

AMENDED IN ASSEMBLY AUGUST 24, 2020

AMENDED IN ASSEMBLY AUGUST 10, 2020

AMENDED IN SENATE JUNE 18, 2020

AMENDED IN SENATE MAY 29, 2020

AMENDED IN SENATE MAY 13, 2020

SENATE BILL

No. 1079

**Introduced by Senator Skinner
(Coauthor: Senator Rubio)**

February 19, 2020

An act to amend Section 2929.3 of, to amend, repeal, and add Sections 2924f, 2924g, and 2924h of, to add Section 2924n to, and to add and repeal Section 2924m of, the Civil Code, relating to real property.

LEGISLATIVE COUNSEL'S DIGEST

SB 1079, as amended, Skinner. Residential property: foreclosure.

Existing law prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust and prescribes a procedure for the exercise of that power.. Existing law requires, among other things, that a statement of the default containing specific information be mailed to the trustor or mortgagor at that person's last known address. If the deed of trust or mortgage containing a power of sale is secured by real property containing from 1 to 4 single-family residences, existing law requires the notice of sale to contain specified notices to potential bidders and to the property owner in substantially prescribed language.

This bill, until January 1, 2026, would require the notice of sale also to contain a specified notice to a tenant regarding the tenant's potential

right to purchase a property containing from 1 to 4 single-family residences pursuant to a process the bill would prescribe. In connection with these properties, the bill would also require a trustee to maintain an internet website and a telephone number to provide specified information on the properties that is free of charge and available 24 hours a day, 7 days a week.

Existing law, with regard to the exercise of a power of sale under a mortgage or deed of trust, requires the sale to be held in the county where the property or some part of it is situated and to be made at auction, to the highest bidder, as specified. Existing law generally requires that if the property consists of several lots or parcels, they are to be sold separately unless the deed of trust or mortgage provides otherwise.

This bill, until January 1, 2026, for purposes of the exercise of a power of sale as described above, would prohibit a trustee from bundling properties for the purpose of sale, instead requiring each property to be bid on separately, unless the deed of trust or mortgage provides otherwise.

Existing law prescribes certain requirements for bids made at a trustee sale, authorizes a trustee to require bidders at these sales to satisfy certain conditions, and specifies when a trustee sale becomes final.

This bill, until January 1, 2026, would prescribe an alternative process in connection with a trustee's sale of property under a power of sale contained in a deed of trust or mortgage on real property containing 1 to 4 residential units. In this process, if a prospective owner occupant, as defined, is the last highest bidder, the date upon which specified conditions required of the bidder at the trustee sale to become final are met. The bill requires the trustee to require the prospective owner occupant to provide certain information confirming the owner occupant's status. If a prospective owner occupant is not the last highest bidder, the bill would grant eligible tenant buyers, as defined, and other eligible bidders, as defined, certain rights and priorities to make bids on the property after the initial trustee sale and potentially to purchase it as the last and highest bidder, subject to certain requirements and timelines. The bill would prescribe duties for trustees in connection with this process that would be performed if an owner occupant is not the last highest bidder.

This bill would state that specified provisions related to mortgages and deeds of trust do not relieve a person who is deemed the legal owner of property when a trustee's deed is recorded from complying with

applicable law regarding the eviction or displacement of tenants, including requirements for the provision of relocation assistance and just cause eviction.

Existing law specifically requires the owner of vacant residential property purchased at a foreclosure sale, or acquired through foreclosure under a mortgage or deed of trust, to maintain that property. Existing law authorizes a governmental entity to impose a civil fine of up to \$1,000 for each day that the owner fails to maintain the property, subject to the owner being given notice and an opportunity to cure the violation, as specified. Existing law requires the entity levying the fine to provide a period of not less than 30 days for the legal owner to remedy the violation prior to imposing a civil fine.

This bill would increase the above-described civil fine to up to \$2,000 per day for the first 30 days, and up to a maximum of \$5,000 per day thereafter, subject to the discretion of the governmental entity levying the fine. The bill would require the entity to provide notice of intent to assess a civil fine if the legal owner does not commence action to remedy the violation, notify the entity of that action, and complete the action within certain periods to be determined by the entity, subject to specified minimum lengths of time.

This bill would incorporate additional changes to Section 2924f of the Civil Code proposed by SB 1148 to be operative only if this bill and SB 1148 are enacted and this bill is enacted last. If this bill and SB 1148 are enacted and SB 1148 is enacted last, this bill would make inoperative provisions that otherwise would be added by this bill, to be operative January 1, 2026, that would be inconsistent with the additional changes to Section 2924f of the Civil Code proposed by SB 1148.

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 2924f of the Civil Code is amended to
- 2 read:
- 3 2924f. (a) As used in this section and Sections 2924g and
- 4 2924h, “property” means real property or a leasehold estate therein,
- 5 and “calendar week” means Monday through Saturday, inclusive.
- 6 (b) (1) Except as provided in subdivision (c), before any sale
- 7 of property can be made under the power of sale contained in any
- 8 deed of trust or mortgage, or any resale resulting from a rescission

1 for a failure of consideration pursuant to subdivision (c) of Section
2 2924h, notice of the sale thereof shall be given by posting a written
3 notice of the time of sale and of the street address and the specific
4 place at the street address where the sale will be held, and
5 describing the property to be sold, at least 20 days before the date
6 of sale in one public place in the city where the property is to be
7 sold, if the property is to be sold in a city, or, if not, then in one
8 public place in the county seat of the county where the property
9 is to be sold, and publishing a copy once a week for three
10 consecutive calendar weeks.

11 (2) The first publication to be at least 20 days before the date
12 of sale, in a newspaper of general circulation published in the city
13 in which the property or some part thereof is situated, if any part
14 thereof is situated in a city, if not, then in a newspaper of general
15 circulation published in the public notice district in which the
16 property or some part thereof is situated, or in case no newspaper
17 of general circulation is published in the city or public notice
18 district, as the case may be, in a newspaper of general circulation
19 published in the county in which the property or some part thereof
20 is situated, or in case no newspaper of general circulation is
21 published in the city or public notice district or county, as the case
22 may be, in a newspaper of general circulation published in the
23 county in this state that is contiguous to the county in which the
24 property or some part thereof is situated and has, by comparison
25 with all similarly contiguous counties, the highest population based
26 upon total county population as determined by the most recent
27 federal decennial census published by the Bureau of the Census.
28 For the purposes of this section, publication of notice in a public
29 notice district is governed by Chapter 1.1 (commencing with
30 Section 6080) of Division 7 of Title 1 of the Government Code.

31 (3) A copy of the notice of sale shall also be posted in a
32 conspicuous place on the property to be sold at least 20 days before
33 the date of sale, where possible and where not restricted for any
34 reason. If the property is a single-family residence the posting shall
35 be on a door of the residence, but, if not possible or restricted, then
36 the notice shall be posted in a conspicuous place on the property;
37 however, if access is denied because a common entrance to the
38 property is restricted by a guard gate or similar impediment, the
39 property may be posted at that guard gate or similar impediment
40 to any development community.

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

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

32 (6) The term "newspaper of general circulation," as used in this
33 section, has the same meaning as defined in Article 1 (commencing
34 with Section 6000) of Chapter 1 of Division 7 of Title 1 of the
35 Government Code.

36 (7) The notice of sale shall contain a statement of the total
37 amount of the unpaid balance of the obligation secured by the
38 property to be sold and reasonably estimated costs, expenses,
39 advances at the time of the initial publication of the notice of sale,
40 and, if republished pursuant to a cancellation of a cash equivalent

pursuant to subdivision (d) of Section 2924h, a reference of that fact; provided, that the trustee shall incur no liability for any good faith error in stating the proper amount, including any amount provided in good faith by or on behalf of the beneficiary. An inaccurate statement of this amount shall not affect the validity of any sale to a bona fide purchaser for value, nor shall the failure to post the notice of sale on a door as provided by this subdivision affect the validity of any sale to a bona fide purchaser for value.

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

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

NOTICE TO PROPERTY OWNER: The sale date shown on this notice of sale may be postponed one or more times by the mortgagee, beneficiary, trustee, or a court, pursuant to Section 2924g of the California Civil Code. The law requires that information about trustee sale postponements be made available to you and to the public, as a courtesy to those not present at the sale. If you wish to learn whether your sale date has been postponed, and, if applicable, the rescheduled time and date for

1 the sale of this property, you may call [telephone number for
2 information regarding the trustee's sale] or visit this internet
3 website [internet website address for information regarding the
4 sale of this property], using the file number assigned to this case
5 [case file number]. Information about postponements that are very
6 short in duration or that occur close in time to the scheduled sale
7 may not immediately be reflected in the telephone information or
8 on the internet website. The best way to verify postponement
9 information is to attend the scheduled sale.

10
11 NOTICE TO TENANT: You may have a right to purchase this
12 property after the trustee auction pursuant to Section 2924m of the
13 California Civil Code. If you are an "eligible tenant buyer," you
14 can purchase the property if you match the last and highest bid
15 placed at the trustee auction. If you are an "eligible bidder," you
16 may be able to purchase the property if you exceed the last and
17 highest bid placed at the trustee auction. There are three steps to
18 exercising this right of purchase. First, 48 hours after the date of
19 the trustee sale, you can call [telephone number for information
20 regarding the trustee's sale], or visit this internet website [internet
21 website address for information regarding the sale of this property],
22 using the file number assigned to this case [case file number] to
23 find the date on which the trustee's sale was held, the amount of
24 the last and highest bid, and the address of the trustee. Second,
25 you must send a written notice of intent to place a bid so that the
26 trustee receives it no more than 15 days after the trustee's sale.
27 Third, you must submit a bid so that the trustee receives it no more
28 than 45 days after the trustee's sale. If you think you may qualify
29 as an "eligible tenant buyer" or "eligible bidder," you should
30 consider contacting an attorney or appropriate real estate
31 professional immediately for advice regarding this potential right
32 to purchase.

