

## **MOBILE HOME FORECLOSURES OVERVIEW**

Foreclosures on Manufactured Homes, Mobile Homes or Commercial Coaches are processed pursuant to *Health and Safety Codes Section 18037.5 et seq.* The California Department of Housing and Community Development (HCD) is the responsible government agency. Mobile Homes are registered with HCD.

The code requires that there be a Loan Contract/**Security Agreement** relating to a loan on a Mobile Home or Manufactured Home or Commercial Coach. The Loan Contract/**Security Agreement** must give the secured party the right to foreclose.

The Lender should pursue all possible collection efforts prior to making the decision to foreclose.

Public Sales must be conducted in accordance with *California Commercial Code Section 9610 et. seq.*

### **SEQUENTIAL TIME CHART FOR MOBILE HOME FORECLOSURES**

1. Loan Contract/**Security Agreement** is entered into for Mobile Home. Confirm that the Contract or Agreement contains remedy of Foreclosure.
2. Default Occurs
3. Collection efforts are made; check Security Agreement to determine if a *Notice of Intent to Foreclose Letter* is required.
4. **Declaration of Default, Request to Prepare Notice of Default**/Notice of Abandonment forms and required documentation are completed by the Lender and sent to the Agent to begin foreclosure proceedings.
5. Agent orders Title Search from HCD.
6. Notice of Default or Notice of Abandonment is prepared and signed by Agent, as agent for foreclosing Lender.
7. Notice of Default or Notice of Abandonment is mailed Certified and Regular First Class mail. The Notice of Default has a 45 day reinstatement period. The Notice of Abandonment has an 18 day reinstatement period.
8. Notice of Public Sale is prepared and mailed on the expiration of the reinstatement period (46th or 19th day) Notice of Public Sale is published 5 days prior to the actual sale date.
9. Agent will conduct Public Sale
10. The agent will notify the Lender of the results of the sale and forward proper documents to transfer title.