

SENATE BILL SB458 DEFICIENCY JUDGEMENTS WHAT YOU NEED TO KNOW.



The Senate Bill SB458 passed in mid-July now eliminates deficiency judgments against Borrowers in a short sale. This Bill also eliminates any requirement for a Borrower to have to pay additional funds towards the approval. Notes on the law as provided by our Legal Counsel:

- The law applies to any note secured against “a dwelling of not more than four units.”
- There is no requirement in the statute that the loan being secured was for purchase money.
- The law says no deficiency will be owed if the property is sold with the “written consent” of the lender and the proceeds of the sale have been tendered to the lender “in accordance with the parties’ agreement.”
- The lender cannot require the seller/ borrower “to pay any additional compensation, aside from the proceeds of the sale, in exchange for the written consent to the sale.”
- If the seller damages the property, or commits “waste,” the bank may seek damages for that waste. This is an issue, as we know, because many short sale sellers tend to ignore the property since they will not be getting any proceeds at close of escrow.
- The protection of this law does not apply if the borrower is a corporation, LLC or limited partnership

Click here for a copy of the bill.

Testimonials

The word on the street about our Escrow Officers:

“Our gratitude reaches out to Pickford Escrow, particularly Erika Stites for handling our case. Throughout the entire escrow process Erika was prompt and efficient as well as readily available for any questions or requests we may have had at the time. As a result, she was highly successful at negotiating stressful circumstances between the two parties with complete diplomacy. Through your company’s expertise and efficiency as well as its stellar professionalism we were able to complete escrow successfully within the projected closing date.”

-A recent seller

Awesome, you guys [Karen Ormond and Pam Amburgey] were great to work with! Thanks for all the time and hard work you put into my file to ensure my client had a great experience.

Jeff B., Realtor

My clients and I appreciate Pickford’s thoroughness and professionalism, combined with their excellent customer service skills. As an ‘agent on the run’ I have always been impressed that when I call Rebecca Khara or her assistants Yolanda Carrillo or Margaret Ramirez each and every one of them always seem to be very familiar with the file. I consider the use of affiliate services an extension of me and the support I provide my clients, and am very happy that escrow and I are able to provide a seamless continuum for clients during a very stressful time in their lives.

-Tia R. Prudential Pasadena



WHAT'S IN A NAME?

Ever wonder what “buyer’s title and vesting” really means? “Title” refers to just that. It’s the title after buyers names that generally establishes marital status & could impact tax scenarios & even determine what happens to real property after a homeowner passes away. Common ways to hold title are “husband and wife as joint tenants”, “a married person as their sole and separate property” or “a single person”. “Vesting” refers to the way in which a buyer wants their name(s) to read. Middle name vs. middle initial, maiden name vs. maiden-married name, etc.

In many cases and often times unknowingly, it’s the buyers’ agent who is establishing the “vesting” portion of the equation. And because many lenders now require buyers to use the purchase agreement version of their name all the way through to the close of escrow, it’s important for you to talk to your buyers before you write a contract to determine exactly how they’d like their names to appear.

If they have a common name, it might be beneficial to use their middle name or initial. If they are a Jr. or Sr., that may be important to them as well. Remember, these are legal documents, so don’t use a nickname or abbreviated version of their legal name.

And lastly, speak to them about the relevance of their photo ID matching the names they’ve chosen to use. If they want to use a name for which they don’t have matching photo ID this will likely pose a problem when it’s time to have their loan documents notarized.

By Laura Ghosn – Branch Manager, Mission Valley Office – Pickford Escrow

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BY THE NUMBERS

- 37,734 estimated number of new and resale houses and condos that were sold in August in CA. Up 8.8 percent from July. (DQ News)
- 17.8 percent of total resales for August in CA that were considered short sales. (DQ News)
- #4 – Rank of the Los Angeles housing market in NARs “Most Searched” housing markets on Realtor.com
- 17.0 percent – percentage that Bank REO inventories are down by according to DSNEWS.com
- \$625,000 – new high value loan limit that Fannie and Freddie will start using on Oct. 1 in many CA markets (Houselogic.com)