33
34 (B) A mortgagee, beneficiary, trustee, or authorized agent shall
35 make a good faith effort to provide up-to-date information
36 regarding sale dates and postponements to persons who wish this
37 information. This information shall be made available free of
38 charge. It may be made available via an internet website, a
39 telephone recording that is accessible 24 hours a day, seven days
40 a week, or through any other means that allows 24 hours a day,

1 seven days a week, no-cost access to updated information. A
2 disruption of any of these methods of providing sale date and
3 postponement information to allow for reasonable maintenance or
4 due to a service outage shall not be deemed to be a violation of
5 the good faith standard.

6 (C) Except as provided in subparagraph (B), nothing in the
7 wording of the notices required by subparagraph (A) is intended
8 to modify or create any substantive rights or obligations for any
9 person providing, or specified in, either of the required notices.
10 Failure to comply with subparagraph (A) or (B) shall not invalidate
11 any sale that would otherwise be valid under Section 2924f.

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

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

27 (9) If the sale of the property is to be a unified sale as provided
28 in subparagraph (B) of paragraph (1) of subdivision (a) of Section
29 9604 of the Commercial Code, the notice of sale shall also contain
30 a description of the personal property or fixtures to be sold. In the
31 case where it is contemplated that all of the personal property or
32 fixtures are to be sold, the description in the notice of the personal
33 property or fixtures shall be sufficient if it is the same as the
34 description of the personal property or fixtures contained in the
35 agreement creating the security interest in or encumbrance on the
36 personal property or fixtures or the filed financing statement
37 relating to the personal property or fixtures. In all other cases, the
38 description in the notice shall be sufficient if it would be a
39 sufficient description of the personal property or fixtures under
40 Section 9108 of the Commercial Code. Inclusion of a reference to

1 or a description of personal property or fixtures in a notice of sale
2 hereunder shall not constitute an election by the secured party to
3 conduct a unified sale pursuant to subparagraph (B) of paragraph
4 (1) of subdivision (a) of Section 9604 of the Commercial Code,
5 shall not obligate the secured party to conduct a unified sale
6 pursuant to subparagraph (B) of paragraph (1) of subdivision (a)
7 of Section 9604 of the Commercial Code, and in no way shall
8 render defective or noncomplying either that notice or a sale
9 pursuant to that notice by reason of the fact that the sale includes
10 none or less than all of the personal property or fixtures referred
11 to or described in the notice. This paragraph shall not otherwise
12 affect the obligations or duties of a secured party under the
13 Commercial Code.

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

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

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

30
31 YOU ARE IN DEFAULT UNDER A

32 _____,
33 (Deed of trust or mortgage)

34 DATED _____. UNLESS YOU TAKE ACTION TO PROTECT
35 YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF
36 YOU NEED AN EXPLANATION OF THE NATURE OF THE
37 PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A
38 LAWYER.
39

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

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

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

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

(e) This section shall remain in effect only until January 1, 2026, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2026, deletes or extends that date.

SEC. 1.5. Section 2924f of the Civil Code is amended to read:

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

(b) (1) Except as provided in subdivision (c), before any sale of property can be made under the power of sale contained in any deed of trust or mortgage, or any resale resulting from a rescission for a failure of consideration pursuant to subdivision (c) of Section 2924h, notice of the sale thereof shall be given by posting a written notice of the time of sale and of the street address and the specific

1 place at the street address where the sale will be held, and
2 describing the property to be sold, at least 20 days before the date
3 of sale in one public place in the city where the property is to be
4 sold, if the property is to be sold in a city, or, if not, then in one
5 public place in the county seat of the county where the property
6 is to be sold, and publishing a copy once a week for three
7 consecutive calendar weeks.

8 (2) The first publication to be at least 20 days before the date
9 of sale, in a newspaper of general circulation published in the city
10 in which the property or some part thereof is situated, if any part
11 thereof is situated in a city, if not, then in a newspaper of general
12 circulation published in the public notice district in which the
13 property or some part thereof is situated, or in case no newspaper
14 of general circulation is published in the city or public notice
15 district, as the case may be, in a newspaper of general circulation
16 published in the county in which the property or some part thereof
17 is situated, or in case no newspaper of general circulation is
18 published in the city or public notice district or county, as the case
19 may be, in a newspaper of general circulation published in the
20 county in this state that is contiguous to the county in which the
21 property or some part thereof is situated and has, by comparison
22 with all similarly contiguous counties, the highest population based
23 upon total county population as determined by the most recent
24 federal decennial census published by the Bureau of the Census.
25 For the purposes of this section, publication of notice in a public
26 notice district is governed by Chapter 1.1 (commencing with
27 Section 6080) of Division 7 of Title 1 of the Government Code.

28 (3) A copy of the notice of sale shall also be posted in a
29 conspicuous place on the property to be sold at least 20 days before
30 the date of sale, where possible and where not restricted for any
31 reason. If the property is a single-family residence the posting shall
32 be on a door of the residence, but, if not possible or restricted, then
33 the notice shall be posted in a conspicuous place on the property;
34 however, if access is denied because a common entrance to the
35 property is restricted by a guard gate or similar impediment, the
36 property may be posted at that guard gate or similar impediment
37 to any development community.

38 (4) The notice of sale shall conform to the minimum
39 requirements of Section 6043 of the Government Code and be
40 recorded with the county recorder of the county in which the

1 property or some part thereof is situated at least 20 days prior to
2 the date of sale.

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

29 (6) The term "newspaper of general circulation," as used in this
30 section, has the same meaning as defined in Article 1 (commencing
31 with Section 6000) of Chapter 1 of Division 7 of Title 1 of the
32 Government Code.

33 (7) The notice of sale shall contain a statement of the total
34 amount of the unpaid balance of the obligation secured by the
35 property to be sold and reasonably estimated costs, expenses,
36 advances at the time of the initial publication of the notice of sale,
37 and, if republished pursuant to a cancellation of a cash equivalent
38 pursuant to subdivision (d) of Section 2924h, a reference of that
39 fact; provided, that the trustee shall incur no liability for any good
40 faith error in stating the proper amount, including any amount

1 provided in good faith by or on behalf of the beneficiary. An
2 inaccurate statement of this amount shall not affect the validity of
3 any sale to a bona fide purchaser for value, nor shall the failure to
4 post the notice of sale on a door as provided by this subdivision
5 affect the validity of any sale to a bona fide purchaser for value.

6 (8) (A) On and after April 1, 2012, if the deed of trust or
7 mortgage containing a power of sale is secured by real property
8 containing from one to four single-family residences, the notice
9 of sale shall contain substantially the following language, in
10 addition to the language required pursuant to paragraphs (1) to (7),
11 inclusive:
12

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

30 NOTICE TO PROPERTY OWNER: The sale date shown on
31 this notice of sale may be postponed one or more times by the
32 mortgagee, beneficiary, trustee, or a court, pursuant to Section
33 2924g of the California Civil Code. The law requires that
34 information about trustee sale postponements be made available
35 to you and to the public, as a courtesy to those not present at the
36 sale. If you wish to learn whether your sale date has been
37 postponed, and, if applicable, the rescheduled time and date for
38 the sale of this property, you may call [telephone number for
39 information regarding the trustee's sale] or visit this ~~Internet Web~~
40 ~~site~~ ~~[Internet Web site~~ *internet website* [*internet website* address

1 for information regarding the sale of this property], using the file
2 number assigned to this case [case file number]. Information about
3 postponements that are very short in duration or that occur close
4 in time to the scheduled sale may not immediately be reflected in
5 the telephone information or on the ~~Internet Web site~~; *internet*
6 *website*. The best way to verify postponement information is to
7 attend the scheduled sale.

8
9 *NOTICE TO TENANT: You may have a right to purchase this*
10 *property after the trustee auction pursuant to Section 2924m of*
11 *the California Civil Code. If you are an “eligible tenant buyer,”*
12 *you can purchase the property if you match the last and highest*
13 *bid placed at the trustee auction. If you are an “eligible bidder,”*
14 *you may be able to purchase the property if you exceed the last*
15 *and highest bid placed at the trustee auction. There are three steps*
16 *to exercising this right of purchase. First, 48 hours after the date*
17 *of the trustee sale, you can call [telephone number for information*
18 *regarding the trustee’s sale], or visit this internet website [internet*
19 *website address for information regarding the sale of this*
20 *property], using the file number assigned to this case [case file*
21 *number] to find the date on which the trustee’s sale was held, the*
22 *amount of the last and highest bid, and the address of the trustee.*
23 *Second, you must send a written notice of intent to place a bid so*
24 *that the trustee receives it no more than 15 days after the trustee’s*
25 *sale. Third, you must submit a bid so that the trustee receives it*
26 *no more than 45 days after the trustee’s sale. If you think you may*
27 *qualify as an “eligible tenant buyer” or “eligible bidder,” you*
28 *should consider contacting an attorney or appropriate real estate*
29 *professional immediately for advice regarding this potential right*
30 *to purchase.*

31
32 (B) A mortgagee, beneficiary, trustee, or authorized agent shall
33 make a good faith effort to provide up-to-date information
34 regarding sale dates and postponements to persons who wish this
35 information. This information shall be made available free of
36 charge. It may be made available via an ~~Internet Web site~~; *internet*
37 *website*, a telephone recording that is accessible 24 hours a day,
38 seven days a week, or through any other means that allows 24
39 hours a day, seven days a week, no-cost access to updated
40 information. A disruption of any of these methods of providing

1 sale date and postponement information to allow for reasonable
2 maintenance or due to a service outage shall not be deemed to be
3 a violation of the good faith standard.

