

AMENDED IN SENATE JUNE 10, 2024

AMENDED IN ASSEMBLY APRIL 17, 2024

AMENDED IN ASSEMBLY MARCH 21, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2424**

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**Introduced by Assembly Member Schiavo**

February 13, 2024

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An act to amend Sections 2923.5, 2923.55, and 2924f of, and to add Section 2932.2 to, the Civil Code, relating to real property.

LEGISLATIVE COUNSEL'S DIGEST

AB 2424, as amended, Schiavo. Mortgages: foreclosure.

Existing law imposes various requirements to be satisfied before exercising a power of sale under a mortgage or deed of trust, including recording a notice of default, providing a mortgagor or trustor a copy of the recorded notice of default, providing notice of the time and place scheduled for the public auction sale of the real property and other notices related to the sale, determining the fees and expenses that may be paid from the sale, determining who may conduct the sale and act in the sale as an auctioneer for the trustee, determining the time and place where the auction sale may occur, and specifying how bids may be made and accepted at the auction sale.

This bill would require a notice be provided by and to specified parties that a third party, such as a family member, HUD-certified housing counselor, or attorney, may record a request to receive copies of any notice of default and notice of sale at specified times in the loan and foreclosure process and that receiving a copy of these documents may

allow the third party to assist the borrower in avoiding foreclosure, as specified.

This bill would prohibit a foreclosure sale until the expiration of a specified time period 45 days if the mortgagor or trustor provides ~~delivers to the trustee and beneficiary with mortgage servicer a listing agreement placed in a publicly available multiple listing service, as defined, for the sale of the property subject to the power of sale at least 5 days prior to the initial scheduled date of sale. business days before the sale, as specified. If a scheduled date of sale has been postponed pursuant to that provision and the mortgagor or trustor provides delivers to the trustee and beneficiary with mortgage servicer a copy of a purchase agreement for the sale of the property that is subject to a power of sale within that time period, property, the bill would require the trustee to postpone the initially scheduled date of sale to a date that is at least 35 45 days after the date on which the purchase agreement was entered into by the borrower. received by the trustee, as specified.~~

This bill would require the mortgagee, beneficiary, or authorized agent to provide to the trustee the fair market value of the property, as defined, at least 10 days prior to the initially scheduled date of sale, and would prohibit the trustee from selling the property at the initial trustee's sale for less than 75% 67% of the amount of that fair market value of the property. If the property remains unsold after the initial trustee's sale, the bill would require ~~a 2nd trustee's sale be held, the trustee to postpone the sale for at least 7 days, and would authorize the property to be sold thereafter to the highest bidder. The bill would prohibit a 2nd trustee's sale from being held until at least 7 days after the initial trustee's sale. bidder, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1        SECTION 1. Section 2923.5 of the Civil Code is amended to  
2 read:  
3        2923.5. (a) (1) A mortgage servicer, mortgagee, trustee,  
4 beneficiary, or authorized agent shall not record a notice of default  
5 pursuant to Section 2924 until both of the following:  
6        (A) Either 30 days after initial contact is made as required by  
7 paragraph (2) or 30 days after satisfying the due diligence  
8 requirements as described in subdivision (e).

1       (B) The mortgage servicer complies with paragraph (1) of  
2 subdivision (a) of Section 2924.18, if the borrower has provided  
3 a complete application as defined in subdivision (d) of Section  
4 2924.18.

5       (2) (A) A mortgage servicer shall contact the borrower in person  
6 or by telephone in order to assess the borrower's financial situation  
7 and explore options for the borrower to avoid foreclosure. During  
8 the initial contact, the mortgage servicer shall advise the borrower  
9 that the borrower has the right to request a subsequent meeting  
10 and, if requested, the mortgage servicer shall schedule the meeting  
11 to occur within 14 days. The assessment of the borrower's financial  
12 situation and discussion of options may occur during the first  
13 contact, or at the subsequent meeting scheduled for that purpose.  
14 In either case, the borrower shall be provided the toll-free telephone  
15 number made available by the United States Department of  
16 Housing and Urban Development (HUD) to find a HUD-certified  
17 housing counseling agency. Any meeting may occur telephonically.

18       (B) The mortgage servicer shall notify the borrower during the  
19 initial contact required pursuant to subparagraph (A) that a third  
20 party, such as a family member, HUD-certified housing counselor,  
21 or attorney, may record a request to receive copies of any notice  
22 of default and notice of sale pursuant to the process described in  
23 Section 2924b and that receiving a copy of these documents may  
24 allow the third party to assist the borrower in avoiding foreclosure.

25       (b) A notice of default recorded pursuant to Section 2924 shall  
26 include a declaration that the mortgage servicer has contacted the  
27 borrower, has tried with due diligence to contact the borrower as  
28 required by this section, or that no contact was required because  
29 the individual did not meet the definition of "borrower" pursuant  
30 to subdivision (c) of Section 2920.5.

31       (c) A mortgage servicer's loss mitigation personnel may  
32 participate by telephone during any contact required by this section.

33       (d) A borrower may designate, with consent given in writing,  
34 a HUD-certified housing counseling agency, attorney, or other  
35 advisor to discuss with the mortgage servicer, on the borrower's  
36 behalf, the borrower's financial situation and options for the  
37 borrower to avoid foreclosure. That contact made at the direction  
38 of the borrower shall satisfy the contact requirements of paragraph  
39 (2) of subdivision (a). Any loan modification or workout plan

1 offered at the meeting by the mortgage servicer is subject to  
2 approval by the borrower.

3 (e) A notice of default may be recorded pursuant to Section  
4 2924 when a mortgage servicer has not contacted a borrower as  
5 required by paragraph (2) of subdivision (a) provided that the  
6 failure to contact the borrower occurred despite the due diligence  
7 of the mortgage servicer. For purposes of this section, “due  
8 diligence” shall require and mean all of the following:

9 (1) (A) A mortgage servicer shall first attempt to contact a  
10 borrower by sending a first-class letter that includes the toll-free  
11 telephone number made available by HUD to find a HUD-certified  
12 housing counseling agency.

13 (B) The mortgage servicer shall notify the borrower in the  
14 first-class letter described in subparagraph (A) that a third party,  
15 such as a family member, HUD-certified housing counselor, or  
16 attorney, may record a request to receive copies of any notice of  
17 default and notice of sale pursuant to the process described in  
18 Section 2924b and that receiving a copy of these documents may  
19 allow the third party to assist the borrower in avoiding foreclosure.

20 (2) (A) After the letter has been sent, the mortgage servicer  
21 shall attempt to contact the borrower by telephone at least three  
22 times at different hours and on different days. Telephone calls  
23 shall be made to the primary telephone number on file.

24 (B) A mortgage servicer may attempt to contact a borrower  
25 using an automated system to dial borrowers, provided that, if the  
26 telephone call is answered, the call is connected to a live  
27 representative of the mortgage servicer.

