Joint Oversight Hearing of the
Assembly Committee on Housing and Community Development and
Assembly Committee on Banking and Finance
Ed Chau, Chair and Roger Dickinson, Chair

"Progress of the Keep Your Home California Program"

Tuesday, October 29, 2013, 10:00 a.m. - 12:00 p.m.
City Hall, Alhambra, California

In February 2010, President Obama announced $1.5 billion in funding for innovative measures to help families in the states hardest hit by the burst of the housing bubble. Housing Finance Agencies (HFAs) were the designated recipients of the funding and were responsible for developing programs that meet the guidelines provided. In California, the California Housing Finance Agency (CalHFA) is the designated recipient.

As one of five states targeted for assistance, California was initially awarded close to $700 million under the federal Housing Finance Agencies Innovation Fund for the Hardest-Hit Housing Markets program (Hardest Hit Program). On August 11, 2010, the Obama Administration announced that it would be expanding the program from the original five states and giving the existing states more money. California received an additional $799.5 million in Hardest Hit funds. CalHFA also received approval to use $476.3 million in previously allocated foreclosure-prevention assistance for the Hardest Hit Programs, increasing the total available to nearly $2 billion. In total, $7.6 billion was allocated to 18 states plus the District of Columbia. The following states received Federal Hardest Hit Funds: Alabama, Arizona, California, Florida, Georgia, Illinois, Indiana, Kentucky, Michigan, Mississippi, Nevada, New Jersey, North Carolina, Ohio, Oregon, Rhode Island, South Carolina, Tennessee, and Washington D.C.

Hardest Hit Programs were required to follow basic guidelines to assist homeowners who are at risk of foreclosure. In meeting that goal, the funds could be used to do any of the following:

- Mortgage Modifications—Programs that provide modification of loans held by HFAs or other financial institutions or provide incentives for servicers/investors to modify loans.

- Mortgage Modifications with Principal Forbearance—Programs that pay down all or a portion of an overleveraged loan and take back a note from the borrower for that amount in order to facilitate additional modifications.

- Short Sales/Deeds-In-Lieu of Foreclosure—Programs that provide assistance with short sales and deeds-in-lieu of foreclosure in order to prevent avoidable foreclosures.

- Principal Reduction Programs for Borrowers with Severe Negative Equity—Programs that provide incentives to financial institutions to write down a portion of unpaid principal balance for homeowners with severe negative equity.

- Unemployment Programs—Programs that provide assistance to unemployed borrowers to help them avoid preventable foreclosures.
- Second Lien Reductions—Programs that provide incentives to reduce or modify second liens.

Keep Your Home California Program (KYHC)

The Hardest Hit program guidelines required CalHFA to submit its proposal to the U.S. Treasury Department for approval by April 16, 2010. To form the proposal, CalHFA met with loan servicers, loan counseling agencies, Fannie Mae, the general public, and other stakeholders to identify the greatest areas of need among at-risk borrowers. On June 23, 2010, CalHFA received approval from the U.S. Treasury for the KYHC.

The KHYC program includes four separate programs to assist individual homeowners:

1) Unemployment Mortgage Assistance Program (UMA) –UMA provides temporary financial assistance in the form of a mortgage payment subsidy of varying size and term to unemployed homeowners who wish to remain in their homes but are in imminent danger of foreclosure due to short-term financial problems. The Unemployment Mortgage Assistance Program provides mortgage payment assistance to eligible homeowners who have experienced an involuntary job loss and are receiving California EDD unemployment benefits. Benefit assistance through UMA can be up to $3,000 per month or 100% of the PITI (principal, interest, tax, insurance) and any escrowed homeowner's association dues or assessment for up to twelve months. The maximum assistance per household is $36,000.
2) Mortgage Reinstatement Assistance Program (MRAP) – Intended to assist homeowners who have fallen behind on their mortgage payments due to a temporary change in a household circumstance. The Mortgage Reinstatement Assistance Program provides assistance to eligible homeowners who, because of a financial hardship, have fallen behind on their payments and need help to reinstate their past due first mortgage loan. Benefit assistance through MRAP can be a one-time payment of up to $25,000 to cover principal, interest, taxes and insurance, as well as any homeowner's association dues.
3) Principal Reduction Program (PRP) –The Principal Reduction Program provides assistance to eligible homeowners who have experienced an economic hardship coupled with a severe decline in the home's value. Homeowners who qualify for the PRP could be eligible for up to $100,000 in assistance from Keep Your Home California.
4) Transition Assistance Program (TAP) – The Transition Assistance Program provides one-time funds to help eligible homeowners relocate into a new housing situation after executing a short sale or deed-in-lieu of foreclosure program. The TAP can provide up to $5,000 in transition assistance per household.

