIES

Under current law, financial institutions in California have the option to designate a central location for the service of levies and other legal processes. Once served at the central location, the levy is effective on all accounts in the name of the debtor maintained by the institution, regardless of the branch location of a particular account. Effective January 1, 2013, financial institutions with 10 or more branches in California will be required to designate a central location. Those financial institutions that have fewer than 10 branches will still be given the option to designate a central location. The designation of the central location will be made with the Department of Financial Institutions. Then when a levy is served on the central location, the levy will be effective anywhere an account is maintained in California. The new law also mandates that financial institutions respond to written inquiries from creditors or their attorneys concerning whether a particular debtor has an account with the institution and the branch location for any such account. Please join us as we discuss the impending changes.

NOVEMBER MONTHLY TELEPHONE BRIEFING

Aldrich Bonnefin & Moore, PLC is hosting a monthly telephone briefing for Bankers' Compliance Group members. The meeting will be on **Friday, November 16, 2012**. This meeting will be presented live and will include two question and answer sessions. Members can ask questions by telephone, fax or e-mail. Each member that registers for the monthly telephone briefing will be given a password, which will allow them to participate in the telephone briefing.

Organize Your Participants

This announcement is sent to our main contacts in order to encourage the institution to organize multiple attendees to participate at one location or several locations concurrently. In this manner, several attendees can be accommodated in one conference room with a speakerphone.

Download Handouts

For convenience, members can go to the BCG website, **www.bankerscompliancegroup.com**, and easily download this month's handouts. An instruction sheet for the briefing will be emailed if a member registers for the briefing.

Not Able to Listen to the Program? Log on to Our Website!

Should you or others at your institution miss the broadcast, you can tune into our streaming audio available on the BCG website. There will also be a package available which includes a CD of the meeting and the handouts. The package is available upon request at no additional cost. Contact Laura Jagerman at 800-742-3600 or **LJagerman@ABMLawFirm.com** to request this package.

REGISTER ONLINE ANNUALLY AT:

<http://register.bankerscompliancegroup.com/subadmin/>