

1 [Supporting SB 729 - California Homeowner Protection Act]

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3 **Resolution supporting Senate Bill 729, “The California Homeowner Protection Act.”**

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5 WHEREAS, Record levels of California homeowners continue to lose their homes to  
6 foreclosure and;

7 WHEREAS, Banks repossessed 709 San Francisco houses and condos through  
8 foreclosure in 2010, a 20 percent increase from 2009; and

9 WHEREAS, The federal government has only voluntary rules encouraging banks  
10 participating in its modification programs not to foreclose on homeowners negotiating a loan  
11 modification; and

12 WHEREAS, It is commonplace for banks to foreclose on a borrower who is negotiating  
13 a loan modification or successfully completing a temporary loan modification; and

14 WHEREAS, Evidence continues to show that lenders have proceeded with  
15 foreclosures using improper procedures, and fraudulent documents; and

16 WHEREAS, SB 729 would require lenders to give homeowners applying for a loan  
17 modification a yes or no answer on whether they qualify for a loan modification program  
18 offered by the lender before starting the formal foreclosure process; and

19 WHEREAS, A lender’s failure to provide a yes or no answer before starting the  
20 foreclosure process would provide homeowners with limited legal recourse under narrow  
21 circumstances and under a one-year statute of limitations; and

22 WHEREAS, A lender would be given an opportunity to correct any errors before  
23 litigation can be commenced; now, therefore, be it

24 RESOLVED, That the Board of Supervisors of the City and County of San Francisco  
25 hereby supports SB 729; and, be it

1           FURTHER RESOLVED, That the Clerk of the Board of Supervisors is hereby directed  
2 to transmit fully-conformed copies of this resolution to the Chair of the Senate Judiciary  
3 Committee, Senators Leno and Steinberg and the Governor of the State of California.  
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