28 (C) A mortgage servicer satisfies the telephone contact  
29 requirements of this paragraph:

30 (i) If it determines, after attempting contact pursuant to this  
31 paragraph, that the borrower’s primary telephone number and  
32 secondary telephone number or numbers on file, if any, have been  
33 disconnected.

34 (ii) If the borrower or the borrower’s authorized agent notifies  
35 the mortgage servicer in writing to cease further communication  
36 with the borrower. The cease communication notification shall  
37 explicitly pertain to the mortgage loan account to be effective. The  
38 cease communication notification shall be effective until the  
39 borrower or the borrower’s authorized agent rescinds it in writing.

1       (3) If the borrower does not respond within two weeks after the  
2 telephone call requirements of paragraph (2) have been satisfied,  
3 the mortgage servicer shall then send a certified letter, with return  
4 receipt requested.

5       (4) The mortgage servicer shall provide a means for the borrower  
6 to contact it in a timely manner, including a toll-free telephone  
7 number that will provide access to a live representative during  
8 business hours.

9       (5) The mortgage servicer has posted a prominent link on the  
10 homepage of its internet website, if any, to the following  
11 information:

12       (A) Options that may be available to borrowers who are unable  
13 to afford their mortgage payments and who wish to avoid  
14 foreclosure, and instructions to borrowers advising them on steps  
15 to take to explore those options.

16       (B) A list of financial documents borrowers should collect and  
17 be prepared to present to the mortgage servicer when discussing  
18 options for avoiding foreclosure.

19       (C) A toll-free telephone number for borrowers who wish to  
20 discuss options for avoiding foreclosure with their mortgage  
21 servicer.

22       (D) The toll-free telephone number made available by HUD to  
23 find a HUD-certified housing counseling agency.

24       (f) This section shall apply only to mortgages or deeds of trust  
25 described in Section 2924.15.

26       (g) This section shall apply only to entities described in  
27 subdivision (b) of Section 2924.18.

28       SEC. 2. Section 2923.55 of the Civil Code is amended to read:

29       2923.55. (a) A mortgage servicer, mortgagee, trustee,  
30 beneficiary, or authorized agent shall not record a notice of default  
31 pursuant to Section 2924 until all of the following:

32       (1) The mortgage servicer has satisfied the requirements of  
33 paragraph (1) of subdivision (b).

34       (2) Either 30 days after initial contact is made as required by  
35 paragraph (2) of subdivision (b) or 30 days after satisfying the due  
36 diligence requirements as described in subdivision (f).

37       (3) The mortgage servicer complies with subdivision (c) of  
38 Section 2923.6, if the borrower has provided a complete application  
39 as defined in subdivision (h) of Section 2923.6.

1       (b) (1) As specified in subdivision (a), a mortgage servicer shall  
2 send the following information in writing to the borrower:

3       (A) A statement that if the borrower is a servicemember or a  
4 dependent of a servicemember, the borrower may be entitled to  
5 certain protections under the federal Servicemembers Civil Relief  
6 Act (50 U.S.C. Sec. 3901 et seq.) regarding the servicemember's  
7 interest rate and the risk of foreclosure, and counseling for covered  
8 servicemembers that is available at agencies such as Military  
9 OneSource and Armed Forces Legal Assistance.

10      (B) A statement that the borrower may request the following:

11       (i) A copy of the borrower's promissory note or other evidence  
12 of indebtedness.

13       (ii) A copy of the borrower's deed of trust or mortgage.

14       (iii) A copy of any assignment, if applicable, of the borrower's  
15 mortgage or deed of trust required to demonstrate the right of the  
16 mortgage servicer to foreclose.

17       (iv) A copy of the borrower's payment history since the  
18 borrower was last less than 60 days past due.

19      (2) (A) A mortgage servicer shall contact the borrower in person  
20 or by telephone in order to assess the borrower's financial situation  
21 and explore options for the borrower to avoid foreclosure. During  
22 the initial contact, the mortgage servicer shall advise the borrower  
23 that the borrower has the right to request a subsequent meeting  
24 and, if requested, the mortgage servicer shall schedule the meeting  
25 to occur within 14 days. The assessment of the borrower's financial  
26 situation and discussion of options may occur during the first  
27 contact, or at the subsequent meeting scheduled for that purpose.  
28 In either case, the borrower shall be provided the toll-free telephone  
29 number made available by the United States Department of  
30 Housing and Urban Development (HUD) to find a HUD-certified  
31 housing counseling agency. Any meeting may occur telephonically.

32      (B) The mortgage servicer shall notify the borrower during the  
33 initial contact required pursuant to subparagraph (A) that a third  
34 party, such as a family member, HUD-certified housing counselor,  
35 or attorney, may record a request to receive copies of any notice  
36 of default and notice of sale pursuant to the process described in  
37 Section 2924b and that receiving a copy of these documents may  
38 allow the third party to assist the borrower in avoiding foreclosure.

39      (c) A notice of default recorded pursuant to Section 2924 shall  
40 include a declaration that the mortgage servicer has contacted the

1 borrower, has tried with due diligence to contact the borrower as  
2 required by this section, or that no contact was required because  
3 the individual did not meet the definition of “borrower” pursuant  
4 to subdivision (c) of Section 2920.5.

5 (d) A mortgage servicer’s loss mitigation personnel may  
6 participate by telephone during any contact required by this section.

7 (e) A borrower may designate, with consent given in writing,  
8 a HUD-certified housing counseling agency, attorney, or other  
9 adviser to discuss with the mortgage servicer, on the borrower’s  
10 behalf, the borrower’s financial situation and options for the  
11 borrower to avoid foreclosure. That contact made at the direction  
12 of the borrower shall satisfy the contact requirements of paragraph  
13 (2) of subdivision (b). Any foreclosure prevention alternative  
14 offered at the meeting by the mortgage servicer is subject to  
15 approval by the borrower.

16 (f) A notice of default may be recorded pursuant to Section 2924  
17 when a mortgage servicer has not contacted a borrower as required  
18 by paragraph (2) of subdivision (b), provided that the failure to  
19 contact the borrower occurred despite the due diligence of the  
20 mortgage servicer. For purposes of this section, “due diligence”  
21 shall require and mean all of the following:

22 (1) (A) A mortgage servicer shall first attempt to contact a  
23 borrower by sending a first-class letter that includes the toll-free  
24 telephone number made available by HUD to find a HUD-certified  
25 housing counseling agency.

26 (B) The mortgage servicer shall notify the borrower in the  
27 first-class letter described in subparagraph (A) that a third party,  
28 such as a family member, HUD-certified housing counselor, or  
29 attorney, may record a request to receive copies of any notice of  
30 default and notice of sale pursuant to the process described in  
31 Section 2924b and that receiving a copy of these documents may  
32 allow the third party to assist the borrower in avoiding foreclosure.