4 (C) Except as provided in subparagraph (B), nothing in the
5 wording of the notices required by subparagraph (A) is intended
6 to modify or create any substantive rights or obligations for any
7 person providing, or specified in, either of the required notices.
8 Failure to comply with subparagraph (A) or (B) shall not invalidate
9 any sale that would otherwise be valid under Section 2924f.

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

13 *(E) For purposes of a property subject to this paragraph and*
14 *of satisfying the requirements of Section 2924m, a trustee or an*
15 *authorized agent shall maintain an internet website and a telephone*
16 *number to provide information on applicable properties to persons*
17 *who wish the information. In addition to any other information*
18 *required by subparagraph (B), a trustee or an authorized agent*
19 *shall provide information regarding the sale date, amount of the*
20 *last and highest bid, and the trustee's address, to be accessible*
21 *using the file number assigned to the case and listed on the*
22 *NOTICE TO TENANT required by subparagraph (A). This*
23 *information shall be made available free of charge and shall be*
24 *available 24 hours a day, seven days a week.*

25 (9) If the sale of the property is to be a unified sale as provided
26 in subparagraph (B) of paragraph (1) of subdivision (a) of Section
27 9604 of the Commercial Code, the notice of sale shall also contain
28 a description of the personal property or fixtures to be sold. In the
29 case where it is contemplated that all of the personal property or
30 fixtures are to be sold, the description in the notice of the personal
31 property or fixtures shall be sufficient if it is the same as the
32 description of the personal property or fixtures contained in the
33 agreement creating the security interest in or encumbrance on the
34 personal property or fixtures or the filed financing statement
35 relating to the personal property or fixtures. In all other cases, the
36 description in the notice shall be sufficient if it would be a
37 sufficient description of the personal property or fixtures under
38 Section 9108 of the Commercial Code. Inclusion of a reference to
39 or a description of personal property or fixtures in a notice of sale
40 hereunder shall not constitute an election by the secured party to

1 conduct a unified sale pursuant to subparagraph (B) of paragraph
2 (1) of subdivision (a) of Section 9604 of the Commercial Code,
3 shall not obligate the secured party to conduct a unified sale
4 pursuant to subparagraph (B) of paragraph (1) of subdivision (a)
5 of Section 9604 of the Commercial Code, and in no way shall
6 render defective or noncomplying either that notice or a sale
7 pursuant to that notice by reason of the fact that the sale includes
8 none or less than all of the personal property or fixtures referred
9 to or described in the notice. This paragraph shall not otherwise
10 affect the obligations or duties of a secured party under the
11 Commercial Code.

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

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

23 (3) If any default of the obligation secured by a deed of trust or
24 mortgage described in paragraph (1) has not been cured within 30
25 days after the recordation of the notice of default, the trustee or
26 mortgagee shall mail to the trustor or mortgagor, at ~~his or her~~ *their*
27 last known address, a copy of the following statement:

28
29 YOU ARE IN DEFAULT UNDER A

30 _____,

31 (Deed of trust or mortgage)

32 DATED _____. UNLESS YOU TAKE ACTION TO PROTECT
33 YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF
34 YOU NEED AN EXPLANATION OF THE NATURE OF THE
35 PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A
36 LAWYER.

37
38 (4) All sales of real property pursuant to a power of sale
39 contained in any deed of trust or mortgage described in paragraph
40 (1) shall be held in the county where the residence is located and

1 shall be made to the person making the highest offer. The trustee
2 may receive offers during the 10-day period immediately prior to
3 the date of sale and if any offer is accepted in writing by both the
4 trustor or mortgagor and the beneficiary or mortgagee prior to the
5 time set for sale, the sale shall be postponed to a date certain and
6 prior to which the property may be conveyed by the trustor to the
7 person making the offer according to its terms. The offer is
8 revocable until accepted. The performance of the offer, following
9 acceptance, according to its terms, by a conveyance of the property
10 to the offeror, shall operate to terminate any further proceeding
11 under the notice of sale and it shall be deemed revoked.

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

16 (6) This subdivision applies only to property on which notices
17 of default were filed on or after the effective date of this
18 subdivision.

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

25 (e) *This section shall remain in effect only until January 1, 2026,*
26 *and as of that date is repealed, unless a later enacted statute that*
27 *is enacted before January 1, 2026, deletes or extends that date.*

28 SEC. 2. Section 2924f is added to the Civil Code, to read:

29 2924f. (a) As used in this section and Sections 2924g and
30 2924h, “property” means real property or a leasehold estate therein,
31 and “calendar week” means Monday through Saturday, inclusive.

32 (b) (1) Except as provided in subdivision (c), before any sale
33 of property can be made under the power of sale contained in any
34 deed of trust or mortgage, or any resale resulting from a rescission
35 for a failure of consideration pursuant to subdivision (c) of Section
36 2924h, notice of the sale thereof shall be given by posting a written
37 notice of the time of sale and of the street address and the specific
38 place at the street address where the sale will be held, and
39 describing the property to be sold, at least 20 days before the date
40 of sale in one public place in the city where the property is to be

1 sold, if the property is to be sold in a city, or, if not, then in one
2 public place in the county seat of the county where the property
3 is to be sold, and publishing a copy once a week for three
4 consecutive calendar weeks.

5 (2) The first publication to be at least 20 days before the date
6 of sale, in a newspaper of general circulation published in the city
7 in which the property or some part thereof is situated, if any part
8 thereof is situated in a city, if not, then in a newspaper of general
9 circulation published in the public notice district in which the
10 property or some part thereof is situated, or in case no newspaper
11 of general circulation is published in the city or public notice
12 district, as the case may be, in a newspaper of general circulation
13 published in the county in which the property or some part thereof
14 is situated, or in case no newspaper of general circulation is
15 published in the city or public notice district or county, as the case
16 may be, in a newspaper of general circulation published in the
17 county in this state that is contiguous to the county in which the
18 property or some part thereof is situated and has, by comparison
19 with all similarly contiguous counties, the highest population based
20 upon total county population as determined by the most recent
21 federal decennial census published by the Bureau of the Census.
22 For the purposes of this section, publication of notice in a public
23 notice district is governed by Chapter 1.1 (commencing with
24 Section 6080) of Division 7 of Title 1 of the Government Code.

25 (3) A copy of the notice of sale shall also be posted in a
26 conspicuous place on the property to be sold at least 20 days before
27 the date of sale, where possible and where not restricted for any
28 reason. If the property is a single-family residence the posting shall
29 be on a door of the residence, but, if not possible or restricted, then
30 the notice shall be posted in a conspicuous place on the property;
31 however, if access is denied because a common entrance to the
32 property is restricted by a guard gate or similar impediment, the
33 property may be posted at that guard gate or similar impediment
34 to any development community.

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

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

27 (6) The term "newspaper of general circulation," as used in this
28 section, has the same meaning as defined in Article 1 (commencing
29 with Section 6000) of Chapter 1 of Division 7 of Title 1 of the
30 Government Code.

31 (7) The notice of sale shall contain a statement of the total
32 amount of the unpaid balance of the obligation secured by the
33 property to be sold and reasonably estimated costs, expenses,
34 advances at the time of the initial publication of the notice of sale,
35 and, if republished pursuant to a cancellation of a cash equivalent
36 pursuant to subdivision (d) of Section 2924h, a reference of that
37 fact; provided, that the trustee shall incur no liability for any good
38 faith error in stating the proper amount, including any amount
39 provided in good faith by or on behalf of the beneficiary. An
40 inaccurate statement of this amount shall not affect the validity of

1 any sale to a bona fide purchaser for value, nor shall the failure to
2 post the notice of sale on a door as provided by this subdivision
3 affect the validity of any sale to a bona fide purchaser for value.

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

10 NOTICE TO POTENTIAL BIDDERS: If you are considering
11 bidding on this property lien, you should understand that there are
12 risks involved in bidding at a trustee auction. You will be bidding
13 on a lien, not on the property itself. Placing the highest bid at a
14 trustee auction does not automatically entitle you to free and clear
15 ownership of the property. You should also be aware that the lien
16 being auctioned off may be a junior lien. If you are the highest
17 bidder at the auction, you are or may be responsible for paying off
18 all liens senior to the lien being auctioned off, before you can
19 receive clear title to the property. You are encouraged to investigate
20 the existence, priority, and size of outstanding liens that may exist
21 on this property by contacting the county recorder's office or a
22 title insurance company, either of which may charge you a fee for
23 this information. If you consult either of these resources, you
24 should be aware that the same lender may hold more than one
25 mortgage or deed of trust on the property.

26 NOTICE TO PROPERTY OWNER: The sale date shown on
27 this notice of sale may be postponed one or more times by the
28 mortgagee, beneficiary, trustee, or a court, pursuant to Section
29 2924g of the California Civil Code. The law requires that
30 information about trustee sale postponements be made available
31 to you and to the public, as a courtesy to those not present at the
32 sale. If you wish to learn whether your sale date has been
33 postponed, and, if applicable, the rescheduled time and date for
34 the sale of this property, you may call [telephone number for
35 information regarding the trustee's sale] or visit this internet
36 website [internet website address for information regarding the
37 sale of this property], using the file number assigned to this case
38 [case file number]. Information about postponements that are very
39 short in duration or that occur close in time to the scheduled sale
40 may not immediately be reflected in the telephone information or

1 on the internet website. The best way to verify postponement
2 information is to attend the scheduled sale.