CalHFA began offering the four programs on a pilot basis to its own portfolio of borrowers in the fall of 2010. On January 10, 2011, CalHFA launched the UMA statewide. On February 7, 2011, CalHFA launched the other three programs (MRAP, PRP and the TAP) statewide.

Below is a chart of the estimated amount of assistance that CalHFA is offering in each of the four programs:

Program	Allocated Program Funds
UMA	$874,995,915.28
MRAP	$159,400,000.00
PRP	$772,197,793.52
TAP	$2,300,000.00

*Funds may be reallocated based on results

Homeowner Eligibility Requirements for KYHC

To qualify for the KYHC program homeowners must meet the following eligibility requirements:

- Own and occupy the home as primary residence;
- Meet program income limits;
- Have documented, eligible hardship;
- Adequate income to sustain modified mortgage payments;
- Mortgage loan is delinquent or in imminent default;
- Unpaid principal balance does not exceed $729,750;
- Property must not be abandoned, vacant or condemned; and
- Property must be located in California.

Servicer Participation

One of the key components of the success of the KYHC program is adequate participation by the servicers and banks that hold the mortgages of homeowners eligible for the programs. As of October 16, 2013, a total of 157 servicers are participating in the KYHC program. Attached is a document containing servicer participation by program. Servicer participation in the KYHC program is strictly on a voluntary basis.

KYHC Funding

As of September 16, 2013, $402,375,292.95 of the $2 billion has been allocated, helping 29,344 homeowners in California.

Programs	Homeowners Assisted	Total Amount Distributed
Unemployment Mortgage Assistance	22,749	$256,449,070.50
Principal Reduction Program	2,149	$94,925,918.63
Mortgage Reinstatement Assistance Program	4,081	$49,677,731.60
Transition Assistance Program	365	$1,322,572.22
Total Program Funds Allocated	**29,344**	**$402,375,292.95**

KYHC Scorecard

In September of 2013, KYHC unveiled an online servicer scorecard. The scorecard is a tool for homeowners to use to determine how mortgage servicers are working with the KYHC program. The scorecard evaluates servicers based on percentage of applications approved and declined, how many days it takes to respond to applications, and the total funding issued per program during that particular month.

Wells Fargo and Bank of America together accounted for almost 44 percent of the fundings issued through the program in August 2013. Wells Fargo customers accounted for 1,870 transactions in August, the most in the program from any single servicer, followed by Bank of America at 1,519. However, Bank of America customers were issued $7.82 million in funding, about $3 million more than second-place Wells Fargo. The difference is due to the fact that in August, Bank of America had many more customers qualify for the Principal Reduction Program, which has the largest benefit amount of the four KYHC programs.

The most recent scorecard is attached to this document.

Local Innovation Fund Programs:

The Local Innovation Fund Program was designed to allow local governments, nonprofits and other entities across California the opportunity to tailor foreclosure prevention solutions to address their particular needs and geographic areas. Through a competitive process, CalHFA Mortgage Assistance Corporation (MAC) selects and funds several innovative local programs meeting the compliance requirements set forth under Emergency Economic Stabilization Act of 2008 (EESA). Program design, eligibility, and the type of assistance vary with each local program.

Community Second Mortgage Principal Reduction Program (C2MPRP)

Offered by Community Housing Works, the Community 2nd Mortgage Principal Reduction Program provides capital on a 35/65 matching basis with participating nonprofit, credit union, and small community lenders. The purpose is to reduce the outstanding principal balances of subordinate second mortgages for borrowers of qualifying properties with negative equity, to achieve affordability on existing mortgage loans, or to be utilized in conjunction with a loan modification.

C2MPRP attempts to reduce the number of avoidable foreclosures in California by providing a niche principal reduction program for troubled borrowers with amortizing, subordinate mortgage debt from Nonprofit Community Lenders, such as Credit Unions, NeighborWorks Organizations, and Community Development Financial Institutions (CDFI). This program is provided under a contract with CalHFA and its KYHC programs, and as provided for by the US Treasury's Hardest Hit Fund.