33 (2) (A) After the letter has been sent, the mortgage servicer  
34 shall attempt to contact the borrower by telephone at least three  
35 times at different hours and on different days. Telephone calls  
36 shall be made to the primary telephone number on file.

37 (B) A mortgage servicer may attempt to contact a borrower  
38 using an automated system to dial borrowers, provided that, if the  
39 telephone call is answered, the call is connected to a live  
40 representative of the mortgage servicer.

1       (C) A mortgage servicer satisfies the telephone contact  
2 requirements of this paragraph:

3       (i) If it determines, after attempting contact pursuant to this  
4 paragraph, that the borrower's primary telephone number and  
5 secondary telephone number or numbers on file, if any, have been  
6 disconnected.

7       (ii) If the borrower or the borrower's authorized agent notifies  
8 the mortgage servicer in writing to cease further communication  
9 with the borrower. The cease communication notification shall  
10 explicitly pertain to the mortgage loan account to be effective. The  
11 cease communication notification shall be effective until the  
12 borrower or the borrower's authorized agent rescinds it in writing.

13       (3) If the borrower does not respond within two weeks after the  
14 telephone call requirements of paragraph (2) have been satisfied,  
15 the mortgage servicer shall then send a certified letter, with return  
16 receipt requested, that includes the toll-free telephone number  
17 made available by HUD to find a HUD-certified housing  
18 counseling agency.

19       (4) The mortgage servicer shall provide a means for the borrower  
20 to contact it in a timely manner, including a toll-free telephone  
21 number that will provide access to a live representative during  
22 business hours.

23       (5) The mortgage servicer has posted a prominent link on the  
24 homepage of its internet website, if any, to the following  
25 information:

26       (A) Options that may be available to borrowers who are unable  
27 to afford their mortgage payments and who wish to avoid  
28 foreclosure, and instructions to borrowers advising them on steps  
29 to take to explore those options.

30       (B) A list of financial documents borrowers should collect and  
31 be prepared to present to the mortgage servicer when discussing  
32 options for avoiding foreclosure.

33       (C) A toll-free telephone number for borrowers who wish to  
34 discuss options for avoiding foreclosure with their mortgage  
35 servicer.

36       (D) The toll-free telephone number made available by HUD to  
37 find a HUD-certified housing counseling agency.

38       (g) This section shall not apply to entities described in  
39 subdivision (b) of Section 2924.18.

1       (h) This section shall apply only to mortgages or deeds of trust  
2 described in Section 2924.15.

3       SEC. 3. Section 2924f of the Civil Code, as amended by Section  
4 14 of Chapter 131 of the Statutes of 2023, is amended to read:

5       2924f. (a) As used in this section and Sections 2924g and  
6 2924h, "property" means real property or a leasehold estate therein,  
7 and "calendar week" means Monday through Saturday, inclusive.

8       (b) (1) Except as provided in subdivision (c), before any sale  
9 of property can be made under the power of sale contained in any  
10 deed of trust or mortgage, or any resale resulting from a rescission  
11 for a failure of consideration pursuant to subdivision (c) of Section  
12 2924h, notice of the sale thereof shall be given by posting a written  
13 notice of the time of sale and of the street address and the specific  
14 place at the street address where the sale will be held, and  
15 describing the property to be sold, at least 20 days before the date  
16 of sale in one public place in the city where the property is to be  
17 sold, if the property is to be sold in a city, or, if not, then in one  
18 public place in the county seat of the county where the property  
19 is to be sold, and publishing a copy once a week for three  
20 consecutive calendar weeks.

21       (2) The first publication to be at least 20 days before the date  
22 of sale, in a newspaper of general circulation published in the  
23 public notice district in which the property or some part thereof is  
24 situated, or in case no newspaper of general circulation is published  
25 in the public notice district, in a newspaper of general circulation  
26 published in the county in which the property or some part thereof  
27 is situated, or in case no newspaper of general circulation is  
28 published in the public notice district or county, as the case may  
29 be, in a newspaper of general circulation published in the county  
30 in this state that is contiguous to the county in which the property  
31 or some part thereof is situated and has, by comparison with all  
32 similarly contiguous counties, the highest population based upon  
33 total county population as determined by the most recent federal  
34 decennial census published by the Bureau of the Census. For the  
35 purposes of this section, publication of notice in a public notice  
36 district is governed by Chapter 1.1 (commencing with Section  
37 6080) of Division 7 of Title 1 of the Government Code.

38       (3) A copy of the notice of sale shall also be posted in a  
39 conspicuous place on the property to be sold at least 20 days before  
40 the date of sale, where possible and where not restricted for any

1 reason. If the property is a single-family residence the posting shall  
2 be on a door of the residence, but, if not possible or restricted, then  
3 the notice shall be posted in a conspicuous place on the property;  
4 however, if access is denied because a common entrance to the  
5 property is restricted by a guard gate or similar impediment, the  
6 property may be posted at that guard gate or similar impediment  
7 to any development community.

8 (4) The notice of sale shall conform to the minimum  
9 requirements of Section 6043 of the Government Code and be  
10 recorded with the county recorder of the county in which the  
11 property or some part thereof is situated at least 20 days prior to  
12 the date of sale.

13 (5) The notice of sale shall contain the name, street address in  
14 this state, which may reflect an agent of the trustee, and either a  
15 toll-free telephone number or telephone number in this state of the  
16 trustee, and the name of the original trustor, and also shall contain  
17 the statement required by paragraph (3) of subdivision (c). In  
18 addition to any other description of the property, the notice shall  
19 describe the property by giving its street address, if any, or other  
20 common designation, if any, and a county assessor's parcel  
21 number; but if the property has no street address or other common  
22 designation, the notice shall contain a legal description of the  
23 property, the name and address of the beneficiary at whose request  
24 the sale is to be conducted, and a statement that directions may be  
25 obtained pursuant to a written request submitted to the beneficiary  
26 within 10 days from the first publication of the notice. Directions  
27 shall be deemed reasonably sufficient to locate the property if  
28 information as to the location of the property is given by reference  
29 to the direction and approximate distance from the nearest  
30 crossroads, frontage road, or access road. If a legal description or  
31 a county assessor's parcel number and either a street address or  
32 another common designation of the property is given, the validity  
33 of the notice and the validity of the sale shall not be affected by  
34 the fact that the street address, other common designation, name  
35 and address of the beneficiary, or the directions obtained therefrom  
36 are erroneous or that the street address, other common designation,  
37 name and address of the beneficiary, or directions obtained  
38 therefrom are omitted.

39 (6) The term "newspaper of general circulation," as used in this  
40 section, has the same meaning as defined in Article 1 (commencing

1 with Section 6000) of Chapter 1 of Division 7 of Title 1 of the  
2 Government Code.

