



*State of California*  
**DEPARTMENT OF JUSTICE**

300 SOUTH SPRING STREET, SUITE 1702  
LOS ANGELES, CA 90013

Public: (213) 897-2000

August 7, 2009

[Name]  
[Address]  
[City]

RE: Foreclosure Consultant Businesses Operating In The State Of California;  
Duty to Comply With California Law and Register With The Department of Justice

\_\_\_\_\_:

The Office of the California Attorney General has determined that you may be engaged in the business of offering to assist homeowners avoid foreclosure on their homes by, for example, helping them negotiate a loan modification, repayment plan or forbearance.

Individuals and entities engaging in this business are subject to California laws governing foreclosure consultants, which can be found at sections 2945 and following of the California Civil Code. California law prohibits foreclosure consultants from collecting any compensation until after all services offered to the homeowner have been performed and caps the total amount of fees that can be charged. A foreclosure consultant who has been engaged by a homeowner also may not obtain any interest in that person's home. These and other prohibited practices are described at Civil Code section 2945.4.

Foreclosure consultants also are required to register with the Department of Justice. (Civil Code section 2945.45). As part of the registration process, foreclosure consultants must obtain a \$100,000 bond. According to our records, you have not registered with this Office as a foreclosure consultant and have not obtained the required bond. You are directed to register as required by law within ten days of the date of this letter. If you fail to register, you may be subject to legal action.

If you believe you are not subject to the provisions of California's foreclosure consultant law, including the duty to register with the Department of Justice and obtain a bond, please provide a written explanation of why, and any other materials you wish us to consider in support of your position, within 10 days of the date of this letter. Please mail your response to Betty Mason at California Department of Justice, 300 S. Spring St., Ste. 1702, Los Angeles, CA 90013.

Sincerely,

California Department of Justice