Los Angeles Housing Department Principal Reduction Program (LAHD-PRP)

LAHD contracted with CalHFA MAC to offer the Los Angeles Mortgage Modification Program to target those neighborhoods most impacted by foreclosures and sub-prime lending in the city of Los Angeles. Working with local community based partners LAHD-PRP intends to enable eligible homeowners in Neighborhood Stabilization Program (NSP) targeted neighborhoods to receive sustainable loan modifications with permanent principal reduction. Program funds will be used to compensate lenders for forgiven principal on proprietary (non-HAMP) loan modifications. For loans over 180 days past due, the payout will be $0.06 for each $1.00 of principal forgiveness.

Short Sale Gateway Program, Neighborworks Sacramento – program discontinued

This program was intended to provide an avenue for homeowners that had exhausted options to modify their loan by providing an option to keep them in their homes through a lease-purchase agreement. The goal was to prevent dislocation of households, prevent the creation of vacant units, and return borrowers to successful homeownership. Neighborworks Sacramento was to purchase properties from the banks and lease them back to the borrower, put the borrower through counseling, and then sell the mortgage back to the original homeowner at the end of the lease period. Neighborworks Sacramento decided to return the funding and discontinue the program.

Recent Federal Action

Freddie Mac and Fannie Mae (GSEs) -Principal Reductions

In early September, 2012, Freddie Mac and Fannie Mae announced they would allow their borrowers to participate in the KYHC program. This change may have been spurred by KYHC dropping a requirement that banks match taxpayer funds when a homeowner receives mortgage reductions through the program.

Freddie Mac issued guidelines explicitly stating, "effective immediately, you (servicers) should participate in state modification assistance programs that permit you to apply funds as a partial principal curtailment for homeowners with Freddie Mac-owned or guaranteed mortgages." Fannie Mae and Freddie Mac own about 62% of outstanding mortgages in California, according to an estimate released by the state attorney general's office earlier this year. Prior to this announcement, neither had elected to participate in principal reduction because of concerns about additional costs to taxpayers.

The servicing guide lender letter from Freddie Mac and Fannie Mae is attached.

Challenges That Impact KYHC

Loan modification programs present many unique challenges. Some of these issues are subject to vigorous debate, while others are identified and acknowledged by all sides. All of the factors that fed the engine of mortgage growth prior to the subprime collapse and made credit easy for consumers to acquire, are now the issues that make loan modifications difficult. Securitization, investor decisions, the nature of servicing, and a host of other unseen dynamics can play a potential role in making otherwise effective programs on paper, fall short in "real-world" application. This is not to say that policy makers, regulators nor industry groups should resign themselves mediocrity. Instead, as these groups become aware of these challenges, proactive problem solving may be able to assist in foreshadowing these problems with KYHC program, and improving its odds of success. With hundreds of reports, media articles, policy committee hearings at the state and federal level the problems associated with loan modifications are documented. In an attempt to forecast, or at the least raise awareness about these potential pitfalls, below is a brief summary of issues that have faced loss mitigation programs, and could impact KYHC.

- *Borrower contact fatigue*: In order to make a program work, borrower outreach and contact is vital. As numerous accounts demonstrate the most difficult step to getting the modification process started, is making contact with a distressed borrower. In some cases, a borrower may not be responsive to a servicer through whom they have already had a bad experience, either through collections activity, or through previous loan modification attempts. Additionally, mailings and phone calls may be confused for unwarranted solicitations regarding other financial services.

- *Transmission and permeation of incorrect information*: Many borrowers in an effort to seek assistance may reach out to loan modification companies that have little to no actual experience, or seek counsel from family and friends that leads to incorrect assumptions about qualification or ability to seek a loan modification. Media has also played a role in this problem, as short snippets regarding the eligibility of various programs can lead borrowers to assume that they qualify without knowing the actual requirements.

- *Loan type*: Early in the subprime crisis, the loans that were doing the most damage were non-traditional loans that included rate and/or payment adjustments that would the leave borrowers unable to afford their mortgage. These loans were easier in some ways to modify because they had more features that could be adjusted to reach an affordable payment. While

many of these loans still exist, more and more 30 year fixed rates loans are defaulting. These loans present several challenges as they don't have as many features to modify.