3 (7) The notice of sale shall contain a statement of the total  
4 amount of the unpaid balance of the obligation secured by the  
5 property to be sold and reasonably estimated costs, expenses,  
6 advances at the time of the initial publication of the notice of sale,  
7 and, if republished pursuant to a cancellation of a cash equivalent  
8 pursuant to subdivision (d) of Section 2924h, a reference of that  
9 fact; provided, that the trustee shall incur no liability for any good  
10 faith error in stating the proper amount, including any amount  
11 provided in good faith by or on behalf of the beneficiary. An  
12 inaccurate statement of this amount shall not affect the validity of  
13 any sale to a bona fide purchaser for value, nor shall the failure to  
14 post the notice of sale on a door as provided by this subdivision  
15 affect the validity of any sale to a bona fide purchaser for value.

16 (8) (A) On and after April 1, 2012, if the deed of trust or  
17 mortgage containing a power of sale is secured by real property  
18 containing from one to four single-family residences, the notice  
19 of sale shall contain substantially the following language, in  
20 addition to the language required pursuant to paragraphs (1) to (7),  
21 inclusive:

22  
23 **NOTICE TO POTENTIAL BIDDERS:** If you are considering  
24 bidding on this property lien, you should understand that there are  
25 risks involved in bidding at a trustee auction. You will be bidding  
26 on a lien, not on the property itself. Placing the highest bid at a  
27 trustee auction does not automatically entitle you to free and clear  
28 ownership of the property. You should also be aware that the lien  
29 being auctioned off may be a junior lien. If you are the highest  
30 bidder at the auction, you are or may be responsible for paying off  
31 all liens senior to the lien being auctioned off, before you can  
32 receive clear title to the property. You are encouraged to investigate  
33 the existence, priority, and size of outstanding liens that may exist  
34 on this property by contacting the county recorder's office or a  
35 title insurance company, either of which may charge you a fee for  
36 this information. If you consult either of these resources, you  
37 should be aware that the same lender may hold more than one  
38 mortgage or deed of trust on the property.

39

1     NOTICE TO PROPERTY OWNER: The sale date shown on  
2 this notice of sale may be postponed one or more times by the  
3 mortgagee, beneficiary, trustee, or a court, pursuant to Section  
4 2924g of the California Civil Code. The law requires that  
5 information about trustee sale postponements be made available  
6 to you and to the public, as a courtesy to those not present at the  
7 sale. If you wish to learn whether your sale date has been  
8 postponed, and, if applicable, the rescheduled time and date for  
9 the sale of this property, you may call [telephone number for  
10 information regarding the trustee's sale] or visit this internet  
11 website [internet website address for information regarding the  
12 sale of this property], using the file number assigned to this case  
13 [case file number]. Information about postponements that are very  
14 short in duration or that occur close in time to the scheduled sale  
15 may not immediately be reflected in the telephone information or  
16 on the internet website. The best way to verify postponement  
17 information is to attend the scheduled sale.

18

19     NOTICE TO TENANT: You may have a right to purchase this  
20 property after the trustee auction pursuant to Section 2924m of the  
21 California Civil Code. If you are an "eligible tenant buyer," you  
22 can purchase the property if you match the last and highest bid  
23 placed at the trustee auction. If you are an "eligible bidder," you  
24 may be able to purchase the property if you exceed the last and  
25 highest bid placed at the trustee auction. There are three steps to  
26 exercising this right of purchase. First, 48 hours after the date of  
27 the trustee sale, you can call [telephone number for information  
28 regarding the trustee's sale], or visit this internet website [internet  
29 website address for information regarding the sale of this property],  
30 using the file number assigned to this case [case file number] to  
31 find the date on which the trustee's sale was held, the amount of  
32 the last and highest bid, and the address of the trustee. Second,  
33 you must send a written notice of intent to place a bid so that the  
34 trustee receives it no more than 15 days after the trustee's sale.  
35 Third, you must submit a bid so that the trustee receives it no more  
36 than 45 days after the trustee's sale. If you think you may qualify  
37 as an "eligible tenant buyer" or "eligible bidder," you should  
38 consider contacting an attorney or appropriate real estate  
39 professional immediately for advice regarding this potential right  
40 to purchase.

1  
2     (B) A mortgagee, beneficiary, trustee, or authorized agent shall  
3 make a good faith effort to provide up-to-date information  
4 regarding sale dates and postponements to persons who wish this  
5 information. This information shall be made available free of  
6 charge. It may be made available via an internet website, a  
7 telephone recording that is accessible 24 hours a day, seven days  
8 a week, or through any other means that allows 24 hours a day,  
9 seven days a week, no-cost access to updated information. A  
10 disruption of any of these methods of providing sale date and  
11 postponement information to allow for reasonable maintenance or  
12 due to a service outage shall not be deemed to be a violation of  
13 the good faith standard.

14     (C) Except as provided in subparagraph (B), nothing in the  
15 wording of the notices required by subparagraph (A) is intended  
16 to modify or create any substantive rights or obligations for any  
17 person providing, or specified in, either of the required notices.  
18 Failure to comply with subparagraph (A) or (B) shall not invalidate  
19 any sale that would otherwise be valid under this section.

20     (D) Information provided pursuant to subparagraph (A) does  
21 not constitute the public declaration required by subdivision (d)  
22 of Section 2924g.

23     (E) For purposes of a property subject to this paragraph and of  
24 satisfying the requirements of Section 2924m, a trustee or an  
25 authorized agent shall maintain an internet website and a telephone  
26 number to provide information on applicable properties to persons  
27 who wish the information. In addition to any other information  
28 required by subparagraph (B), a trustee or an authorized agent  
29 shall provide information regarding the sale date, amount of the  
30 last and highest bid, and the trustee's address, to be accessible  
31 using the file number assigned to the case and listed on the  
32 NOTICE TO TENANT required by subparagraph (A). This  
33 information shall be made available free of charge and shall be  
34 available 24 hours a day, seven days a week.

35     (9) If the sale of the property is to be a unified sale as provided  
36 in subparagraph (B) of paragraph (1) of subdivision (a) of Section  
37 9604 of the Commercial Code, the notice of sale shall also contain  
38 a description of the personal property or fixtures to be sold. In the  
39 case where it is contemplated that all of the personal property or  
40 fixtures are to be sold, the description in the notice of the personal

1 property or fixtures shall be sufficient if it is the same as the  
2 description of the personal property or fixtures contained in the  
3 agreement creating the security interest in or encumbrance on the  
4 personal property or fixtures or the filed financing statement  
5 relating to the personal property or fixtures. In all other cases, the  
6 description in the notice shall be sufficient if it would be a  
7 sufficient description of the personal property or fixtures under  
8 Section 9108 of the Commercial Code. Inclusion of a reference to  
9 or a description of personal property or fixtures in a notice of sale  
10 hereunder shall not constitute an election by the secured party to  
11 conduct a unified sale pursuant to subparagraph (B) of paragraph  
12 (1) of subdivision (a) of Section 9604 of the Commercial Code,  
13 shall not obligate the secured party to conduct a unified sale  
14 pursuant to subparagraph (B) of paragraph (1) of subdivision (a)  
15 of Section 9604 of the Commercial Code, and in no way shall  
16 render defective or noncomplying either that notice or a sale  
17 pursuant to that notice by reason of the fact that the sale includes  
18 none or less than all of the personal property or fixtures referred  
19 to or described in the notice. This paragraph shall not otherwise  
20 affect the obligations or duties of a secured party under the  
21 Commercial Code.

