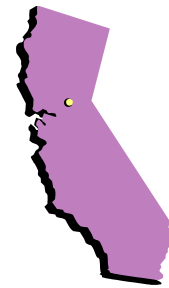


CALIFORNIA



Foreclosure in a Nutshell

Judicial	Non-Judicial	Process Period (Days)	Sale Publication (Days)	Redemption Period (Days)	Sale/NTS
•	•	117	21	365*	Trustee

Comments: Judicial Foreclosures are not common

Foreclosures in California are primarily administered out of court, although court foreclosures are allowed. Out-of-court foreclosures take about four months.

Pre-foreclosure Period

Court foreclosures only occur if a lender desires a deficiency judgment. This process gives a borrower up to one year to redeem the property after the foreclosure sale.

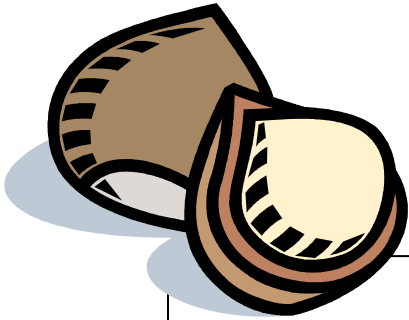
In almost all cases, foreclosures are handled out of court. The process begins when a lender files a notice of default with the county recorder identifying the default amount and the date the borrower must pay off the default. The notice is mailed to the borrower and other affected parties.

Up to five business days before the trustee's sale, the borrower may pay off the default plus any applicable costs of foreclosure and stop the foreclosure process. Three months after the notice of default is filed, the lender can schedule a trustee's sale of the property. At least 20 days before the trustee's sale, the notice of sale must be posted on the property and in one local public location. The notice is also published once a week for three weeks in a local newspaper, starting at least 20 days before the sale date. The notice is mailed to the borrower at least 20 days before the sale and to anyone who requests the notice. The notice must contain the date, time, and location of the sale, the property address, and the trustee's contact information. In addition, the notice of sale must be recorded with the county recorder at least 14 days before the sale.

The trustee's sale is a public auction and the property is sold to the winning bidder. The trustee may require bidders to pay the full bid amount in cash or cashier's check. Anyone

may bid at the sale, including the lender and any junior lien holders. A trustee's sale may be postponed by announcement at the sale. If a sale is postponed more than three times, a new notice of sale must be issued.

After the sale is complete, the trustee transfers ownership to the winning bidder. The borrower does not have the right to redeem the property after the sale.



Resources

a. California Housing Authorities:

Berkeley:	http://www.ci.berkeley.ca.us/citycouncil/housingauthority/
Fresno:	http://www.hafresno.org/
Long Beach:	http://www.longbeach.gov/cd/housing/
Los Angeles:	http://www.hacla.org/
Oakland:	http://www.oakha.org/
Napa:	http://www.cityofnapa.org/Departments/Housing_Authority/
San Francisco:	http://www.sfha.org/
Santa Barbara:	http://www.hacsb.org/cm/Home.html

b. HUD:

<http://www.hud.gov/offices/pih/pha/contacts/states/ca.cfm>