



July 9, 2010

Dear Customer,

On May 21, 2010, the Los Angeles City Council adopted Ordinance 181185 also known as the City of Los Angeles Foreclosure Registry Program.

The Los Angeles City Council enacted the ordinance due to the current increase in foreclosures and the number of empty and vacant foreclosed properties throughout the city, causing blighted conditions in many neighborhoods. Many properties sit vacant for months during the foreclosure process pending a trustee's sale. In many cases, these properties are in violation of existing city code due to lack of maintenance and security on the premises. In order for the City to effectively target City resources to the growing foreclosure crisis, it is necessary for the City to track, locate and record where these properties are located as they enter the foreclosure process.

Ordinance 181185 went into effect on July 8, 2010 and requires the beneficiary to register properties in foreclosure with the Housing Department of the City of Los Angeles or MERS within 30 days of recording the NOD. If the NOD was recorded prior to July 8, 2010, and the loan has not been brought current, the property must be registered prior to August 7, 2010. The Ordinance also applies to any properties in which you have taken title through a Trustee's Deed or a Deed in Lieu of foreclosure and has not yet been sold. The beneficiary is also required to perform inspections on the property upon default by the trustor, prior to recording the NOD. If the property is occupied, the property must be inspected monthly. If the property is vacant, the property must be inspected weekly.

The City will assess an annual registration fee in the amount of \$155.00 due at the time of registration. Fines or penalties will be assessed from \$250.00 per day to \$1,000.00 per day with a maximum cumulative fine of \$100,000.00. There is no registration fee required if the property is registered with the Mortgage Electronic Registration System [MERS].

A copy of Ordinance 181185 and the Registration Form for the City of Los Angeles are enclosed.

If you have any questions concerning the attached Ordinance, please do not hesitate to contact me, or the Operations Supervisor assigned to your account as listed below:

Linda Kidder	Senior Vice President/Operations		714-480-5640	lkidder@tdsf.com
Michelle Pino	Vice President/Operations	Units B, H & K	714-480-5413	mpino@tdsf.com
Sandie Armenta	Vice President/Operations	Unit V – Credit Unions	714-480-5677	sarmenta@tdsf.com
Patricia Randall	Vice President/Operations	Units C, D & L	714-480-5630	prandall@tdsf.com
Fran Depalma	Vice President/Operations	Units A & F	714-480-5622	fdepalma@tdsf.com

We appreciate your continued support of T.D. Service Company.

Linda Kidder
Senior Vice President

Attachments: Ordinance 181185
Registration Form