22 (c) (1) This subdivision applies only to deeds of trust or  
23 mortgages which contain a power of sale and which are secured  
24 by real property containing a single-family, owner-occupied  
25 residence, where the obligation secured by the deed of trust or  
26 mortgage is contained in a contract for goods or services subject  
27 to the provisions of the Unruh Act (Chapter 1 (commencing with  
28 Section 1801) of Title 2 of Part 4 of Division 3).

29 (2) Except as otherwise expressly set forth in this subdivision,  
30 all other provisions of law relating to the exercise of a power of  
31 sale shall govern the exercise of a power of sale contained in a  
32 deed of trust or mortgage described in paragraph (1).

33 (3) If any default of the obligation secured by a deed of trust or  
34 mortgage described in paragraph (1) has not been cured within 30  
35 days after the recordation of the notice of default, the trustee or  
36 mortgagee shall mail to the trustor or mortgagor, at their last known  
37 address, a copy of the following statement:

38  
39 YOU ARE IN DEFAULT UNDER A  
40 \_\_\_\_\_,

1 (Deed of trust or mortgage)  
2 DATED \_\_\_\_\_. UNLESS YOU TAKE ACTION TO PROTECT  
3 YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE.  
4 IF YOU NEED AN EXPLANATION OF THE NATURE OF THE  
5 PROCEEDING AGAINST YOU, YOU SHOULD CONTACT  
6 A LAWYER.

7  
8 (4) All sales of real property pursuant to a power of sale  
9 contained in any deed of trust or mortgage described in paragraph  
10 (1) shall be held in the county where the residence is located and  
11 shall be made to the person making the highest offer. The trustee  
12 may receive offers during the 10-day period immediately prior to  
13 the date of sale and if any offer is accepted in writing by both the  
14 trustor or mortgagor and the beneficiary or mortgagee prior to the  
15 time set for sale, the sale shall be postponed to a date certain and  
16 prior to which the property may be conveyed by the trustor to the  
17 person making the offer according to its terms. The offer is  
18 revocable until accepted. The performance of the offer, following  
19 acceptance, according to its terms, by a conveyance of the property  
20 to the offeror, shall operate to terminate any further proceeding  
21 under the notice of sale and it shall be deemed revoked.

22 (5) In addition to the trustee fee pursuant to Section 2924c, the  
23 trustee or mortgagee pursuant to a deed of trust or mortgage subject  
24 to this subdivision shall be entitled to charge an additional fee of  
25 fifty dollars (\$50).

26 (6) This subdivision applies only to property on which notices  
27 of default were filed on or after the effective date of this  
28 subdivision.

29 (7) (A) ~~With respect to a sale of real property specified in this~~  
30 ~~subdivision that is subject to a power of sale contained in any deed~~  
31 ~~of trust or mortgage, the sale shall not be conducted until the~~  
32 ~~expiration of an additional 60 days following the time period~~  
33 ~~specified in paragraph (4) of subdivision (a) of Section 2924 if the~~  
34 ~~mortgagor or trustor provides the trustee and beneficiary with a~~  
35 ~~listing agreement placed in a publicly available multiple listing~~  
36 ~~service, as defined in Section 1087, for the sale of the property~~  
37 ~~subject to the power of sale at least 5 days prior to the scheduled~~  
38 ~~date of sale. This paragraph shall not be used more than once to~~  
39 ~~postpone the scheduled date.~~

1       (B) If a scheduled date of sale is postponed pursuant to this  
2 paragraph, the trustor's or mortgagor's right to reinstate the account  
3 shall be calculated based on the new scheduled date of sale.

4       (8) If the trustor provides the trustee and beneficiary with a copy  
5 of a purchase agreement for the sale of the property that is subject  
6 to a power of sale within the period specified in paragraph (7), the  
7 trustee shall postpone the initially scheduled date of sale to a date  
8 that is at least 45 days after the date on which the purchase  
9 agreement was entered into by the borrower. The postponement  
10 of the sale provided for in this paragraph shall only be required to  
11 be made available once.

12      (d) With respect to residential real property containing no more  
13 than four dwelling units, a separate document containing a  
14 summary of the notice of sale information in English and the  
15 languages described in Section 1632 shall be attached to the notice  
16 of sale provided to the mortgagor or trustor pursuant to Section  
17 2923.3.

18      (e) (1) *With respect to residential real property containing no  
19 more than four dwelling units that is subject to a power of sale  
20 contained in any deed of trust or mortgage, a sale of the property  
21 under the power of sale shall not be conducted until the expiration  
22 of an additional 45 days following the scheduled date of sale  
23 pursuant to subdivision (a) or (c) of Section 2924g if the mortgagor  
24 or trustor delivers to the trustee and mortgage servicer, by certified  
25 mail with the United States Postal Service or by another overnight  
26 mail courier service with tracking information that confirms the  
27 recipient's signature and the date and time of receipt and delivery,  
28 a listing agreement with a California licensed real estate broker  
29 or agency to be placed in a publicly available marketing platform  
30 for the sale of the property at least five business days before the  
31 scheduled date of sale. The provisions of this paragraph shall not  
32 be used to postpone the scheduled sale date more than once.*

33      (2) *If a scheduled date of sale is postponed pursuant to  
34 paragraph (1), the trustor's or mortgagor's right to reinstate the  
35 account shall be extended, calculated pursuant to subdivision (e)  
36 of Section 2924c based on the new scheduled date of sale.*

37      (3) *If a scheduled date of sale has been postponed pursuant to  
38 paragraph (1) and the mortgagor or trustor delivers to the trustee  
39 and mortgage servicer, by certified mail with the United States  
40 Postal Service or by another overnight mail courier service with*

1 tracking information that confirms the recipient's signature and  
2 the date and time of receipt and delivery, a copy of a purchase  
3 agreement for the sale of the property at least five business days  
4 before the scheduled sale, the trustee shall postpone the scheduled  
5 date of sale to a date that is at least 45 days after the date on which  
6 the purchase agreement was received by the trustee. The provisions  
7 of this paragraph shall not be used to postpone the scheduled sale  
8 date more than once.

9 (4) For purposes of this subdivision, "purchase agreement"  
10 means a bona fide and fully executed contract for the sale of the  
11 property that is subject to a power of sale that includes the name  
12 of the buyer, the sales price, the agreed closing date, and  
13 acceptance by the designated escrow agent.

