

# California Foreclosure Prevention Act update

## IMMIGRATION HIGHLIGHTS



ATTY. CRISPIN LOZANO

LAST May 21, 2009 the California Foreclosure Prevention Act was made effective. The act precludes the lender from filing a notice of sale for an additional 90 days unless the lender or servicer has a comprehensive loan modification program approved by the California Department of

Corporations. If the comprehensive loan modification program is accepted by the regulators, then the applicant will receive an exemption from the 90 day foreclosure stay as long as the lender or servicer acts in accordance with the approved program. As of July 2, 2009, many lenders and servicers qualify under this exemption. This means that these lenders will not be giving another 90 days stay because they already have a program for loan modification.

The banks are now more receptive to negotiate loan modification. Last week we received offers from lenders reducing interest rate to 4 percent and forgiveness of the amount in ar-

rears. In one of the offers we received, the lender made a second offer further reducing the monthly payments to cover payment for property tax and insurance.

**Question: When should you start contacting an attorney to negotiate loan modification?**

**Answer:** You should start contacting an attorney from the time you determined that your financial capacity cannot sustain your mortgage payment. Your mortgage payment including property tax and insurance should be at least 38 percent of your gross monthly income.

**Question: When is a Notice of Default filed?**

Answer: A Notice of Default is generally mailed as a certified mail. There are lenders that do not send the notice through certified mail. Generally it is printed in bold 14 point type with the wordings "Important notice: if your property is in foreclosure because you are behind in your payments, it may be sold without court action." It should state how much is due as of a certain date. If you are late in payments for about 3 to 6 months, a notice of default may be mailed to you. If you have any doubt on what you received you can check with an attorney. The NOD is filed with the County Recorder's Office by the Trustee (usually a Title Company).

**Question: I missed payments for seven months and I do not know if I received a Notice of Default because I do not know how it looks and what it says. How do I know if I was sent a Notice of Default?**

**Answer:** You may contact the

lender or the County Recorder's Office where your house is located to know if a Notice of Default has been filed. All parties in the mortgage contract should be sent a copy of the NOD. If you are not sure of what papers you received, you may contact an attorney.

**Question: What is the significance of the Notice of Default?**

**Answer:** A Notice of Default is the start of the foreclosure timeline. You will be given 90 days to reinstate your loan to current. Within 90 days, you should be able to modify your loan or pay all of the arrears due on the loan to avoid foreclosure.

**Question: Will filing of Chapter 13 bankruptcy stop foreclosure?**

**Answer:** Chapter 13 bankruptcy will temporarily stop foreclosure. Once the debtor is discharged, the lender will proceed with the foreclosure if the debtor is still late on his monthly payments.

**Question: Can a homeowner apply for loan modification after a debtor is discharged in Chapter 13 bankruptcy?**

**Answer:** Yes. However, it is better to apply for loan modification before filing Chapter 13 bankruptcy because you have a better chance of getting better terms in modifying your loan. Once you filed for bankruptcy and still you cannot pay your mortgage after your discharge, you have lesser chance of getting the best terms of modification.

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**Disclaimer: This is not a legal advice. You need to talk to an attorney about your case.**

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(Advertising Supplement)

# Foreclosure Action

## LEGAL RIGHTS



ATTY. JOHNSON LAZARO

(Part 3)

LAST week we studied the first four steps an individual facing foreclosure needs to adhere to in order to receive a fair case.

The first few steps of the foreclosure lawsuit require strict detail to deadlines as well as some basic and more complex paperwork.

The "Summons and Complaint" will inform the homeowner that he or she is facing foreclosure. On the "Summons and Complaint" is the "return date" which notifies the homeowner how long he or she has to appeal the lawsuit.

Filing an "Appearance Form" and "Answer" will both inform the court that you plan to fight the foreclosure and the "Answer" will provide an explanation or reason for why you do not agree with all or parts of the "Summons and Complaint."

Generally in California the majority of Foreclosures are done through trustee sale. In the majority of the cases your house will be auctioned off to the highest bidder. If no one buys the house it goes back to the beneficiary or the bank.

In a judicial foreclosure there will be a hearing. The hearing is intended to discover whether or not the value of the property is worth more than the total debt. The "total debt" is more than what is owed on the mortgage. It also includes court and marshal's

fees for filing the foreclosure action, attorney's fees, the cost of a title search by the bank, the cost of an appraisal by the bank, all the interest accumulated on the mortgage, the unpaid principal, as well as costs associated with auctioning off the property.

The information will provide the judge with the equity of the property. The equity is what the homeowner actually owns on the property. It is the difference between what the property is worth and how much you owe on the property.

