Of the 805 bills signed into law in 2013, 23 have been summarized as significant for the title industry.

The CLTA wishes to express its appreciation to the Legislative Committee for reviewing the legislation and summaries, and Anthony Helton, CLTA Legislative Coordinator, for producing this publication.

The Summary is intended merely to provide shorthand references to selected bills of interest to the title industry. The actual chaptered versions should always be reviewed for specific details.

Copies of bill text, histories, committee analyses, voting records and veto messages are available from the California Legislature's official website at www.leginfo.ca.gov under the “Bill Information, 2013-14 Session” link. All bills summarized in this publication become effective January 1, 2014, unless otherwise noted.

PLEASE NOTE: This publication contains live links to chaptered bill text and case documents. Links to chaptered bills can be found at the end of each bill summary; links to case documents can be accessed by clicking on the case name at the beginning of each case summary.
Figure 1. Of the 2,264 bills introduced into the California State Senate and Assembly in 2013, 805 were chaptered, 96 were vetoed, and 212 failed to make required deadlines that prevented them from passing. 1,151 bills remain designated as 2-year bills that will be eligible to move once the Legislature reconvenes from recess in January 2014.

Figure 2. Of the 114 bills tracked by CLTA at the end of the 2013 session, 41 were chaptered and 7 were vetoed. 66 bills remain designated as 2-year bills that will be eligible to move once the Legislature reconvenes from recess in January 2014.
Common Interest Developments

- Commercial and Industrial Common Interest Development Act

The Davis-Stirling Common Interest Development Act provides for the creation and regulation of common interest developments, as defined, but exempts common interest developments that are limited to industrial or commercial uses from specified provisions of the act.

This act establishes the Commercial and Industrial Common Interest Development Act, which provides for the creation and regulation of commercial and industrial common interest developments by adding Part 5.3 to Division 4 (commencing with Section 6500) of the Civil Code. The act makes various conforming changes.

Chapter 605 (SB 752 – Roth): Amending Sections 10153.2, 11003, 11003.2, 11004.5, 1110.3, 23426.5, and 23428.20 of the Business and Professions Code, amending Sections 714, 714.1, 782, 782.5, 783, 783.1, 1098, 1133, 1633.3, 2924h, 2955.1, 4202, and 4280 of, adding Part 5.3 (commencing with Section 6500) to Division 4 of, and repealing Section 6870 of, the Civil Code, amending Sections 86 and 116.540 of the Code of Civil Procedure, amending Sections 12191, 12956.1, 12956.2, 53341.5, 65008, 66411, 66412, 66424, 66427, 66452.10, and 66475.2 of the Government Code, amending Sections 13132.7, 19850, 25400.22, 25915.2, 33050, 33435, 33436, 35811, 37630, 50955, 51602, and 66475.2 of the Vehicle Code, and amending Section 13553 of the Water Code.

Disclosures

- Oil and Gas Fracking
- Notification to Landowners

This act defines, among other things, the terms well stimulation treatment, hydraulic fracturing, and hydraulic fracturing fluid. The act requires an owner or operator of a well to collect and include all data on acid treatments and well stimulation treatments. The act requires the division to adopt rules and regulations specific to well stimulation, including governing the construction of wells and well casings and full disclosure of the composition and disposition of well stimulation fluids.

Of interest to title companies, the act requires that a copy of the approved well stimulation treatment permit and information on the available water sampling and testing be provided to every tenant of the surface property and every surface property owner or authorized agent of that owner whose property line location is either within a 1,500 foot radius of the wellhead or within 500 feet from the horizontal projection of all subsurface portions of the designated well to the surface.

The act also requires the well owner or operator to identify the area requiring notification and contract with an independent entity or person who is responsible for, and will perform the notification.

Chapter 313 (SB 4 – Pavley): amending Sections 3213, 3215, 3236.5, and 3401 of, and adding Article 3 (commencing with Section 3150) to Chapter 1 of Division 3 of, the Public Resources Code, and adding Section 10783 to the Water Code.

- Construction Defect Litigation

Existing law requires the transferor of residential property to make certain disclosures to a prospective transferee and requires these disclosures to be made on a specified form.

This act revises the transfer disclosure form to additionally disclose to a potential transferee the existence of lawsuits by or against the seller affecting the residential real property in question or for specified claims for damages by the seller, including lawsuits or claims for damages alleging defective or deficient construction.

This act becomes operative on July 1, 2014.

Chapter 431 (SB 652 – DeSaulnier): amending Section 1102.6 of the Civil Code.

Escrow Agents

- Escrow Agent Rating Service

Existing law, the Consumer Credit Reporting Agencies Act, requires every consumer credit reporting agency, upon request and proper identification of any consumer, to allow the consumer to visually inspect all files maintained regarding that consumer at the time of the request. Existing law requires every consumer reporting agency to advise the consumer of the agency’s obligation to provide a decoded written version of the file. Existing law grants the consumer the right to request and receive a decoded written version of the file. Existing law requires a consumer credit reporting agency to disclose the recipients of any consumer credit report on the consumer which the consumer credit reporting agency has furnished.