14 (e)

15 (f) (1) With respect to residential real property containing no  
16 more than four dwelling units that is subject to a first lien power  
17 of sale contained in a first lien deed of trust or mortgage, the  
18 mortgagee, beneficiary, or authorized agent shall provide to the  
19 trustee a fair market value of the property at least 10 days prior to  
20 the initially scheduled date of sale, and the trustee shall not sell  
21 the property at the initially scheduled date of sale for less than 75  
22 67 percent of that fair market value of the property. *The trustee*  
23 *may rely on the fair market value provided pursuant to this*  
24 *paragraph, and shall not have a duty to verify the source or*  
25 *accuracy of the valuation.*

26 (2) (A) If the property remains unsold after the initial trustee's  
27 sale pursuant to paragraph (1), then the trustee shall hold a second  
28 trustee's sale postpone the sale for at least seven days, and the  
29 property may be sold to the highest bidder.

30 (B) ~~The trustee shall not hold the second trustee's sale until at~~  
31 ~~least seven days after the initial trustee's sale.~~

32 (3) For purposes of this subdivision, "fair market value of the  
33 property" means an estimate of the fair market value of the property  
34 *made within six months of the initially scheduled date of sale and*  
35 determined by an opinion of a licensed real estate broker, an  
36 appraisal from a licensed appraiser, a value from a commercially  
37 utilized automated valuation model, or a value from a computerized  
38 property valuation system that is used to derive a real property  
39 value.

1       (4) *A failure to comply with the provisions of paragraph (1)*  
2 *shall not affect the validity of a trustee's sale or a sale to a bona*  
3 *fide purchaser for value.*

4       (5) *The provisions of this subdivision shall apply to the initial*  
5 *trustee's sale for each notice of sale issued pursuant to subdivision*  
6 *(b) of Section 2924f.*

7       (¶)

8       (g) This section shall remain in effect only until January 1, 2031,  
9 and as of that date is repealed, unless a later enacted statute that  
10 is enacted before January 1, 2031, deletes or extends that date.

11      SEC. 4. Section 2924f of the Civil Code, as amended by Section  
12 15 of Chapter 131 of the Statutes of 2023, is amended to read:

13      2924f. (a) As used in this section and Sections 2924g and  
14 2924h, "property" means real property or a leasehold estate therein,  
15 and "calendar week" means Monday through Saturday, inclusive.

16      (b) (1) Except as provided in subdivision (c), before any sale  
17 of property can be made under the power of sale contained in any  
18 deed of trust or mortgage, or any resale resulting from a rescission  
19 for a failure of consideration pursuant to subdivision (c) of Section  
20 2924h, notice of the sale thereof shall be given by posting a written  
21 notice of the time of sale and of the street address and the specific  
22 place at the street address where the sale will be held, and  
23 describing the property to be sold, at least 20 days before the date  
24 of sale in one public place in the city where the property is to be  
25 sold, if the property is to be sold in a city, or, if not, then in one  
26 public place in the county seat of the county where the property  
27 is to be sold, and publishing a copy once a week for three  
28 consecutive calendar weeks.

29      (2) The first publication to be at least 20 days before the date  
30 of sale, in a newspaper of general circulation published in the  
31 public notice district in which the property or some part thereof is  
32 situated, or in case no newspaper of general circulation is published  
33 in the public notice district, in a newspaper of general circulation  
34 published in the county in which the property or some part thereof  
35 is situated, or in case no newspaper of general circulation is  
36 published in the public notice district or county, as the case may  
37 be, in a newspaper of general circulation published in the county  
38 in this state that is contiguous to the county in which the property  
39 or some part thereof is situated and has, by comparison with all  
40 similarly contiguous counties, the highest population based upon

1 total county population as determined by the most recent federal  
2 decennial census published by the Bureau of the Census. For the  
3 purposes of this section, publication of notice in a public notice  
4 district is governed by Chapter 1.1 (commencing with Section  
5 6080) of Division 7 of Title 1 of the Government Code.

6 (3) A copy of the notice of sale shall also be posted in a  
7 conspicuous place on the property to be sold at least 20 days before  
8 the date of sale, where possible and where not restricted for any  
9 reason. If the property is a single-family residence the posting shall  
10 be on a door of the residence, but, if not possible or restricted, then  
11 the notice shall be posted in a conspicuous place on the property;  
12 however, if access is denied because a common entrance to the  
13 property is restricted by a guard gate or similar impediment, the  
14 property may be posted at that guard gate or similar impediment  
15 to any development community.

16 (4) The notice of sale shall conform to the minimum  
17 requirements of Section 6043 of the Government Code and be  
18 recorded with the county recorder of the county in which the  
19 property or some part thereof is situated at least 20 days prior to  
20 the date of sale.

21 (5) The notice of sale shall contain the name, street address in  
22 this state, which may reflect an agent of the trustee, and either a  
23 toll-free telephone number or telephone number in this state of the  
24 trustee, and the name of the original trustor, and also shall contain  
25 the statement required by paragraph (3) of subdivision (c). In  
26 addition to any other description of the property, the notice shall  
27 describe the property by giving its street address, if any, or other  
28 common designation, if any, and a county assessor's parcel  
29 number; but if the property has no street address or other common  
30 designation, the notice shall contain a legal description of the  
31 property, the name and address of the beneficiary at whose request  
32 the sale is to be conducted, and a statement that directions may be  
33 obtained pursuant to a written request submitted to the beneficiary  
34 within 10 days from the first publication of the notice. Directions  
35 shall be deemed reasonably sufficient to locate the property if  
36 information as to the location of the property is given by reference  
37 to the direction and approximate distance from the nearest  
38 crossroads, frontage road, or access road. If a legal description or  
39 a county assessor's parcel number and either a street address or  
40 another common designation of the property is given, the validity

1 of the notice and the validity of the sale shall not be affected by  
2 the fact that the street address, other common designation, name  
3 and address of the beneficiary, or the directions obtained therefrom  
4 are erroneous or that the street address, other common designation,  
5 name and address of the beneficiary, or directions obtained  
6 therefrom are omitted.

7 (6) The term “newspaper of general circulation,” as used in this  
8 section, has the same meaning as defined in Article 1 (commencing  
9 with Section 6000) of Chapter 1 of Division 7 of Title 1 of the  
10 Government Code.

11 (7) The notice of sale shall contain a statement of the total  
12 amount of the unpaid balance of the obligation secured by the  
13 property to be sold and reasonably estimated costs, expenses,  
14 advances at the time of the initial publication of the notice of sale,  
15 and, if republished pursuant to a cancellation of a cash equivalent  
16 pursuant to subdivision (d) of Section 2924h, a reference of that  
17 fact; provided, that the trustee shall incur no liability for any good  
18 faith error in stating the proper amount, including any amount  
19 provided in good faith by or on behalf of the beneficiary. An  
20 inaccurate statement of this amount shall not affect the validity of  
21 any sale to a bona fide purchaser for value, nor shall the failure to  
22 post the notice of sale on a door as provided by this subdivision  
23 affect the validity of any sale to a bona fide purchaser for value.