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

15 (C) Except as provided in subparagraph (B), nothing in the
16 wording of the notices required by subparagraph (A) is intended
17 to modify or create any substantive rights or obligations for any
18 person providing, or specified in, either of the required notices.
19 Failure to comply with subparagraph (A) or (B) shall not invalidate
20 any sale that would otherwise be valid under Section 2924f.

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

24 (9) If the sale of the property is to be a unified sale as provided
25 in subparagraph (B) of paragraph (1) of subdivision (a) of Section
26 9604 of the Commercial Code, the notice of sale shall also contain
27 a description of the personal property or fixtures to be sold. In the
28 case where it is contemplated that all of the personal property or
29 fixtures are to be sold, the description in the notice of the personal
30 property or fixtures shall be sufficient if it is the same as the
31 description of the personal property or fixtures contained in the
32 agreement creating the security interest in or encumbrance on the
33 personal property or fixtures or the filed financing statement
34 relating to the personal property or fixtures. In all other cases, the
35 description in the notice shall be sufficient if it would be a
36 sufficient description of the personal property or fixtures under
37 Section 9108 of the Commercial Code. Inclusion of a reference to
38 or a description of personal property or fixtures in a notice of sale
39 hereunder shall not constitute an election by the secured party to
40 conduct a unified sale pursuant to subparagraph (B) of paragraph

(1) of subdivision (a) of Section 9604 of the Commercial Code, shall not obligate the secured party to conduct a unified sale pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 9604 of the Commercial Code, and in no way shall render defective or noncomplying either that notice or a sale pursuant to that notice by reason of the fact that the sale includes none or less than all of the personal property or fixtures referred to or described in the notice. This paragraph shall not otherwise affect the obligations or duties of a secured party under the Commercial Code.

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

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

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

YOU ARE IN DEFAULT UNDER A
_____,
(Deed of trust or mortgage)
DATED _____. UNLESS YOU TAKE ACTION TO PROTECT
YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE.
IF
YOU NEED AN EXPLANATION OF THE NATURE OF THE
PROCEEDING AGAINST YOU, YOU SHOULD CONTACT
A
LAWYER.

(4) All sales of real property pursuant to a power of sale contained in any deed of trust or mortgage described in paragraph (1) shall be held in the county where the residence is located and shall be made to the person making the highest offer. The trustee

may receive offers during the 10-day period immediately prior to the date of sale and if any offer is accepted in writing by both the trustor or mortgagor and the beneficiary or mortgagee prior to the time set for sale, the sale shall be postponed to a date certain and prior to which the property may be conveyed by the trustor to the person making the offer according to its terms. The offer is revocable until accepted. The performance of the offer, following acceptance, according to its terms, by a conveyance of the property to the offeror, shall operate to terminate any further proceeding under the notice of sale and it shall be deemed revoked.

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

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

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

(e) This section shall be operative January 1, 2026.

SEC. 2.5. Section 2924f is added to the Civil Code, to read:

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

(b) (1) Except as provided in subdivision (c), before any sale of property can be made under the power of sale contained in any deed of trust or mortgage, or any resale resulting from a rescission for a failure of consideration pursuant to subdivision (c) of Section 2924h, notice of the sale thereof shall be given by posting a written notice of the time of sale and of the street address and the specific place at the street address where the sale will be held, and describing the property to be sold, at least 20 days before the date of sale in one public place in the city where the property is to be sold, if the property is to be sold in a city, or, if not, then in one public place in the county seat of the county where the property

1 *is to be sold, and publishing a copy once a week for three*
2 *consecutive calendar weeks.*

3 *(2) The first publication to be at least 20 days before the date*
4 *of sale, in a newspaper of general circulation published in the*
5 *public notice district in which the property or some part thereof*
6 *is situated, or in case no newspaper of general circulation is*
7 *published in the public notice district, in a newspaper of general*
8 *circulation published in the county in which the property or some*
9 *part thereof is situated, or in case no newspaper of general*
10 *circulation is published in the public notice district or county, as*
11 *the case may be, in a newspaper of general circulation published*
12 *in the county in this state that is contiguous to the county in which*
13 *the property or some part thereof is situated and has, by*
14 *comparison with all similarly contiguous counties, the highest*
15 *population based upon total county population as determined by*
16 *the most recent federal decennial census published by the Bureau*
17 *of the Census. For the purposes of this section, publication of*
18 *notice in a public notice district is governed by Chapter 1.1*
19 *(commencing with Section 6080) of Division 7 of Title 1 of the*
20 *Government Code.*

21 *(3) A copy of the notice of sale shall also be posted in a*
22 *conspicuous place on the property to be sold at least 20 days before*
23 *the date of sale, where possible and where not restricted for any*
24 *reason. If the property is a single-family residence the posting*
25 *shall be on a door of the residence, but, if not possible or restricted,*
26 *then the notice shall be posted in a conspicuous place on the*
27 *property; however, if access is denied because a common entrance*
28 *to the property is restricted by a guard gate or similar impediment,*
29 *the property may be posted at that guard gate or similar*
30 *impediment to any development community.*

31 *(4) The notice of sale shall conform to the minimum*
32 *requirements of Section 6043 of the Government Code and be*
33 *recorded with the county recorder of the county in which the*
34 *property or some part thereof is situated at least 20 days prior to*
35 *the date of sale.*

36 *(5) The notice of sale shall contain the name, street address in*
37 *this state, which may reflect an agent of the trustee, and either a*
38 *toll-free telephone number or telephone number in this state of the*
39 *trustee, and the name of the original trustor, and also shall contain*
40 *the statement required by paragraph (3) of subdivision (c). In*

1 addition to any other description of the property, the notice shall
2 describe the property by giving its street address, if any, or other
3 common designation, if any, and a county assessor's parcel
4 number; but if the property has no street address or other common
5 designation, the notice shall contain a legal description of the
6 property, the name and address of the beneficiary at whose request
7 the sale is to be conducted, and a statement that directions may
8 be obtained pursuant to a written request submitted to the
9 beneficiary within 10 days from the first publication of the notice.
10 Directions shall be deemed reasonably sufficient to locate the
11 property if information as to the location of the property is given
12 by reference to the direction and approximate distance from the
13 nearest crossroads, frontage road, or access road. If a legal
14 description or a county assessor's parcel number and either a
15 street address or another common designation of the property is
16 given, the validity of the notice and the validity of the sale shall
17 not be affected by the fact that the street address, other common
18 designation, name and address of the beneficiary, or the directions
19 obtained therefrom are erroneous or that the street address, other
20 common designation, name and address of the beneficiary, or
21 directions obtained therefrom are omitted.

22 (6) The term "newspaper of general circulation," as used in
23 this section, has the same meaning as defined in Article 1
24 (commencing with Section 6000) of Chapter 1 of Division 7 of
25 Title 1 of the Government Code.

26 (7) The notice of sale shall contain a statement of the total
27 amount of the unpaid balance of the obligation secured by the
28 property to be sold and reasonably estimated costs, expenses,
29 advances at the time of the initial publication of the notice of sale,
30 and, if republished pursuant to a cancellation of a cash equivalent
31 pursuant to subdivision (d) of Section 2924h, a reference of that
32 fact; provided, that the trustee shall incur no liability for any good
33 faith error in stating the proper amount, including any amount
34 provided in good faith by or on behalf of the beneficiary. An
35 inaccurate statement of this amount shall not affect the validity of
36 any sale to a bona fide purchaser for value, nor shall the failure
37 to post the notice of sale on a door as provided by this subdivision
38 affect the validity of any sale to a bona fide purchaser for value.

39 (8) (A) On and after April 1, 2012, if the deed of trust or
40 mortgage containing a power of sale is secured by real property

1 containing from one to four single-family residences, the notice
2 of sale shall contain substantially the following language, in
3 addition to the language required pursuant to paragraphs (1) to
4 (7), inclusive:

5 *NOTICE TO POTENTIAL BIDDERS: If you are considering*
6 *bidding on this property lien, you should understand that there*
7 *are risks involved in bidding at a trustee auction. You will be*
8 *bidding on a lien, not on the property itself. Placing the highest*
9 *bid at a trustee auction does not automatically entitle you to free*
10 *and clear ownership of the property. You should also be aware*
11 *that the lien being auctioned off may be a junior lien. If you are*
12 *the highest bidder at the auction, you are or may be responsible*
13 *for paying off all liens senior to the lien being auctioned off, before*
14 *you can receive clear title to the property. You are encouraged to*
15 *investigate the existence, priority, and size of outstanding liens*
16 *that may exist on this property by contacting the county recorder's*
17 *office or a title insurance company, either of which may charge*
18 *you a fee for this information. If you consult either of these*
19 *resources, you should be aware that the same lender may hold*
20 *more than one mortgage or deed of trust on the property.*

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

38 (B) A mortgagee, beneficiary, trustee, or authorized agent shall
39 make a good faith effort to provide up-to-date information
40 regarding sale dates and postponements to persons who wish this

1 *information. This information shall be made available free of*
2 *charge. It may be made available via an internet website, a*
3 *telephone recording that is accessible 24 hours a day, seven days*
4 *a week, or through any other means that allows 24 hours a day,*
5 *seven days a week, no-cost access to updated information. A*
6 *disruption of any of these methods of providing sale date and*
7 *postponement information to allow for reasonable maintenance*
8 *or due to a service outage shall not be deemed to be a violation*
9 *of the good faith standard.*

10 *(C) Except as provided in subparagraph (B), nothing in the*
11 *wording of the notices required by subparagraph (A) is intended*
12 *to modify or create any substantive rights or obligations for any*
13 *person providing, or specified in, either of the required notices.*
14 *Failure to comply with subparagraph (A) or (B) shall not invalidate*
15 *any sale that would otherwise be valid under Section 2924f.*