Under existing law, a consumer credit reporting agency is required to furnish a consumer credit report only under certain circumstances, including in accordance with the written instructions of the consumer to whom it relates. Existing law prohibits a consumer credit reporting agency from making any consumer credit report containing specified information.

(Continued on Next Page...)

California Land Title Association
**Escrow Agents (cont.)**

(Continued from Previous Page...)

Existing law requires every consumer credit reporting agency to maintain reasonable procedures designed to avoid disclosing certain information and to limit the furnishing of consumer credit reports to specified purposes. If the completeness or accuracy of any item of information in a consumer’s file is disputed by the consumer, existing law requires the consumer credit reporting agency to reinvestigate and record the current status of the disputed information within a specified period of time. Existing law requires each consumer credit reporting agency that compiles and reports items of information that are matters of public record to specify the source from which that information was obtained. Existing law requires a person that procures a consumer credit report for the purpose of reselling the report to take specified actions.

Existing law authorizes any consumer suffering damages as a result of a violation of the Consumer Credit Reporting Agencies Act by any person to bring a court action for damages or injunctive relief.

This act, until January 1, 2017, requires an escrow agent rating service, to comply with the provisions described above. The act makes an escrow agent rating service subject to the requirements applicable to a reseller of credit information if it acts in that capacity. The act also requires an escrow agent rating service to establish policies and procedures to protect the personal information it obtains from escrow agents. The act authorizes an escrow agent, who suffers damages as a result of the failure of an escrow agent rating service to comply with these provisions to bring a court action for specified damages.

Chapter 380 (AB 1169 – Daly): adding and repealing Chapter 3.6 (commencing with Section 1785.28) of Title 1.6 of Part 4 of Division 3 of the Civil Code.

**Exchange Facilitators**

- **Continuation of Law**

Existing law regulates persons engaging in business as exchange facilitators, as defined, including requiring compliance with certain bonding and insurance requirements, imposing specified notification requirements, and prohibiting specified acts. Existing law makes any person who violates these provisions subject to civil suit in a court of competent jurisdiction, as provided. These provisions remain in effect until January 1, 2014, at which point they would be repealed by their own terms.

This act removes the repeal date, thus continuing these provisions in effect indefinitely.

Chapter 45 (SB 139 – Hill): repealing Section 51015 of the Financial Code.

**Foreclosure**

- **Deficiency Judgments**

Existing law provides that no deficiency judgment shall lie following a judicial foreclosure with respect to certain enumerated circumstances, including, among others, after a sale of real property or an estate for years therein for failure of the purchaser to complete his or her contract of sale. Existing law prohibits a judgment to be rendered for a deficiency on a note secured by a deed of trust or mortgage on real property or an estate for years therein.

This act prohibits a deficiency from being owed or collected following a judicial foreclosure. The act also prohibits a deficiency from being owed or collected for a deficiency on a note secured by a deed of trust or mortgage on real property or an estate for years therein, and would make nonsubstantive changes to these provisions. The act also expresses the intent of the Legislature that these provisions would not impact existing law regarding the liability of a guarantor, pledgor, or other surety with respect to a deficiency, nor existing law regarding other collateral pledged to secure the obligation that is the subject of a deficiency.


- **Foreclosure Notices**

- **Title Companies**

Existing law requires a mortgage servicer, mortgagee, trustee, beneficiary, or authorized agent to, among other things, contact the borrower prior to filing a notice of default to explore options for the borrower to avoid foreclosure, as specified. Existing law, until January 1, 2018, prohibits a mortgage servicer, mortgagee, trustee, beneficiary, or authorized agent from recording a notice of default if a foreclosure prevention alternative is approved in writing prior to the recordation of a notice of default under certain circumstances. Existing law, operative January 1, 2018, prohibits a mortgage servicer, trustee, mortgagee, beneficiary, or authorized agent from recording a notice of sale or conducting a trustee’s sale while a foreclosure prevention alternative application submitted by the borrower is pending, as specified. Existing law, until January 1, 2018, prohibits a mortgage servicer, trustee, mortgagee, beneficiary, or authorized agent from recording a notice of default, notice of sale, or conducting a trustee’s sale while a complete first lien loan modification application submitted by the borrower is pending, as specified. Existing law, until January 1, 2018, authorizes a borrower to bring an action for injunctive relief to enjoin a material violation of certain of these provisions if a trustee’s deed of sale has not been recorded.

(Continued on Next Page...
Foreclosure (cont.)

(Continued from Previous Page...)

This act exempts a licensed title company or underwritten title company, except when it is acting as a trustee, from liability for a violation of those provisions if it records or causes to record a notice of default or notice of sale at the request of a trustee, substitute trustee, or beneficiary, in good faith and in the normal course of its business activities.