- *Investors:* For loans sold into the secondary market, investor decision making is a major obstacle in the loan modification process. This obstacle can come from delay in granting a servicer permission to modifying a loan, down to broad prohibitions on modification, or the type of modification that can be offered. This can have a negative impact on borrowers who may learn that their servicer participates in a specific program, but later learn that the investor in their loan does not authorize that program-specific type of modification.

- *Servicing*: Loss mitigation strategies require customer service skills and often one-on-one attention that doesn't benefit from the automation model that servicing has traditionally operated under. The servicing model also confuses borrowers who may not understand that the entity that owns their loan and the servicer are most often not the same entity and have different roles and motivations. Furthermore, consumer groups and academic experts have argued that the servicing model may lead to incentives that make modification difficult.

- *Sustainability*: The characteristics of a loan modification that is sustainable for borrowers is still the subject of vigorous debate. The magic number, at least for HAMP and numerous other programs, seems to be a mortgage payment that is no more than 31% debt to income (DTI) ratio. For HAMP, this ratio is determined based on housing expenses but does not look at other debts such as credit cards, or even car payments. A 31% DTI for a borrower with large credit card debt may not be sustainable or even realistic. In addition, DTI ratios are not the only point of debate. There still exists a debate between industry and consumer organizations regarding the types of modifications that lead to sustainably mortgages. Some may see extending the length of a loan as sufficient to bring down monthly payments, while others may see interest rate reductions as the solution, or even a combination of both. Other advocates believe that principal reduction is the best way to reach affordability. However, even if one can arrive at the conclusion that principal reduction is one tool in the modification tool-box, then disagreements arise as to how such an approach would work as everyone seems to have a different view on how much principal reduction is enough.

- *Second Liens*: Servicers also service second lien mortgage loans, further complicating the loan modification process. Attempted loan modifications where a second lien exists become difficult because the second lien holder must agree to the modification and possible extinguishment of their lien holder rights when they ultimately will not benefit. Junior lien holders have been slow and reluctant to agree to re-subordinate in this episode and have held up refinancing, modifications, and short sales.

<u>Federal Foreclosure Mitigation Programs</u>

Home Affordable Modification Program (HAMP)

The federal "Making Home Affordable Program" was developed by the U.S. Department of the Treasury, at the urging of President Obama, in order to help borrowers avoid foreclosure.

In 2008, the president signed and enacted the Emergency Economic Stabilization Act. This legislation granted Treasury the opportunity to create the Troubled Asset Relief Program (TARP). In 2009, Treasury allocated $50 billion in TARP funds to implement the HAMP.

HAMP relies on financial incentives to servicers to modify mortgages for homeowners as well as beneficiaries of these modifications to stay current on their mortgage payments going forward. Homeowners, who are not unemployed, but still struggling to make mortgage payments, may be eligible for the HAMP. HAMP may lower monthly mortgage payments in order to make them more affordable and sustainable for the long-term.

Borrowers may be eligible for HAMP if:

1) Mortgage was obtained on or before January 1, 2009;
2) Owe up to $729,750 on your primary residence or single unit rental property;
3) Owe up to $934,200 on a 2-unit rental property; $1,129,250 on a 3-unit rental property; or $1,403,400 on a 4-unit rental property;
4) The property has not been condemned;
5) Have a financial hardship and are either delinquent or in danger of falling behind on your mortgage payments *(non-owner occupants must be delinquent in order to qualify);*
6) Have sufficient, documented income to support a modified payment; and
7) Must not have been convicted within the last 10 years of felony larceny, theft, fraud or forgery, money laundering or tax evasion, in connection with a mortgage or real estate transaction.

On June 1, 2012, in an effort to continue to provide meaningful solutions to the housing crisis, the Obama Administration expanded the population of homeowners that may be eligible for HAMP to include:

- Homeowners who are applying for a modification on a home that is not their primary residence, but the property is currently rented or the homeowner intends to rent it;
- Homeowners who previously did not qualify for HAMP because their debt-to-income ratio was 31% or lower;

- Homeowners who previously received a HAMP trial period plan, but defaulted in their payments; and
- Homeowners who previously received a HAMP permanent modification, but defaulted in their payments, therefore losing good standing.