16 *(D) Information provided pursuant to subparagraph (A) does*
17 *not constitute the public declaration required by subdivision (d)*
18 *of Section 2924g.*

19 *(9) If the sale of the property is to be a unified sale as provided*
20 *in subparagraph (B) of paragraph (1) of subdivision (a) of Section*
21 *9604 of the Commercial Code, the notice of sale shall also contain*
22 *a description of the personal property or fixtures to be sold. In the*
23 *case where it is contemplated that all of the personal property or*
24 *fixtures are to be sold, the description in the notice of the personal*
25 *property or fixtures shall be sufficient if it is the same as the*
26 *description of the personal property or fixtures contained in the*
27 *agreement creating the security interest in or encumbrance on the*
28 *personal property or fixtures or the filed financing statement*
29 *relating to the personal property or fixtures. In all other cases,*
30 *the description in the notice shall be sufficient if it would be a*
31 *sufficient description of the personal property or fixtures under*
32 *Section 9108 of the Commercial Code. Inclusion of a reference to*
33 *or a description of personal property or fixtures in a notice of sale*
34 *hereunder shall not constitute an election by the secured party to*
35 *conduct a unified sale pursuant to subparagraph (B) of paragraph*
36 *(1) of subdivision (a) of Section 9604 of the Commercial Code,*
37 *shall not obligate the secured party to conduct a unified sale*
38 *pursuant to subparagraph (B) of paragraph (1) of subdivision (a)*
39 *of Section 9604 of the Commercial Code, and in no way shall*
40 *render defective or noncomplying either that notice or a sale*

1 pursuant to that notice by reason of the fact that the sale includes
2 none or less than all of the personal property or fixtures referred
3 to or described in the notice. This paragraph shall not otherwise
4 affect the obligations or duties of a secured party under the
5 Commercial Code.

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

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

17 (3) If any default of the obligation secured by a deed of trust or
18 mortgage described in paragraph (1) has not been cured within
19 30 days after the recordation of the notice of default, the trustee
20 or mortgagee shall mail to the trustor or mortgagor, at their last
21 known address, a copy of the following statement:

22 YOU ARE IN DEFAULT UNDER A

23 _____,
24 (Deed of trust or mortgage)

25 DATED _____. UNLESS YOU TAKE ACTION TO PROTECT
26 YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF
27 YOU NEED AN EXPLANATION OF THE NATURE OF THE
28 PROCEEDING AGAINST YOU, YOU SHOULD CONTACT A
29 LAWYER.

30 (4) All sales of real property pursuant to a power of sale
31 contained in any deed of trust or mortgage described in paragraph
32 (1) shall be held in the county where the residence is located and
33 shall be made to the person making the highest offer. The trustee
34 may receive offers during the 10-day period immediately prior to
35 the date of sale and if any offer is accepted in writing by both the
36 trustor or mortgagor and the beneficiary or mortgagee prior to
37 the time set for sale, the sale shall be postponed to a date certain
38 and prior to which the property may be conveyed by the trustor to
39 the person making the offer according to its terms. The offer is
40 revocable until accepted. The performance of the offer, following

1 *acceptance, according to its terms, by a conveyance of the property*
2 *to the offeror, shall operate to terminate any further proceeding*
3 *under the notice of sale and it shall be deemed revoked.*

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

8 *(6) This subdivision applies only to property on which notices*
9 *of default were filed on or after the effective date of this*
10 *subdivision.*

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

17 *(e) This section shall be operative January 1, 2026.*

18 SEC. 3. Section 2924g of the Civil Code is amended to read:

19 2924g. (a) (1) All sales of property under the power of sale
20 contained in any deed of trust or mortgage shall be held in the
21 county where the property or some part thereof is situated, and
22 shall be made at auction, to the highest bidder, between the hours
23 of 9 a.m. and 5 p.m. on any business day, Monday through Friday.

24 (2) The sale shall commence at the time and location specified
25 in the notice of sale. Any postponement shall be announced at the
26 time and location specified in the notice of sale for commencement
27 of the sale or pursuant to paragraph (1) of subdivision (c).

28 (3) If the sale of more than one parcel of real property has been
29 scheduled for the same time and location by the same trustee, (A)
30 any postponement of any of the sales shall be announced at the
31 time published in the notice of sale, (B) the first sale shall
32 commence at the time published in the notice of sale or
33 immediately after the announcement of any postponement, and
34 (C) each subsequent sale shall take place as soon as possible after
35 the preceding sale has been completed.

36 (4) Notwithstanding any other law, a sale of property under the
37 power of sale contained in any deed of trust or mortgage shall be
38 subject to the following restriction: a trustee shall not bundle
39 properties for the purpose of sale and each property shall be bid

1 on separately, unless the deed of trust or mortgage requires
2 otherwise.

3 (b) When the property consists of several known lots or parcels,
4 they shall be sold separately unless the deed of trust or mortgage
5 provides otherwise. When a portion of the property is claimed by
6 a third person, who requires it to be sold separately, the portion
7 subject to the claim may be thus sold. The trustor, if present at the
8 sale, may also, unless the deed of trust or mortgage otherwise
9 provides, direct the order in which property shall be sold, when
10 the property consists of several known lots or parcels which may
11 be sold to advantage separately, and the trustee shall follow that
12 direction. After sufficient property has been sold to satisfy the
13 indebtedness, no more can be sold.

14 If the property under power of sale is in two or more counties,
15 the public auction sale of all of the property under the power of
16 sale may take place in any one of the counties where the property
17 or a portion thereof is located.

18 (c) (1) There may be a postponement or postponements of the
19 sale proceedings, including a postponement upon instruction by
20 the beneficiary to the trustee that the sale proceedings be
21 postponed, at any time prior to the completion of the sale for any
22 period of time not to exceed a total of 365 days from the date set
23 forth in the notice of sale. The trustee shall postpone the sale in
24 accordance with any of the following:

25 (A) Upon the order of any court of competent jurisdiction.

26 (B) If stayed by operation of law.

27 (C) By mutual agreement, whether oral or in writing, of any
28 trustor and any beneficiary or any mortgagor and any mortgagee.

29 (D) At the discretion of the trustee.

30 (2) In the event that the sale proceedings are postponed for a
31 period or periods totaling more than 365 days, the scheduling of
32 any further sale proceedings shall be preceded by giving a new
33 notice of sale in the manner prescribed in Section 2924f. New fees
34 incurred for the new notice of sale shall not exceed the amounts
35 specified in Sections 2924c and 2924d, and shall not exceed
36 reasonable costs that are necessary to comply with this paragraph.

37 (d) The notice of each postponement and the reason therefor
38 shall be given by public declaration by the trustee at the time and
39 place last appointed for sale. A public declaration of postponement
40 shall also set forth the new date, time, and place of sale and the

1 place of sale shall be the same place as originally fixed by the
2 trustee for the sale. No other notice of postponement need be given.
3 However, the sale shall be conducted no sooner than on the seventh
4 day after the earlier of (1) dismissal of the action or (2) expiration
5 or termination of the injunction, restraining order, or stay that
6 required postponement of the sale, whether by entry of an order
7 by a court of competent jurisdiction, operation of law, or otherwise,
8 unless the injunction, restraining order, or subsequent order
9 expressly directs the conduct of the sale within that seven-day
10 period. For purposes of this subdivision, the seven-day period shall
11 not include the day on which the action is dismissed, or the day
12 on which the injunction, restraining order, or stay expires or is
13 terminated. If the sale had been scheduled to occur, but this
14 subdivision precludes its conduct during that seven-day period, a
15 new notice of postponement shall be given if the sale had been
16 scheduled to occur during that seven-day period. The trustee shall
17 maintain records of each postponement and the reason therefor.

18 (e) Notwithstanding the time periods established under
19 subdivision (d), if postponement of a sale is based on a stay
20 imposed by Title 11 of the United States Code (bankruptcy), the
21 sale shall be conducted no sooner than the expiration of the stay
22 imposed by that title and the seven-day provision of subdivision
23 (d) shall not apply.

24 (f) This section shall remain in effect only until January 1, 2026,
25 and as of that date is repealed, unless a later enacted statute that
26 is enacted before January 1, 2026, deletes or extends that date.

27 SEC. 4. Section 2924g is added to the Civil Code, to read:

28 2924g. (a) All sales of property under the power of sale
29 contained in any deed of trust or mortgage shall be held in the
30 county where the property or some part thereof is situated, and
31 shall be made at auction, to the highest bidder, between the hours
32 of 9 a.m. and 5 p.m. on any business day, Monday through Friday.

33 The sale shall commence at the time and location specified in
34 the notice of sale. Any postponement shall be announced at the
35 time and location specified in the notice of sale for commencement
36 of the sale or pursuant to paragraph (1) of subdivision (c).

37 If the sale of more than one parcel of real property has been
38 scheduled for the same time and location by the same trustee, (1)
39 any postponement of any of the sales shall be announced at the
40 time published in the notice of sale, (2) the first sale shall

1 commence at the time published in the notice of sale or
2 immediately after the announcement of any postponement, and
3 (3) each subsequent sale shall take place as soon as possible after
4 the preceding sale has been completed.

5 (b) When the property consists of several known lots or parcels,
6 they shall be sold separately unless the deed of trust or mortgage
7 provides otherwise. When a portion of the property is claimed by
8 a third person, who requires it to be sold separately, the portion
9 subject to the claim may be thus sold. The trustor, if present at the
10 sale, may also, unless the deed of trust or mortgage otherwise
11 provides, direct the order in which property shall be sold, when
12 the property consists of several known lots or parcels which may
13 be sold to advantage separately, and the trustee shall follow that
14 direction. After sufficient property has been sold to satisfy the
15 indebtedness, no more can be sold.

