



Homeownership Program Bulletin

April 18, 2011

Program Bulletin #2011-10

To: CalHFA Approved Servicers

Mortgage Electronic Registration Systems, Inc (MERS) and the Foreclosure and Bankruptcy Processing Update

Effective as of April 18, 2011, CalHFA-approved servicers are instructed to review and follow both the MERS Announcement Number 2011-01 dated February 16, 2011 and the MERS Policy Bulletin Number 2011-2, dated March 8, 2011.

To summarize, MERS Members must have a MERS Certifying Officer execute and promptly record assignments from MERS to the California Housing Finance Agency's (CalHFA) name prior to:

- Initiating foreclosure proceedings (mailing and recording of the Notice of Default);
- Filing a Proof of Claim in bankruptcy; or,
- Filing a Motion for Relief from stay in bankruptcy.

Assignments of deed of trust must be to "the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California," and CalHFA must be named in the "mail to" space on the assignments.

The MERS Online System must be updated to reflect against the Mortgage Identification Number or MIN that Foreclosure Pending, (Option 1), has begun, and that CalHFA loans are assigned to CalHFA. For bankruptcy loans it is necessary to deactivate the MIN by transfer to a non-MERS Member on the MERS Online System.

Additionally, servicers are instructed to assure that trustee deeds convey title to "the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California," and that trustee deeds be recorded within ten (10) days after the trustee sale date. Acceptance certificates, executed by servicer as attorney in fact for CalHFA (see form attached), are to be presented to the county recorder with the trustee deeds.

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For questions about this bulletin, contact CalHFA Portfolio Management division by phone 916.376.2918; by fax 916.376.8944; by email at PortfolioManagement@calhfa.ca.gov. Plus you can always visit CalHFA's web site at: www.calhfa.ca.gov.

CalHFA thanks you for your business and we look forward to continuing to support your affordable housing loan needs.

Attachment

CERTIFICATE OF ACCEPTANCE OF TITLE
Civil Code 27281

This is to certify that the interest in the real property conveyed by the attached trustee's deed dated _____, 20____ from _____ to the California Housing Finance Agency, a public instrumentality and political subdivision of the State of California as grantee is hereby accepted by order of the State of California on _____, 20____ and the grantee consents to the recordation thereof by its duly authorized officer.

California Housing Finance Agency
by _____
Its attorney in fact

By: _____
Name: _____
Title: _____