24 (8) (A) On and after April 1, 2012, if the deed of trust or  
25 mortgage containing a power of sale is secured by real property  
26 containing from one to four single-family residences, the notice  
27 of sale shall contain substantially the following language, in  
28 addition to the language required pursuant to paragraphs (1) to (7),  
29 inclusive:

30  
31 NOTICE TO POTENTIAL BIDDERS: If you are considering  
32 bidding on this property lien, you should understand that there are  
33 risks involved in bidding at a trustee auction. You will be bidding  
34 on a lien, not on the property itself. Placing the highest bid at a  
35 trustee auction does not automatically entitle you to free and clear  
36 ownership of the property. You should also be aware that the lien  
37 being auctioned off may be a junior lien. If you are the highest  
38 bidder at the auction, you are or may be responsible for paying off  
39 all liens senior to the lien being auctioned off, before you can  
40 receive clear title to the property. You are encouraged to investigate

1 the existence, priority, and size of outstanding liens that may exist  
2 on this property by contacting the county recorder's office or a  
3 title insurance company, either of which may charge you a fee for  
4 this information. If you consult either of these resources, you  
5 should be aware that the same lender may hold more than one  
6 mortgage or deed of trust on the property.

7

8     **NOTICE TO PROPERTY OWNER:** The sale date shown on  
9 this notice of sale may be postponed one or more times by the  
10 mortgagee, beneficiary, trustee, or a court, pursuant to Section  
11 2924g of the California Civil Code. The law requires that  
12 information about trustee sale postponements be made available  
13 to you and to the public, as a courtesy to those not present at the  
14 sale. If you wish to learn whether your sale date has been  
15 postponed, and, if applicable, the rescheduled time and date for  
16 the sale of this property, you may call [telephone number for  
17 information regarding the trustee's sale] or visit this internet  
18 website [internet website address for information regarding the  
19 sale of this property], using the file number assigned to this case  
20 [case file number]. Information about postponements that are very  
21 short in duration or that occur close in time to the scheduled sale  
22 may not immediately be reflected in the telephone information or  
23 on the internet website. The best way to verify postponement  
24 information is to attend the scheduled sale.

25

26     (B) A mortgagee, beneficiary, trustee, or authorized agent shall  
27 make a good faith effort to provide up-to-date information  
28 regarding sale dates and postponements to persons who wish this  
29 information. This information shall be made available free of  
30 charge. It may be made available via an internet website, a  
31 telephone recording that is accessible 24 hours a day, seven days  
32 a week, or through any other means that allows 24 hours a day,  
33 seven days a week, no-cost access to updated information. A  
34 disruption of any of these methods of providing sale date and  
35 postponement information to allow for reasonable maintenance or  
36 due to a service outage shall not be deemed to be a violation of  
37 the good faith standard.

38     (C) Except as provided in subparagraph (B), nothing in the  
39 wording of the notices required by subparagraph (A) is intended  
40 to modify or create any substantive rights or obligations for any

1 person providing, or specified in, either of the required notices.  
2 Failure to comply with subparagraph (A) or (B) shall not invalidate  
3 any sale that would otherwise be valid under this section.

4 (D) Information provided pursuant to subparagraph (A) does  
5 not constitute the public declaration required by subdivision (d)  
6 of Section 2924g.

7 (9) If the sale of the property is to be a unified sale as provided  
8 in subparagraph (B) of paragraph (1) of subdivision (a) of Section  
9 9604 of the Commercial Code, the notice of sale shall also contain  
10 a description of the personal property or fixtures to be sold. In the  
11 case where it is contemplated that all of the personal property or  
12 fixtures are to be sold, the description in the notice of the personal  
13 property or fixtures shall be sufficient if it is the same as the  
14 description of the personal property or fixtures contained in the  
15 agreement creating the security interest in or encumbrance on the  
16 personal property or fixtures or the filed financing statement  
17 relating to the personal property or fixtures. In all other cases, the  
18 description in the notice shall be sufficient if it would be a  
19 sufficient description of the personal property or fixtures under  
20 Section 9108 of the Commercial Code. Inclusion of a reference to  
21 or a description of personal property or fixtures in a notice of sale  
22 hereunder shall not constitute an election by the secured party to  
23 conduct a unified sale pursuant to subparagraph (B) of paragraph  
24 (1) of subdivision (a) of Section 9604 of the Commercial Code,  
25 shall not obligate the secured party to conduct a unified sale  
26 pursuant to subparagraph (B) of paragraph (1) of subdivision (a)  
27 of Section 9604 of the Commercial Code, and in no way shall  
28 render defective or noncomplying either that notice or a sale  
29 pursuant to that notice by reason of the fact that the sale includes  
30 none or less than all of the personal property or fixtures referred  
31 to or described in the notice. This paragraph shall not otherwise  
32 affect the obligations or duties of a secured party under the  
33 Commercial Code.

34 (c) (1) This subdivision applies only to deeds of trust or  
35 mortgages which contain a power of sale and which are secured  
36 by real property containing a single-family, owner-occupied  
37 residence, where the obligation secured by the deed of trust or  
38 mortgage is contained in a contract for goods or services subject  
39 to the provisions of the Unruh Act (Chapter 1 (commencing with  
40 Section 1801) of Title 2 of Part 4 of Division 3).

1       (2) Except as otherwise expressly set forth in this subdivision,  
2       all other provisions of law relating to the exercise of a power of  
3       sale shall govern the exercise of a power of sale contained in a  
4       deed of trust or mortgage described in paragraph (1).

5 (3) If any default of the obligation secured by a deed of trust or  
6 mortgage described in paragraph (1) has not been cured within 30  
7 days after the recordation of the notice of default, the trustee or  
8 mortgagee shall mail to the trustor or mortgagor, at their last known  
9 address, a copy of the following statement:

## 11 YOU ARE IN DEFAULT UNDER A

12 \_\_\_\_\_

13 (Deed of trust or mortgage)

14 DATED \_\_\_\_\_. UNLESS YOU TAKE ACTION TO PROTECT  
15 YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE.  
16 IF YOU NEED AN EXPLANATION OF THE NATURE OF THE  
17 PROCEEDING AGAINST YOU, YOU SHOULD CONTACT  
18 A LAWYER.