16 If the property under power of sale is in two or more counties,
17 the public auction sale of all of the property under the power of
18 sale may take place in any one of the counties where the property
19 or a portion thereof is located.

20 (c) (1) There may be a postponement or postponements of the
21 sale proceedings, including a postponement upon instruction by
22 the beneficiary to the trustee that the sale proceedings be
23 postponed, at any time prior to the completion of the sale for any
24 period of time not to exceed a total of 365 days from the date set
25 forth in the notice of sale. The trustee shall postpone the sale in
26 accordance with any of the following:

- 27 (A) Upon the order of any court of competent jurisdiction.
- 28 (B) If stayed by operation of law.
- 29 (C) By mutual agreement, whether oral or in writing, of any
30 trustor and any beneficiary or any mortgagor and any mortgagee.
- 31 (D) At the discretion of the trustee.

32 (2) In the event that the sale proceedings are postponed for a
33 period or periods totaling more than 365 days, the scheduling of
34 any further sale proceedings shall be preceded by giving a new
35 notice of sale in the manner prescribed in Section 2924f. New fees
36 incurred for the new notice of sale shall not exceed the amounts
37 specified in Sections 2924c and 2924d, and shall not exceed
38 reasonable costs that are necessary to comply with this paragraph.

39 (d) The notice of each postponement and the reason therefor
40 shall be given by public declaration by the trustee at the time and

place last appointed for sale. A public declaration of postponement shall also set forth the new date, time, and place of sale and the place of sale shall be the same place as originally fixed by the trustee for the sale. No other notice of postponement need be given. However, the sale shall be conducted no sooner than on the seventh day after the earlier of (1) dismissal of the action or (2) expiration or termination of the injunction, restraining order, or stay that required postponement of the sale, whether by entry of an order by a court of competent jurisdiction, operation of law, or otherwise, unless the injunction, restraining order, or subsequent order expressly directs the conduct of the sale within that seven-day period. For purposes of this subdivision, the seven-day period shall not include the day on which the action is dismissed, or the day on which the injunction, restraining order, or stay expires or is terminated. If the sale had been scheduled to occur, but this subdivision precludes its conduct during that seven-day period, a new notice of postponement shall be given if the sale had been scheduled to occur during that seven-day period. The trustee shall maintain records of each postponement and the reason therefor.

(e) Notwithstanding the time periods established under subdivision (d), if postponement of a sale is based on a stay imposed by Title 11 of the United States Code (bankruptcy), the sale shall be conducted no sooner than the expiration of the stay imposed by that title and the seven-day provision of subdivision (d) shall not apply.

(f) This section shall be operative January 1, 2026.

SEC. 5. Section 2924h of the Civil Code is amended to read:

2924h. (a) Each and every bid made by a bidder at a trustee's sale under a power of sale contained in a deed of trust or mortgage shall be deemed to be an irrevocable offer by that bidder to purchase the property being sold by the trustee under the power of sale for the amount of the bid. Any second or subsequent bid by the same bidder or any other bidder for a higher amount shall be a cancellation of the prior bid.

(b) At the trustee's sale the trustee shall have the right (1) to require every bidder to show evidence of the bidder's ability to deposit with the trustee the full amount of their final bid in cash, a cashier's check drawn on a state or national bank, a check drawn by a state or federal credit union, or a check drawn by a state or federal savings and loan association, savings association, or savings

1 bank specified in Section 5102 of the Financial Code and
2 authorized to do business in this state, or a cash equivalent which
3 has been designated in the notice of sale as acceptable to the trustee
4 prior to, and as a condition to, the recognizing of the bid, and to
5 conditionally accept and hold these amounts for the duration of
6 the sale, and (2) to require the last and highest bidder to deposit,
7 if not deposited previously, the full amount of the bidder's final
8 bid in cash, a cashier's check drawn on a state or national bank, a
9 check drawn by a state or federal credit union, or a check drawn
10 by a state or federal savings and loan association, savings
11 association, or savings bank specified in Section 5102 of the
12 Financial Code and authorized to do business in this state, or a
13 cash equivalent which has been designated in the notice of sale as
14 acceptable to the trustee, immediately prior to the completion of
15 the sale, the completion of the sale being so announced by the fall
16 of the hammer or in another customary manner. The present
17 beneficiary of the deed of trust under foreclosure shall have the
18 right to offset their bid or bids only to the extent of the total amount
19 due the beneficiary including the trustee's fees and expenses.

20 (c) In the event the trustee accepts a check drawn by a credit
21 union or a savings and loan association pursuant to this subdivision
22 or a cash equivalent designated in the notice of sale, the trustee
23 may withhold the issuance of the trustee's deed to the successful
24 bidder submitting the check drawn by a state or federal credit union
25 or savings and loan association or the cash equivalent until funds
26 become available to the payee or endorsee as a matter of right.

27 For the purposes of this subdivision, the trustee's sale shall be
28 deemed final upon the acceptance of the last and highest bid, and
29 shall be deemed perfected as of 8 a.m. on the actual date of sale
30 if the trustee's deed is recorded within ~~15~~ 18 calendar days after
31 the sale, or the next business day following the ~~15th~~ 18th day if
32 the county recorder in which the property is located is closed on
33 the ~~15th~~ 18th day. If an eligible bidder submits a written notice of
34 intent to bid pursuant to paragraph (3) of subdivision (c) of Section
35 2924m, the trustee's sale shall be deemed perfected as of 8 a.m.
36 on the actual date of sale if the trustee's deed is recorded within
37 ~~45~~ 48 calendar days after the sale or the next business day
38 following the ~~45th~~ 48th day if the county recorder in which the
39 property is located is closed on the ~~45th~~ 48th day. However, the
40 sale is subject to an automatic rescission for a failure of

1 consideration in the event the funds are not “available for
2 withdrawal” as defined in Section 12413.1 of the Insurance Code.
3 The trustee shall send a notice of rescission for a failure of
4 consideration to the last and highest bidder submitting the check
5 or alternative instrument, if the address of the last and highest
6 bidder is known to the trustee.

7 If a sale results in an automatic right of rescission for failure of
8 consideration pursuant to this subdivision, the interest of any
9 lienholder shall be reinstated in the same priority as if the previous
10 sale had not occurred.

11 (d) If the trustee has not required the last and highest bidder to
12 deposit the cash, a cashier’s check drawn on a state or national
13 bank, a check drawn by a state or federal credit union, or a check
14 drawn by a state or federal savings and loan association, savings
15 association, or savings bank specified in Section 5102 of the
16 Financial Code and authorized to do business in this state, or a
17 cash equivalent which has been designated in the notice of sale as
18 acceptable to the trustee in the manner set forth in paragraph (2)
19 of subdivision (b), the trustee shall complete the sale. If the last
20 and highest bidder then fails to deliver to the trustee, when
21 demanded, the amount of their final bid in cash, a cashier’s check
22 drawn on a state or national bank, a check drawn by a state or
23 federal credit union, or a check drawn by a state or federal savings
24 and loan association, savings association, or savings bank specified
25 in Section 5102 of the Financial Code and authorized to do business
26 in this state, or a cash equivalent which has been designated in the
27 notice of sale as acceptable to the trustee, that bidder shall be liable
28 to the trustee for all damages which the trustee may sustain by the
29 refusal to deliver to the trustee the amount of the final bid,
30 including any court costs and reasonable attorneys’ fees.

31 If the last and highest bidder willfully fails to deliver to the
32 trustee the amount of their final bid in cash, a cashier’s check
33 drawn on a state or national bank, a check drawn by a state or
34 federal credit union, or a check drawn by a state or federal savings
35 and loan association, savings association, or savings bank specified
36 in Section 5102 of the Financial Code and authorized to do business
37 in this state, or a cash equivalent which has been designated in the
38 notice of sale as acceptable to the trustee, or if the last and highest
39 bidder cancels a cashiers check drawn on a state or national bank,
40 a check drawn by a state or federal credit union, or a check drawn

1 by a state or federal savings and loan association, savings
2 association, or savings bank specified in Section 5102 of the
3 Financial Code and authorized to do business in this state, or a
4 cash equivalent that has been designated in the notice of sale as
5 acceptable to the trustee, that bidder shall be guilty of a
6 misdemeanor punishable by a fine of not more than two thousand
7 five hundred dollars (\$2,500).

8 In the event the last and highest bidder cancels an instrument
9 submitted to the trustee as a cash equivalent, the trustee shall
10 provide a new notice of sale in the manner set forth in Section
11 2924f and shall be entitled to recover the costs of the new notice
12 of sale as provided in Section 2924c.

13 (e) Any postponement or discontinuance of the sale proceedings
14 shall be a cancellation of the last bid.

15 (f) Except as specifically provided in Section 2924m, in the
16 event that this section conflicts with any other statute, then this
17 section shall prevail.

18 (g) It shall be unlawful for any person, acting alone or in concert
19 with others, (1) to offer to accept or accept from another, any
20 consideration of any type not to bid, or (2) to fix or restrain bidding
21 in any manner, at a sale of property conducted pursuant to a power
22 of sale in a deed of trust or mortgage. However, it shall not be
23 unlawful for any person, including a trustee, to state that a property
24 subject to a recorded notice of default or subject to a sale conducted
25 pursuant to this chapter is being sold in an “as-is” condition.

26 In addition to any other remedies, any person committing any
27 act declared unlawful by this subdivision or any act which would
28 operate as a fraud or deceit upon any beneficiary, trustor, or junior
29 lienor shall, upon conviction, be fined not more than ten thousand
30 dollars (\$10,000) or imprisoned in the county jail for not more
31 than one year, or be punished by both that fine and imprisonment.

