

Legislative and Regulatory Update

HBOR Sunset Alert: Several important HBOR provisions are scheduled to sunset as of January 1, 2018. Because SB 1150 (the “Survivor Bill of Rights”) incorporates by reference many HBOR provisions, this fast-approaching sunset date will also affect the rights of successors-in-interest facing foreclosure. Advocates are lobbying for an extension, but it is unclear what the outcome of those efforts will be. As things currently stand, these are the provisions scheduled to sunset:

- Communications
 - Pre-NOD communications re. SCRA and loan/account information
 - Post-NOD outreach
 - Notice acknowledging application within 5 days of receipt
 - Notice of postponement of foreclosure sale date
 - NPV inputs and investor information in denial notice will only be available upon request
- Important aspects of dual-tracking restrictions
 - Right of appeal
 - Dual-tracking protections after denial notice is provided
- Other provisions
 - Provisions re. subsequent applications
 - Requirement that servicers provide borrowers with copies of fully executed agreements
 - Requirement that servicers rescind any pending Notice of Default upon completion of a foreclosure alternative
 - Prohibitions loss mitigation charges and certain late fees
 - Transferee servicer obligations

Survivor Bill of Rights (SB 1150): For a comprehensive overview of California’s new protections for successors in interest, see Lisa Sitkin, *Subtracting Insult from Injury: How You Can Use California’s “Survivor Bill of Rights” to Protect the Homes of Grieving Heirs*, Vol. 43, Issue 2, Cal. Trusts and Estates Quarterly (2017).