Equity is the major factor when deciding between "Strict Foreclosure" and "Foreclosure by Sale." Lawyers with experience in this area will help calculate the equity and suggest whether or not "Foreclosure by Sale" is a wise decision. Generally the higher the equity the more appropriate "Foreclosure by Sale" represents.

The court will eventually enter a "Judgment." The "Judgment" will either dismiss the action or permit foreclosure. If the court rules in favor of foreclosure, it will order either "Strict Foreclosure" or "Foreclosure by Sale." The court sets a "law day" which the individual will lose the rights to the property while it sets a "sale date" for individuals facing "Foreclosure by Sale." The judge may set a longer law or sale date if the individual has a good chance of selling or refinancing the property.

Remember, the "Judgment" does not cut off the rights to the property. The "law day" or "confirmed sale of the property" ends your rights.

"Ejectment" is the final step in a foreclosure. If the individual does not leave the property after the law or sale date, the court will issue an order allowing the bank to order a marshal to throw the

occupants out.

By law the marshal must hand over the "execution for ejectment" to the homeowner. The marshal may hand this document over to the homeowner in as little as 24 hours before the family must move and will inform the occupants of when they must leave the property. On the day and time of the notice, the marshal will arrive with movers to remove all the possessions from the property and place them in storage. An individual has 15 days after the notice to reclaim the possessions. After 15 days the town has the right to auction off everything.

The "Deficiency Judgment" will inform the homeowner after the law or sale date that states how much money you still owe to the lender. The "Deficiency Judgment" differs between a "Strict Foreclosure" and "Foreclosure by Sale." Numbers for "Foreclosure by Sale" is calculated after the sale is made and by how much the total debt equals.

Please note that foreclosure laws are different in every state. Please check with an attorney before proceeding. Now that you understand the foreclosure lawsuit process, we'll examine some defenses you and your lawyer may take in the event of a foreclosure.

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# Minority populations optimistic that the American dream can be achieved

## MetLife announces results from its Third Annual American Dream study

NEW YORK, NY—Minority populations are more optimistic than the general population that achievement of the American dream is still possible. According to The 2009 MetLife Study of the American Dream—the company's third annual study—83 percent of Asian Americans believe that they will achieve the American dream in their lifetimes, as do 82 percent of African Americans and 89 percent of Hispanic Americans, compared to only two-thirds (66 percent) of Caucasians. Minority groups are more optimistic that the US economy is headed in the right direction. They also believe in greater numbers than the overall population that the economy will be better in 2009 than it was in 2008.

"We know that striving for the American dream is a universal ideal in the US. This year's findings reveal that minority populations place even more importance on a successful career as a key component to achieving the dream," said Beth Hirschhorn, senior vice president and chief marketing officer of MetLife.

The study found that Asian Americans view career success as a key component of the American dream. More than half of Asian Americans (53 percent) include career success in their top three definitions of the dream, compared to 44 percent of Hispanic Americans, 43 percent of African Americans and 29 percent of the public overall. Asian Americans are also more likely than the general public to define "financial security" in terms of job security, with 37 percent of Asian Americans including a steady paycheck as an integral component of financial stability.

As a result of the current economic climate, 68 percent of Asian Americans and Hispanic Americans and 63 percent of African Americans are more worried about losing their job over the next 12 months compared to 56 percent of the general public. The study found that 43 percent of Asian Americans believed they could meet their expenses for at least four months in the case of a job loss, compared with 29 percent overall. Eight out of 10 Asian Americans feel that having a personal safety net is more important than last year

and are planning to take steps toward creating their own personal safety nets as traditional safety nets, such as corporate and social, continue to erode.

"By working with a financial advisor to create their own personal safety net, one that protects them and their family from the unexpected and ultimately helps grow their wealth, Americans of all socio-economic and ethnic backgrounds may be able to achieve the American dream sooner than they had hoped," said Joseph Jordan, senior vice president, national sales and marketing for MetLife's Individual Business.

Finally, the study found that Asian Americans would like more information about financial topics. They are also more likely to say they are interested in financial guarantees such as those associated with life insurance and annuities, when evaluating their purchase decisions and companies they do business with.

### Methodology

From January 7—16, 2009, Strategy First Partners, in conjunction with Penn, Schoen & Berland Associates, conducted 2,243 online surveys in the United States among the general population as part of The 2009 MetLife Study of the American Dream.

To download The 2009 MetLife Study of the American Dream, visit [www.metlife.com/dream](http://www.metlife.com/dream).