32 (h) This section shall remain in effect only until January 1, 2026,
33 and as of that date is repealed, unless a later enacted statute that
34 is enacted before January 1, 2026, deletes or extends that date.

35 SEC. 6. Section 2924h is added to the Civil Code, to read:

36 2924h. (a) Each and every bid made by a bidder at a trustee’s
37 sale under a power of sale contained in a deed of trust or mortgage
38 shall be deemed to be an irrevocable offer by that bidder to
39 purchase the property being sold by the trustee under the power
40 of sale for the amount of the bid. Any second or subsequent bid

1 by the same bidder or any other bidder for a higher amount shall
2 be a cancellation of the prior bid.

3 (b) At the trustee's sale the trustee shall have the right (1) to
4 require every bidder to show evidence of the bidder's ability to
5 deposit with the trustee the full amount of their final bid in cash,
6 a cashier's check drawn on a state or national bank, a check drawn
7 by a state or federal credit union, or a check drawn by a state or
8 federal savings and loan association, savings association, or savings
9 bank specified in Section 5102 of the Financial Code and
10 authorized to do business in this state, or a cash equivalent which
11 has been designated in the notice of sale as acceptable to the trustee
12 prior to, and as a condition to, the recognizing of the bid, and to
13 conditionally accept and hold these amounts for the duration of
14 the sale, and (2) to require the last and highest bidder to deposit,
15 if not deposited previously, the full amount of the bidder's final
16 bid in cash, a cashier's check drawn on a state or national bank, a
17 check drawn by a state or federal credit union, or a check drawn
18 by a state or federal savings and loan association, savings
19 association, or savings bank specified in Section 5102 of the
20 Financial Code and authorized to do business in this state, or a
21 cash equivalent which has been designated in the notice of sale as
22 acceptable to the trustee, immediately prior to the completion of
23 the sale, the completion of the sale being so announced by the fall
24 of the hammer or in another customary manner. The present
25 beneficiary of the deed of trust under foreclosure shall have the
26 right to offset their bid or bids only to the extent of the total amount
27 due the beneficiary including the trustee's fees and expenses.

28 (c) In the event the trustee accepts a check drawn by a credit
29 union or a savings and loan association pursuant to this subdivision
30 or a cash equivalent designated in the notice of sale, the trustee
31 may withhold the issuance of the trustee's deed to the successful
32 bidder submitting the check drawn by a state or federal credit union
33 or savings and loan association or the cash equivalent until funds
34 become available to the payee or endorsee as a matter of right.

35 For the purposes of this subdivision, the trustee's sale shall be
36 deemed final upon the acceptance of the last and highest bid, and
37 shall be deemed perfected as of 8 a.m. on the actual date of sale
38 if the trustee's deed is recorded within 15 calendar days after the
39 sale, or the next business day following the 15th day if the county
40 recorder in which the property is located is closed on the 15th day.

1 However, the sale is subject to an automatic rescission for a failure
2 of consideration in the event the funds are not “available for
3 withdrawal” as defined in Section 12413.1 of the Insurance Code.
4 The trustee shall send a notice of rescission for a failure of
5 consideration to the last and highest bidder submitting the check
6 or alternative instrument, if the address of the last and highest
7 bidder is known to the trustee.

8 If a sale results in an automatic right of rescission for failure of
9 consideration pursuant to this subdivision, the interest of any
10 lienholder shall be reinstated in the same priority as if the previous
11 sale had not occurred.

12 (d) If the trustee has not required the last and highest bidder to
13 deposit the cash, a cashier’s check drawn on a state or national
14 bank, a check drawn by a state or federal credit union, or a check
15 drawn by a state or federal savings and loan association, savings
16 association, or savings bank specified in Section 5102 of the
17 Financial Code and authorized to do business in this state, or a
18 cash equivalent which has been designated in the notice of sale as
19 acceptable to the trustee in the manner set forth in paragraph (2)
20 of subdivision (b), the trustee shall complete the sale. If the last
21 and highest bidder then fails to deliver to the trustee, when
22 demanded, the amount of their final bid in cash, a cashier’s check
23 drawn on a state or national bank, a check drawn by a state or
24 federal credit union, or a check drawn by a state or federal savings
25 and loan association, savings association, or savings bank specified
26 in Section 5102 of the Financial Code and authorized to do business
27 in this state, or a cash equivalent which has been designated in the
28 notice of sale as acceptable to the trustee, that bidder shall be liable
29 to the trustee for all damages which the trustee may sustain by the
30 refusal to deliver to the trustee the amount of the final bid,
31 including any court costs and reasonable attorneys’ fees.

32 If the last and highest bidder willfully fails to deliver to the
33 trustee the amount of their final bid in cash, a cashier’s check
34 drawn on a state or national bank, a check drawn by a state or
35 federal credit union, or a check drawn by a state or federal savings
36 and loan association, savings association, or savings bank specified
37 in Section 5102 of the Financial Code and authorized to do business
38 in this state, or a cash equivalent which has been designated in the
39 notice of sale as acceptable to the trustee, or if the last and highest
40 bidder cancels a cashiers check drawn on a state or national bank,

1 a check drawn by a state or federal credit union, or a check drawn
2 by a state or federal savings and loan association, savings
3 association, or savings bank specified in Section 5102 of the
4 Financial Code and authorized to do business in this state, or a
5 cash equivalent that has been designated in the notice of sale as
6 acceptable to the trustee, that bidder shall be guilty of a
7 misdemeanor punishable by a fine of not more than two thousand
8 five hundred dollars (\$2,500).

9 In the event the last and highest bidder cancels an instrument
10 submitted to the trustee as a cash equivalent, the trustee shall
11 provide a new notice of sale in the manner set forth in Section
12 2924f and shall be entitled to recover the costs of the new notice
13 of sale as provided in Section 2924c.

14 (e) Any postponement or discontinuance of the sale proceedings
15 shall be a cancellation of the last bid.

16 (f) In the event that this section conflicts with any other statute,
17 then this section shall prevail.

18 (g) It shall be unlawful for any person, acting alone or in concert
19 with others, (1) to offer to accept or accept from another, any
20 consideration of any type not to bid, or (2) to fix or restrain bidding
21 in any manner, at a sale of property conducted pursuant to a power
22 of sale in a deed of trust or mortgage. However, it shall not be
23 unlawful for any person, including a trustee, to state that a property
24 subject to a recorded notice of default or subject to a sale conducted
25 pursuant to this chapter is being sold in an “as-is” condition.

26 In addition to any other remedies, any person committing any
27 act declared unlawful by this subdivision or any act which would
28 operate as a fraud or deceit upon any beneficiary, trustor, or junior
29 lienor shall, upon conviction, be fined not more than ten thousand
30 dollars (\$10,000) or imprisoned in the county jail for not more
31 than one year, or be punished by both that fine and imprisonment.

32 (h) This section shall be operative January 1, 2026.

33 SEC. 7. Section 2924m is added to the Civil Code, to read:

34 2924m. (a) For purposes of this section:

35 (1) “Prospective owner-occupant” means a natural person who
36 presents to the trustee an affidavit that:

37 (A) They will occupy the property as their primary residence
38 within 60 days of the trustee’s deed being recorded.

39 (B) They will maintain their occupancy for at least one year.

1 (C) They are not the mortgagor or trustor, or the child, spouse,
2 or parent of the mortgagor or trustor.

3 (D) They are not acting as the agent of any other person or entity
4 in purchasing the real property.

5 (2) “Eligible tenant buyer” means a natural person who at the
6 time of the trustee’s sale:

7 (A) Is occupying the real property as their primary residence.

8 (B) Is occupying the real property under a rental or lease
9 agreement entered into as the result of an arm’s length transaction
10 with the mortgagor or trustor on a date prior to the recording of
11 the Notice of Default against the property.

12 (C) Is not the mortgagor or trustor, or the child, spouse, or parent
13 of the mortgagor or trustor.

14 (3) “Eligible bidder” means any of the following:

15 (A) An eligible tenant buyer.

16 (B) A prospective owner-occupant.

17 (C) A nonprofit association, nonprofit corporation, or
18 cooperative corporation in which an eligible tenant buyer or a
19 prospective owner-occupant is a voting member or director.

20 (D) An eligible nonprofit corporation based in California whose
21 primary activity is the development and preservation of affordable
22 rental housing.

23 (E) A limited partnership in which the managing general partner
24 is an eligible nonprofit corporation based in California whose
25 primary activity is the development and preservation of affordable
26 housing.

27 (F) A limited liability company in which the managing member
28 is an eligible nonprofit corporation based in California whose
29 primary activity is the development and preservation of affordable
30 rental housing.

31 (G) A community land trust, as defined in clause (ii) of
32 subparagraph (C) of paragraph (11) of subdivision (a) of Section
33 402.1 of the Revenue and Taxation Code.

34 (H) A limited-equity housing cooperative as defined in Section
35 817.

36 (I) The state, the Regents of the University of California, a
37 county, city, district, public authority, or public agency, and any
38 other political subdivision or public corporation in the state.

1 (b) Nothing in this section shall prevent an eligible tenant buyer
2 who meets the conditions set forth in paragraph (1) of subdivision
3 (a) from being deemed a prospective owner-occupant.

