



June 24, 2009

Dear Customer,

By now you may have heard that Nevada AB 149, SB 128, AB 204 and AB 65 have been signed by Jim Gibbons the Governor of Nevada and will become effective 7-1-09. (We have attached a copy of the Chaptered Bills as approved by the Governor for your reference).

AB 149 affects all Notices of Default recorded after 7-1-09. The bill affects owner occupied residential property. The bill sets forth additional restrictions on the trustee exercising the power of sale by providing grantors or the person who holds the title of record with the right to request mediation under which he may receive a loan modification.

The Supreme Court of Nevada is in the process of modifying the "Foreclosure Mediation Rules" which were outlined in the above referenced bills that were filed on 6-5-09. (A copy of their petition is attached for your reference). The first hearing on the proposed rules was held on June 16, 2009, and a second hearing is scheduled for June 26, 2009. The Supreme Court will vote on the rules by June 29, 2009, and they would become effective 30 days later. It is yet to be determined how trustees and lenders should proceed between July 1, 2009, when the statute takes effect and the end of July when the Supreme Court Rules will become effective. Specifically, the form of notice regarding the owner's right to elect mediation has not been drafted and it is unclear who the Mediation Administrator is going to be. There may be changes that may override the actual statute, and those will be confirmed by 6-29-09.

AB149 requires that the grantor or person who holds the title of record receive a copy of the Mediation form (TD will forward this form to the borrower with a copy of the Notice of Default within 10 days of the NOD recording). The grantor must return the mediation form electing to mediation or waiving their right to mediation within 30 days of receipt. If the borrower elects mediation they must include a \$200.00 check along with their mediation form.

The beneficiary will be notified of the grantor's desire to enter into mediation. The beneficiary will have ten days to deposit with the Administrator a consent to Mediation along with a \$200.00 check.

If the borrower requests Mediation, waives their right for mediation or does not return the Mediation form, the foreclosure is put on hold until the trustee receives a certificate from the Mediation Administrator that mediation is not required or that mediation has been completed.

AB 149 also requires personal service of a Danger Notice and a copy of the Promissory Note to the grantor or person holding title of record at least 60 days prior to the sale. If personal service cannot be effected, the Danger Notice and a copy of the Promissory Note may be posted on the property and mailed to the grantor or person holding title to the property. Therefore, it will be necessary for you to include a copy of the "Note" with each foreclosure referral.

AB 65 allows the county recorder to collect an additional \$50.00 for recording the Notice of Default.

SB128 requires that the Trustee record the Trustee's Deed Upon Sale within 30 days of the sale date. If the property is sold to a third party bidder, the Trustee must deliver the TDUS to the bidder within 20 days from the sale and the bidder must record the TDUS within 10 days of receipt.

AB 204 amends the super priority HOA statute and allows the Home Owners Association to collect 9 months instead of 6 months of HOA dues after a foreclosure sale

If you have any questions concerning these bills please don't hesitate to contact me, or the Operations Supervisor assigned to your account listed below:

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

Cordially,

Linda Kidder
Senior Vice President/Operations