### About MetLife

MetLife is a subsidiary of MetLife, Inc. (NYSE: MET), a leading provider of insurance, employee benefits and financial services with operations throughout the United States and the Latin America, Europe and Asia Pacific regions. Through its subsidiaries and affiliates, MetLife, Inc. reaches more than 70 million customers around the world and MetLife is the largest life insurer in the United States (based on life insurance in-force). The MetLife companies offer life insurance, annuities, auto and home insurance, retail banking and other financial services to individuals, as well as group insurance and retirement & savings products and services to corporations and other institutions. For more information, visit [www.metlife.com](http://www.metlife.com).

# RE-UNION

Filipino-American Associations in America

*Searching for a kababata from your hometown, a college buddy or a Pinoy colleague? Your search is finally over. The Asian Journal brings you Re:Union, Filipino American Associations in America -- your link to a network of kababayans associations here in the United States. As your Filipino-American community newspaper, the Asian Journal recognizes your need to nourish and maintain ties with the people and the culture you were born with. This is our way of connecting our kababayans to the past, of creating new opportunities for the present and of inspiring you to pay it forward by becoming active members of your association and the FilAm community at large in the future.*

## Alpha Phi Omega (Phils.) Alumni Council of North America (ACNA)

Contact: ACNA Service Call Center (818) 523-7322 <http://apo-acna.org>

IN the early part of 1988, the East Coast, Northern California, and the Southern California Alumni Associations, with their respective Presidents Joey Makayan, Danny Nagrampa, and Edgar Ninofranco, initiated an informal discussion about the possibility of holding an inter-state conference.

In due time, (to coincide with then an Annual Sportsfest between the Northern and Southern California Alumni Associations) an Inter-State Conference was held on September 1, 1990, hosted by the Northern California counterparts.

The conference was a formal gathering of five official delegates and other participating members from each of the three Associations. The event was graced and honored by no other than our late Philippine Organizer and President Emeritus Dr. Librado (Bado) I. Ureta, Ph.D.

In this conference, tough questions had to be answered. Some have had to be resolved, while others had to be left hanging in the air. To get through the order of business, a Conference Chairman was elected. Subsequently, three basic

topics were highlighted for discussion, as follows: 1) ACNA's would-be relationship with the Alpha Phi Omega Philippines; 2) Biennial Conventions on the Labor Day week-end holiday every even-numbered years made effective on September, 1992 was set; and 3) ACNA's organizational foundation and guidelines were laid and established.

Two supposed separate bodies, namely: the Constitutional Commission and the Ad Hoc set of officers were created.

A couple other names were suggested. But, gaining the most number of votes, the name ALPHA PHI OMEGA ALUMNI COUNCIL OF NORTH AMERICA came into being.

Executive officers  
Ben Castro - President, Corazon de Jesus - 1st Vice President, Belle Tumbokon - 2nd Vice President, Jun Cahapisan - Secretary, Jesse de Leon - Treasurer, Paul Villafuerte - Auditor, Sancho Sy - 1st PRO, Jun de Castro - 2nd PRO, Windellis Delos Reyes - Webmaster, Alex Dulay - ID Officer and Art Libot - Ambassador and Liaison Officer.

# People and Events

## SFPCG Outreach Mission returns to Colorado Springs



COLORADO SPRINGS, CO—The Philippine Consulate General in San Francisco successfully conducted its second consecutive consular outreach mission to Colorado Springs on June 25 to 28 in close partnership with the Filipino-American Community of Southern Colorado.

The "Consulate on Wings" team to Colorado Springs was led by Deputy Consul General Wilfredo C. Santos and composed of Ms. Vicky Mendez, Ms. Helen Comullo, and Mr. John Jiao. It was the seventh outreach mission organized by the Post for 2009.

The outreach activity in Colorado Springs was held at the Nanay Betty's Filipino Restaurant owned and operated by Ms. Maribeth Groover and her husband Mr. Plenty Groover who graciously provided the spacious venue for the 3-day outreach mission.

"The large turnout of applicants during our outreach mission to Colorado Springs exceeded our expectations," said Deputy Consul General Wilfredo C. Santos.

"This only shows the strong ties of our kababayans in Colorado for the Philippines. We are pleased

to have brought directly our services to them," he added.

The overwhelming response and participation of the Fil-Ams in Colorado and nearby areas represents the growing Filipino communities all over the United States. Under its work program, the Philippine Consulate General in San Francisco has stepped up its consular outreach missions to the different cities within the 10 northwestern states under its jurisdiction to conduct consular services, such as renewal of Philippine passports, legalization of documents, processing of applications for dual citizenship, and conducting the oath-taking ceremony for new dual citizens.

While in Colorado Springs, the consulate team attended the Philippine Independence Day Celebration of the Filipino Community of Southern Colorado held at the Founders Park Recreation Center on 28 June. The event was well attended by the local community including its prominent members, such as Lieutenant General (ret.) Edward Soriano who once served as the highest ranking Filipino American in the US Army, and Colorado State Rep-