It is important to note that HAMP modifications are not the only option available to borrowers. First, a large number of loans are not eligible for HAMP based on the type of loan or the borrower's characteristics. Even in those cases where a borrower may not qualify for HAMP, many servicers do offer their proprietary modification programs. The nature of proprietary loan modifications offered by servicers varies by servicer and by loan characteristics so proprietary loan modifications are not standardized across the industry, as opposed to the standardization of HAMP. Servicers that participate in HAMP must first determine if a borrower is eligible for HAMP before considering them for a proprietary loan modification. Often lost in the discussion of loan modifications is that the ability to get a modification, or the type of modification offered, may reach beyond simple borrower qualifications. Investors may be required to give approval for certain modification approaches, and some loans by there nature are more apt for specific modification actions. For example, the growth of prime loan defaults has reportedly been problematic to address because prime loans may have less modification flexibility because they lack the features of non-prime loans, such as adjustable payments, that would allow quick changes to monthly payments.

Principal Reduction Alternative (PRA). This program provides principal forgiveness. More than 100 servicers participate in HAMP and can evaluate homeowners for principal reduction. Participating servicers are required to develop written standards for PRA application. The largest servicers include Bank of America, CitiMortgage, JP Morgan Chase, and Wells Fargo.

A homeowner may be eligible for PRA if:

- Mortgage is not owned or guaranteed by Fannie Mae and Freddie Mac.
- Owe more than the home is worth;
- Occupy the house as a primary residence;
- Obtained mortgage on or before January 1, 2009;
- Mortgage payment is more than 31 percent of your gross (pre-tax) monthly income;
- Owe up to $729,750 on your 1st mortgage;
- Have a financial hardship and are either delinquent or in danger of falling behind;
- Have sufficient, documented income to support the modified payment; and
- Must not have been convicted within the last 10 years of felony larceny, theft, fraud or forgery, money laundering or tax evasion, in connection with a mortgage or real estate transaction.

Home Affordable Unemployment Program (UP). This program assists unemployed homeowners. UP may reduce mortgage payments to 31 percent of a homeowner's income or suspend them altogether for 12 months or more.

A homeowner may be eligible for UP if they meet all of the following criteria:

- Are unemployed and eligible for unemployment benefits;
- Occupy the house as a primary residence;
- Have not previously received a HAMP modification;
- Obtained a mortgage on or before January 1, 2009; and
- Owe up to $729,750 on the home.

Home Affordable Refinance Program (HARP) This program assists homeowners whom are not behind on their mortgage payments but have been unable to get traditional refinancing because the value of the home has declined. HARP refinanced loans require a loan application and underwriting process, and refinance fees apply.

A homeowner may be eligible for HARP if they meet all of the following criteria:

- The mortgage is owned or guaranteed by Freddie Mac or Fannie Mae;
- The mortgage has been sold to Fannie Mae or Freddie Mac on or before May 31, 2009;
- The mortgage cannot have been refinanced under HARP previously unless it is a Fannie Mae loan that was refinanced under HARP from March-May, 2009;
- The current loan-to-value (LTV) ratio must be greater than 80%; and
- The borrower must be current on the mortgage at the time of the refinance, with a good payment history in the past 12 months.

Home Affordable Foreclosure Alternatives (HAFA). This program was created to encourage the use of short sales and deeds-in-lieu of foreclosure for HAMP- eligible borrowers unable to qualify for modifications of currently underwater mortgages. Servicers agree to forfeit the ability to seek a deficiency judgment in exchange for borrowers engaging in short sales or issuing deed-in-lieu of foreclosures. All parties receive financial incentives in the form of relocation assistance, one-time completion, and reimbursement to release subordinate liens.

A homeowner may be eligible for HAFA if they meet all of the following criteria:

- Have a documented financial hardship;
- Have not purchased a new house within the last 12 months;
- First mortgage is less than $729,750;

- Obtained a mortgage on or before January 1, 2009; and
- Must not have been convicted within the last 10 years of felony larceny, theft, fraud, forgery, money laundering or tax evasion in connection with a mortgage or real estate transaction.

HAFA is available for mortgages that are owned or guaranteed by Fannie Mae and Freddie Mac or serviced by over 100 HAMP participating mortgage servicers.

Second Lien Modification Program (2MP). If the first mortgage was permanently modified under HAMP and the homeowner has a second mortgage on the same property, a homeowner may be eligible for a modification or principal reduction on their second mortgage as well, through MHA's 2MP. 2MP works in tandem with HAMP to provide comprehensive solutions for homeowners with second mortgages to increase long-term affordability and sustainability. If the servicer of the second mortgage is participating, they can evaluate the homeowner for a second lien modification.