4 (c) A trustee's sale of property under a power of sale contained
5 in a deed of trust or mortgage on real property containing one to
6 four residential units pursuant to Section 2924g shall not be deemed
7 final until the earliest of the following:

8 (1) If a prospective owner-occupant is the last and highest bidder
9 at the trustee's sale, the date upon which the conditions set forth
10 in Section 2924h of the Civil Code for the sale to become final are
11 met. The trustee shall require the prospective owner-occupant to
12 submit the affidavit described in paragraph (1) of subdivision (a).
13 The trustee may reasonably rely upon this affidavit.

14 (2) Fifteen days after the trustee's sale unless at least one eligible
15 tenant buyer or eligible bidder submits to the trustee either a bid
16 pursuant to paragraph (3) or (4) or a nonbinding written notice of
17 intent to place such a bid. The bid or written notice of intent to
18 place a bid shall be sent to the trustee by certified mail, overnight
19 delivery, or other method that allows for confirmation of the
20 delivery date and shall be received by the trustee no later than 15
21 days after the trustee's sale.

22 (3) The date upon which a representative of all of the eligible
23 tenant buyers submits to the trustee a bid in an amount equal to
24 the full amount of the last and highest bid at the trustee's sale, in
25 the form of cash, a cashier's check drawn on a state or national
26 bank, a cashier's check drawn by a state or federal credit union,
27 or a cashier's check drawn by a state or federal savings and loan
28 association, savings association, or savings bank specified in
29 Section 5102 of the Financial Code and authorized to do business
30 in this state. This bid shall be accompanied by an affidavit stating
31 that the persons represented meet the criteria set forth in paragraph
32 (2) of subdivision (a). The trustee may reasonably rely on this
33 affidavit. The bid and affidavit shall be sent to the trustee by
34 certified mail, overnight delivery, or other method that allows for
35 confirmation of the delivery date and shall be received by the
36 trustee no later than 45 days after the trustee's sale. If this occurs,
37 the eligible tenant buyers shall be deemed the last and highest
38 bidder pursuant to the power of sale.

39 (4) Forty-five days after the trustee's sale, except that during
40 the 45-day period, an eligible bidder may submit to the trustee a

1 bid in an amount that exceeds the last and highest bid at the
2 trustee's sale, in the form of cash, a cashier's check drawn on a
3 state or national bank, a cashier's check drawn by a state or federal
4 credit union, or a cashier's check drawn by a state or federal
5 savings and loan association, savings association, or savings bank
6 specified in Section 5102 of the Financial Code and authorized to
7 do business in this state. The bid shall be accompanied by an
8 affidavit identifying the category set forth in paragraph (3) of
9 subdivision (a) to which the eligible bidder belongs and stating
10 that the eligible bidder meets the criteria for that category. The
11 trustee may reasonably rely on this affidavit. The bid and affidavit
12 shall be sent to the trustee by certified mail, overnight delivery, or
13 other method that allows for confirmation of the delivery date and
14 shall be received by the trustee no later than 45 days after the
15 trustee's sale. As of 5 p.m. on the 45th day after the trustee's sale,
16 if one or more eligible bidders has submitted a bid, the eligible
17 bidder that submitted the highest bid shall be deemed the last and
18 highest bidder pursuant to the power of sale. The trustee shall
19 return any losing bid to the eligible bidder that submitted it.

20 (d) If the conditions set forth in paragraph (1) of subdivision
21 (c) for a sale to be deemed final are not met, then:

22 (1) Not later than 48 hours after the trustee's sale of property
23 under Section 2924g, the trustee *or an authorized agent* shall post
24 on the internet website set forth on the notice of sale, as required
25 under paragraph (8) of subdivision (b) of section 2924f, the
26 following information:

27 (A) The date on which the trustee's sale took place.

28 (B) The amount of the last and highest bid at the trustee's sale.

29 (C) An address at which the trustee can receive documents sent
30 by United States mail and by a method of delivery providing for
31 overnight delivery.

32 (2) The information required to be posted on the internet website
33 under paragraph (1) shall also be made available not later than 48
34 hours after the trustee's sale of property under section 2924g by
35 calling the telephone number set forth on the notice of sale as
36 required under paragraph (8) of subdivision (b) of section 2924f.

37 (3) The information required to be provided under paragraphs
38 (1) and (2) shall be made available using the file number assigned
39 to the case that is set forth on the notice of sale as required under
40 paragraph (8) of subdivision (b) of section 2924f.

(4) The information required to be provided under paragraphs (1) and (2) shall be made available for a period of not less than 45 days after the sale of property under section 2924g.

(5) A disruption of any of these methods of providing the information required under paragraphs (1) and (2) to allow for reasonable maintenance or due to a service outage shall not be deemed to be a violation of this subdivision.

(e) A prospective owner-occupant shall not be in violation of this section if a legal owner's compliance with the requirements of Section 2924n renders them unable to occupy the property as their primary residence within 60 days of the trustee's deed being recorded.

(f) This section shall prevail over any conflicting provision of Section 2924h.

(g) This section shall remain in effect only until January 1, 2026, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2026, deletes or extends that date.

SEC. 8. Section 2924n is added to the Civil Code, to read:

2924n. Nothing in this article shall relieve a person deemed the legal owner of real property when the trustee's deed is recorded from complying with applicable law regarding the eviction or displacement of tenants, including, but not limited to, notice requirements, requirements for the provision of temporary or permanent relocation assistance, the right to return, and just cause eviction requirements.

SEC. 9. Section 2929.3 of the Civil Code is amended to read:

2929.3. (a) (1) A legal owner shall maintain vacant residential property purchased by that owner at a foreclosure sale once that sale is deemed final, or acquired by that owner through foreclosure under a mortgage or deed of trust. A governmental entity may impose a civil fine upon the legal owner of the property for a violation as set forth in this section. The governmental entity is not required to impose a civil fine if the violation is not remedied.

(2) If the governmental entity chooses to impose a fine pursuant to this section, it shall give the legal owner, prior to the imposition of the fine, a notice containing the following information:

(A) Notice of the alleged violation, including a detailed description of the conditions that gave rise to the allegation.

(B) Notice of the entity's intent to assess a civil fine if the legal owner does not do both of the following:

1 (i) Within a period determined by the entity, consisting of not
2 less than 14 business days following the date of the notice,
3 commence action to remedy the violation and notify the entity of
4 that action. This time period shall be extended by an additional 10
5 business days if requested by the legal owner in order to clarify
6 with the entity the actions necessary to remedy the violation.

7 (ii) Complete the action described in clause (i) within a period
8 of no less than 16 business days following the end of the period
9 set forth in clause (i).

10 (C) The notice required under this paragraph shall be mailed to
11 the address provided in the deed or other instrument as specified
12 in subdivision (a) of Section 27321.5 of the Government Code,
13 or, if none, to the return address provided on the deed or other
14 instrument.

15 (3) The governmental entity shall provide a period of not less
16 than the time set forth in clauses (i) and (ii) of subparagraph (B)
17 of paragraph (2) to remedy the violation prior to imposing a civil
18 fine and shall allow for a hearing and opportunity to contest any
19 fine imposed. In determining the amount of the fine, the
20 governmental entity shall take into consideration any timely and
21 good faith efforts by the legal owner to remedy the violation. The
22 maximum civil fine authorized by this section for each day that
23 the owner fails to maintain the property, commencing on the day
24 following the expiration of the period to remedy the violation
25 established by the governmental entity, is as follows:

26 (A) Up to a maximum of two thousand dollars (\$2,000) per day
27 for the first 30 days.

28 (B) Up to a maximum of five thousand dollars (\$5,000) per day
29 thereafter.

30 (4) Subject to the provisions of this section, a governmental
31 entity may establish different compliance periods for different
32 conditions on the same property in the notice of alleged violation
33 mailed to the legal owner.

34 (b) For purposes of this section, “failure to maintain” means
35 failure to care for the exterior of the property, including, but not
36 limited to, permitting excessive foliage growth that diminishes the
37 value of surrounding properties, failing to take action to prevent
38 trespassers or squatters from remaining on the property, or failing
39 to take action to prevent mosquito larvae from growing in standing
40 water or other conditions that create a public nuisance.

1 (c) Notwithstanding subdivisions (a) and (b), a governmental
2 entity may provide less than 30 days' notice to remedy a condition
3 before imposing a civil fine if the entity determines that a specific
4 condition of the property threatens public health or safety and
5 provided that notice of that determination and time for compliance
6 is given.

7 (d) Fines and penalties collected pursuant to this section shall
8 be directed to local nuisance abatement programs, including, but
9 not limited to, legal abatement proceedings.

10 (e) A governmental entity may not impose fines on a legal owner
11 under both this section and a local ordinance.

12 (f) These provisions shall not preempt any local ordinance.

13 (g) This section shall only apply to residential real property.

14 (h) The rights and remedies provided in this section are
15 cumulative and in addition to any other rights and remedies
16 provided by law.

17 *SEC. 10. (a) Sections 1.5 and 2.5 of this bill incorporate*
18 *changes to Section 2924f of the Civil Code proposed by both this*
19 *bill and Senate Bill 1148. These sections of this bill shall only*
20 *become operative if (1) both bills are enacted and become effective*
21 *on or before January 1, 2021, (2) each bill amends Section 2924f*
22 *of the Civil Code, and (3) this bill is enacted after Senate Bill 1148,*
23 *in which case Sections 1 and 2 of this bill shall not become*
24 *operative.*

25 *(b) Sections 2 and 2.5 of this bill and Section 1.5 of Senate Bill*
26 *1148 add Section 2924f of Civil Code, to be operative January 1,*
27 *2026. If (1) both bills are enacted and become effective on or*
28 *before January 1, 2021, (2) each bill adds Section 2924f of the*
29 *Civil Code, to be operative January 1, 2026, and (3) Senate Bill*
30 *1148 is enacted after this bill, Section 2 of this bill shall not become*
31 *operative.*