18  
10

19 (4) All sales of real property pursuant to a power of sale  
20 contained in any deed of trust or mortgage described in paragraph  
21 (1) shall be held in the county where the residence is located and  
22 shall be made to the person making the highest offer. The trustee  
23 may receive offers during the 10-day period immediately prior to  
24 the date of sale and if any offer is accepted in writing by both the  
25 trustor or mortgagor and the beneficiary or mortgagee prior to the  
26 time set for sale, the sale shall be postponed to a date certain and  
27 prior to which the property may be conveyed by the trustor to the  
28 person making the offer according to its terms. The offer is  
29 revocable until accepted. The performance of the offer, following  
30 acceptance, according to its terms, by a conveyance of the property  
31 to the offeror, shall operate to terminate any further proceeding  
32 under the notice of sale and it shall be deemed revoked.  
33

34 (5) In addition to the trustee fee pursuant to Section 2924c, the  
35 trustee or mortgagee pursuant to a deed of trust or mortgage subject  
36 to this subdivision shall be entitled to charge an additional fee of  
37 fifty dollars (\$50).

38 (6) This subdivision applies only to property on which notices  
39 of default were filed on or after the effective date of this  
40 subdivision.

1       (7) (A) With respect to a sale of real property specified in this  
2 subdivision that is subject to a power of sale contained in any deed  
3 of trust or mortgage, the sale shall not be conducted until the  
4 expiration of an additional 60 days following the time period  
5 specified in paragraph (4) of subdivision (a) of Section 2924 if the  
6 mortgagor or trustor provides the trustee and beneficiary with a  
7 listing agreement placed in a publicly available multiple listing  
8 service, as defined in Section 1087, for the sale of the property  
9 subject to the power of sale at least 5 days prior to the scheduled  
10 date of sale. This paragraph shall not be used more than once to  
11 postpone the scheduled date.

12      (B) If a scheduled date of sale is postponed pursuant to this  
13 paragraph, the trustor's or mortgagor's right to reinstate the account  
14 shall be calculated based on the new scheduled date of sale.

15      (8) If the trustor provides the trustee and beneficiary with a copy  
16 of a purchase agreement for the sale of the property that is subject  
17 to a power of sale within the period specified in paragraph (7), the  
18 trustee shall postpone the initially scheduled date of sale to a date  
19 that is at least 45 days after the date on which the purchase  
20 agreement was entered into by the borrower. The postponement  
21 of the sale provided for in this paragraph shall only be required to  
22 be made available once.

23      (d) With respect to residential real property containing no more  
24 than four dwelling units, a separate document containing a  
25 summary of the notice of sale information in English and the  
26 languages described in Section 1632 shall be attached to the notice  
27 of sale provided to the mortgagor or trustor pursuant to Section  
28 2923.3.

29      (e) (1) *With respect to residential real property containing no  
30 more than four dwelling units that is subject to a power of sale  
31 contained in any deed of trust or mortgage, a sale of the property  
32 under the power of sale shall not be conducted until the expiration  
33 of an additional 45 days following the scheduled date of sale  
34 pursuant to subdivision (a) or (c) of Section 2924g if the mortgagor  
35 or trustor delivers to the trustee and mortgage servicer, by certified  
36 mail with the United States Postal Service or by another overnight  
37 mail courier service with tracking information that confirms the  
38 recipient's signature and the date and time of receipt and delivery,  
39 a listing agreement with a California licensed real estate broker  
40 or agency to be placed in a publicly available marketing platform*

1 for the sale of the property at least five business days before the  
2 scheduled date of sale. The provisions of this paragraph shall not  
3 be used to postpone the scheduled sale date more than once.

4 (2) If a scheduled date of sale is postponed pursuant to  
5 paragraph (1), the trustor's or mortgagor's right to reinstate the  
6 account shall be extended, calculated pursuant to subdivision (e)  
7 of Section 2924c based on the new scheduled date of sale.

8 (3) If a scheduled date of sale has been postponed pursuant to  
9 paragraph (1) and the mortgagor or trustor delivers to the trustee  
10 and mortgage servicer, by certified mail with the United States  
11 Postal Service or by another overnight mail courier service with  
12 tracking information that confirms the recipient's signature and  
13 the date and time of receipt and delivery, a copy of a purchase  
14 agreement for the sale of the property at least five business days  
15 before the scheduled sale, the trustee shall postpone the scheduled  
16 date of sale to a date that is at least 45 days after the date on which  
17 the purchase agreement was received by the trustee. The provisions  
18 of this paragraph shall not be used to postpone the scheduled sale  
19 date more than once.

20 (4) For purposes of this subdivision, "purchase agreement"  
21 means a bona fide and fully executed contract for the sale of the  
22 property that is subject to a power of sale that includes the name  
23 of the buyer, the sales price, the agreed closing date, and  
24 acceptance by the designated escrow agent.

25 (e)

26 (f) (1) With respect to residential real property containing no  
27 more than four dwelling units that is subject to a ~~first~~ lien power  
28 of sale contained in a first lien deed of trust or mortgage, the  
29 mortgagee, beneficiary, or authorized agent shall provide to the  
30 trustee a fair market value of the property at least 10 days prior to  
31 the initially scheduled date of sale, and the trustee shall not sell  
32 the property at the initially scheduled date of sale for less than ~~75~~  
33 67 percent of that fair market value of the property. The trustee  
34 may rely on the fair market value provided pursuant to this  
35 paragraph, and shall not have a duty to verify the source or  
36 accuracy of the valuation.

37 (2) (A) If the property remains unsold after the initial trustee's  
38 sale pursuant to paragraph (1), then the trustee shall ~~hold~~ a second  
39 trustee's sale postpone the sale for at least seven days, and the  
40 property may be sold to the highest bidder.

1       (B) The trustee shall not hold the second trustee's sale until at  
2 least seven days after the initial trustee's sale.

3       (3) For purposes of this subdivision, "fair market value of the  
4 property" means an estimate of the fair market value of the property  
5 *made within six months of the initially scheduled date of sale and*  
6 determined by an opinion of a licensed real estate broker, an  
7 appraisal from a licensed appraiser, a value from a commercially  
8 utilized automated valuation model, or a value from a computerized  
9 property valuation system that is used to derive a real property  
10 value.

11      (4) *A failure to comply with the provisions of paragraph (1)*  
12 *shall not affect the validity of a trustee's sale or a sale to a bona*  
13 *fide purchaser for value.*

14      (5) *The provisions of this subdivision shall apply to the initial*  
15 *trustee's sale for each notice of sale issued pursuant to subdivision*  
16 *(b) of Section 2924f.*

17      (f)

18      (g) This section shall be operative January 1, 2031.

19      SEC. 5. Section 2932.2 is added to the Civil Code, to read:

20      2932.2. With respect to residential real property containing no  
21 more than four dwelling units, a mortgagee, beneficiary, or  
22 authorized agent shall provide to the mortgagor or trustor, before  
23 the mortgagor or trustor signs the mortgage or deed of trust, a  
24 written disclosure that a third party, such as a family member,  
25 HUD-certified housing counselor, or attorney, may record a request  
26 to receive copies of any notice of default and notice of sale. A  
27 request for notice under this section shall comply with Section  
28 2924b.