A homeowner may be eligible for 2MP if they meet all of the following criteria:

- First mortgage was modified under HAMP;
- Must not have been convicted within the last 10 years of felony larceny, theft, fraud or forgery, money laundering or tax evasion, in connection with a mortgage or real estate transaction; and
- Have not missed three consecutive monthly payments on a HAMP modification.

California Action: Homeowner Bill of Rights

On April 23, 2012, Senate President Pro Tem Darrell Steinberg and Assembly Speaker John A. Pérez announced the formation of a Conference Committee to address foreclosure issues and homeowner protections.

The creation of the Conference Committee arose from a settlement reached between banks (Citi, Wells Fargo, Bank of America, Chase and Ally), federal agencies, and the state attorneys general from 49 states and the District of Columbia. The investigation began in October of 2010 as media stories highlighted widespread allegations regarding the use of "robo-signed" documents used in foreclosure proceedings around the country. The attorneys general formed working groups to investigate the widespread allegations, however, further investigation led to a larger discussion with the five largest mortgage loan servicers regarding various facets of the foreclosure and loan modification process. While conducting their investigation the attorneys general identified deceptive practices regarding loan modifications, foreclosures occurring due to the servicer's failure to properly process paperwork, and the use of incomplete paperwork to process foreclosures in both judicial and non-judicial foreclosure cases.

The settlement also required major changes in loan servicing required of the five banks party to the settlement. These changes include:

- Information in foreclosure affidavits must be personally reviewed and based on competent evidence.
- Holders of loans and their legal standing to foreclose must be documented and disclosed to borrowers.
- Borrowers must be sent a pre-foreclosure notice that will include a summary of loss mitigation options offered, an account summary, description of facts supporting lender's right to foreclose, and a notice that the borrower may request a copy of the loan note and the identity of the investor holding the loan.
- Borrowers must be thoroughly evaluated for all available loss mitigation options before foreclosure referral, and banks must act on loss mitigation applications before referring loans to foreclosure; i.e., "dual tracking" will be restricted.
- Denials of loss mitigation relief must be automatically reviewed, with a right to appeal for borrowers.
- Banks must implement procedures to ensure accuracy of accounts and default fees, including regular audits, detailed monthly billing statements, and enhanced billing dispute rights for borrowers.
- Banks are required to adopt procedures to oversee foreclosure firms, trustees, and other agents.

- Banks will have specific loss mitigation obligations, including customer outreach and communications, time lines to respond to loss mitigation applications, and e-portals for borrowers to keep informed of loan modification status.

- Banks are required to designate an employee as a continuing single point of contact to assist borrowers seeking loss mitigation assistance.

- Military personnel who are covered by the SCRA will have enhanced protections.

- Banks must maintain adequate trained staff to handle the demand for loss mitigation relief.

- Application and qualification information for proprietary loan modifications must be publicly available.

- Servicers are required to expedite and facilitate short sales of distressed properties.

- Restrictions are imposed on default fees, late fees, third-party fees, and force-placed insurance.

The Conference Committee was tasked with formulating legislation to require that all mortgage loan servicers follow the servicing standards established by the multi-state settlement agreement. The Conference Committee held five hearings totaling over 20 hours of testimony from stakeholders ranging from servicers, community advocates and individual homeowners. Based on the information gathered at those hearings, the Conference Committee issued two conference reports AB 278 (Eng, Feuer, Mitchell & John A. Pérez) and SB 900 (Leno, Evans, Corbett, DeSaulnier, Pavley & Steinberg) known as the Homeowner's Bill of Rights (HOBR).

HOBR provides for the following:

- Ends the process known as "dual track" in which a borrower negotiating in good faith with their bank for a loan modification is shuffled through the foreclosure process.

- Requires servicers to establish a single point of contact so that borrowers have a consistent point to raise questions and receive loan modification responses.

- Provides that paperwork filed relative to foreclosure is accurate and complete.

- Provides borrowers with pre-foreclosure information on their rights in the foreclosure process.

- Provides borrowers with the right to receive information on the entity that actually owns their loan.

- Provides servicers a right to remediate violations.

- The provisions of the HOBR became law January 1, 2013.