

LENDERS UPDATE™

A MONTHLY SERVICE TO THE MORTGAGE LENDING INDUSTRY

AN ALT & ASSOCIATES NEWSLETTER

Main Office:
2102 BUSINESS CENTER DRIVE
SUITE 130
IRVINE, CA 92612

Mailing Address:
P.O. BOX 4125
IDY, CA 92549-4125

DAVID JEROME ALT

Attorney at Law

David.j.alt@altandassociates.com

TELEPHONE 949.253.5755

FACSIMILE 949.253.5756

www.altandassociates.com

Supplement

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The purpose of the Lenders Update is to provide a “heads-up” of new legislation and regulations affecting the mortgage lending industry. We provide summaries of new matters so our readers can judge whether the subject impacts their operations. We recommend that our readers review the entire new statute, regulation or other material in detail where it is relevant to them. For convenience, the applicable matter can be easily identified in the summary, and, where possible, a link is provided.

The Update includes information available to Alt & Associates as of April 30, 2009.

SUPPLEMENT

As we discussed in the February Lenders Update (www.altandassociates.com), on February 20 2009, California Governor Schwarzenegger signed into law the California Foreclosure Act (new Civil Code Section 25 23.52).

The new law gives specific borrowers an extra 90 days in the foreclosure process. However, if the servicer of the foreclosing loan can demonstrate that it has a Loan Modification Program approved by the California Department of Corporations (“DOC”), it may obtain an exemption from providing this 90 day extension.

However, to implement the statute, the DOC and the DRE were required to formulate regulations detailing the requirements of the statute. This has been done and the proposed regulations are now available online for review. If you would like to comment on the proposal, the contacts are also provided.

For those of you interested, it is available on the DOC home page at www.corp.ca.gov/ under “What’s New”.

Our monthly Lenders Update is published via e-mail as a complimentary service to our friends and clients in the financial industry throughout California and the United States. Only those persons who have requested this newsletter are on our mailing list. Should you have colleagues who wish to receive this complimentary service, please have them e-mail us at

susan.graaff@altandassociates.com

ALT & ASSOCIATES provides regulatory, compliance, operational advice and transactional assistance, as well as litigation representation, to the financial services industry. Over the past two decades, members of the firm have represented Institutional Lenders and Mortgage Bankers and Brokers in all aspects of their operations. If you have any questions please contact:

David J. Alt, Esq.

David.j.alt@altandassociates.com

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