



## TD SERVICE FINANCIAL CORPORATION

August 15, 2011

Dear Customer,

Idaho Governor C.L. Otter has signed into law House Bill 331. HB 331 affects deeds of trust encumbering a borrower's primary residence and becomes operative on September 1, 2011. HB 331 provides homeowners with additional information about loan modifications and creates an opportunity for homeowners facing foreclosure to have conversations with their lenders. A Beneficiary or their agent must determine in good faith whether the homeowners are eligible for a loan modification. This bill requires an Important Notice to be mailed to the borrower along with the mailing of the Notice of Default by Certified Mail Return Receipt Requested and First Class Mail. The Important Notice must be executed by the beneficiary. Upon receipt of the foreclosure referral, TD will prepare the document and forward to your office for signature. TD will not be in a position to proceed with the foreclosure until we are in receipt of the executed Important Notice.

HB 331 also sets forth that the required Notice must be accompanied by a form to request a loan modification. The form must include the address to which the form is to be returned and state the date by which the grantor must return the form. Please provide our office with the Loan Modification Request form you wish for our office to attach to the mailing. The Loan Modification Request may state that the grantor must disclose current information about the grantor's income and expenses, the grantor's address, phone number and electronic mail address and other facts that may affect the grantor's eligibility for a loan modification.

If the grantor returns the Request for Loan Modification form within the specified date, the beneficiary or their agent must review the information and in good faith, evaluate the grantor's request. The beneficiary must respond to the grantor within 45 days after receiving the request form. If the grantor timely requests a meeting with the beneficiary or their agent they shall either meet with the grantor or speak to the grantor by phone before they respond to the grantor's request for a loan modification. The beneficiary or their agent that meets with the grantor shall have or be able to obtain authority to modify the loan. See Section (4).

Our office will not be in a position to conduct a sale until the beneficiary or their agent has responded to the grantor's request for a loan modification. See section (2) (a).

Section 2 (a) also sets forth that the beneficiary or their agent shall provide the trustee with an affidavit described in Idaho Code Section 45-1506C. The Trustee must record the affidavit at least 20 days prior to the date of sale.

HB 331 also requires the trustee, prior to conducting any trustee's sale previously postponed, to mail notice of such trustee's sale at least 14 days prior to conducting such sale. The Trustee is also required to record an affidavit of mailing confirming compliance as required in Code Section 45-1506 (8).

Client Notification Letter  
HB 331  
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Attached, for your review are the following:

**House Bill 331**  
**Important Notice**  
**Affidavit of Compliance**

To avoid delays in initiating any foreclosures, please provide our office with your Loan Modification Request form. In addition, to avoid delays in conducting the foreclosure sale, it is recommended that you provide our office with the Affidavit stating compliance with Idaho Code Section 45-1506C at least 40 days prior to the scheduled sale date.

A copy of this letter and attachments, as well as any updated information, will be posted on our website at [www.tdsf.com](http://www.tdsf.com) under the legislative update section.

If you have any questions concerning HB 331, please do not hesitate to contact me at [lkidder@tdsf.com](mailto:lkidder@tdsf.com), 714 480-5640 or Michelle Pino [mpino@tdsf.com](mailto:mpino@tdsf.com), 714 480-5413.

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

Sincerely,



Linda Kidder  
Senior Vice President/Operations

Attachments: HB 331  
Important Notice  
Affidavit of Compliance