Chapter 251 (SB 310 – Calderon); adding Section 2924.26 to, and adding and repealing Section 2924.25 of, the Civil Code.

Insurance Companies

• Risk and Solvency Assessment

Existing law regulates the business of insurance, including, but not limited to, requiring that each domestic, foreign, and alien insurer doing business in this state annually, on or before the first day of March of each year, file with the National Association of Insurance Commissioners a copy of its annual statement convention blank, along with any additional filings as prescribed by the Insurance Commissioner for the preceding year.

The California Public Records Act requires state and local agencies to make their records available for public inspection and to make copies available upon request and payment of a fee unless the records are exempt from disclosure.

This act, on and after January 1, 2015*, requires an insurer to maintain a risk management framework, to conduct no less than annually an Own Risk and Solvency Assessment (ORSA), and to submit to the commissioner, upon request and no more than once each year, an ORSA Summary Report. The act exempts certain insurance companies from these provisions. The act provides that the documents, materials, and other information in the possession or control of the Department of Insurance that are obtained by, created by, or disclosed to the commissioner or any other person pursuant to these provisions are confidential, are not subject to disclosure pursuant to the California Public Records Act, and are not subject to subpoena or discovery in a civil action. The act makes related findings on the confidentiality of these records. The act provides that an insurer who fails, without just cause, to timely file the ORSA Summary Report as required by these provisions would be subject to late filing fees.

NOTE: The CDI has advised that notwithstanding the language pertaining to a late filing fee for failure to timely report, insurers may file anytime during the calendar year 2015. Of course, the CDI prefers a filing early in the year around the end of the first quarter as stated in the NAIC Model Law. The CDI advises that by submitting a comprehensive ORSA report both the industry and regulators will benefit.

The NAIC ORSA Guidance Manual can be found here.

Chapter 238 (AB 584 – Perea); adding Article 10.6 (commencing with Section 935.1) to Chapter 1 of Part 2 of Division 1 of the Insurance Code.

Judgments

• Renewal
• Name of Judgment Debtor

Existing law provides that the period of enforceability of a money judgment or a judgment for possession or sale of property may be extended by renewal of the judgment upon application by the judgment creditor to the court in which the judgment was entered. Existing law requires that the application for renewal of the judgment be executed under oath and include, along with other items, the name and address of the judgment creditor, and the name and last known address of the judgment debtor.

Existing law requires that, after entry of a money judgment, a writ of execution be issued by the clerk of the court upon application by the judgment creditor, and directed to the levying officer in the county where the levy is to be made and to any registered process server. Existing law requires that the writ of execution be issued in the name of the judgment debtor as listed on the judgment.

This act requires the judgment creditor to omit the name of a judgment debtor from the application for renewal of the judgment and the application for a writ of execution if the liability of that judgment debtor has ceased with regard to the judgment, which would include the judgment debtor obtaining a discharge of the judgment pursuant to specified federal bankruptcy statutes or the judgment creditor filing an acknowledgment of satisfaction of judgment with regard to the judgment debtor.

Chapter 176 (SB 551 – Gaines); amending Sections 683.140 and 699.510 of the Code of Civil Procedure.

Land Use and Planning

• Cause of Actions
• Time Limitations

The Planning and Zoning Law requires an action or proceeding against local zoning and planning decisions of a legislative body to be commenced and the legislative body to
be served within a year of accrual of the cause of action, if it meets certain requirements. Where the action or proceeding is brought in support of, or to encourage or facilitate the development of, housing that would increase the community’s supply of affordable housing, a cause of action accrues 60 days after a certain notice is filed or the legislative body takes a final action in response to the notice, whichever occurs first.

This act authorizes the notice to be filed any time within 180 days after specified zoning and planning decisions, but would set a 270-day period for notice with respect to an adopted or revised housing element that is found to substantially comply with law, and a two-year period for notice with respect to an adopted or revised housing element that is found not to substantially comply with law. This act also establishes a six-month limitations period for the commencement of an action or proceeding arising from a notice subject to the 270-day period, a one-year limitations period for the commencement of an action or proceeding arising from a notice subject to the two-year period, and a 180-day limitations period for the commencement of an action or proceeding arising from a notice subject to the 180-day period. The act declares the intent of the Legislature to modify a specified court opinion. The act also provides that in an action or proceeding subject to these provisions, no remedy pursuant to specified provisions of law shall abrogate, impair, or otherwise interfere with the full exercise of the rights and protections granted to a tentative map applicant or a developer.

Chapter 767 (AB 325 – Alejo); amending Sections 65009, 65587, and 65755 of the Government Code.

**Manufactured Housing**

• **Recordation of Certificate of Occupancy**

Existing law requires the installation of a manufactured home, mobilehome, or commercial modular as a fixture or improvement to real property to comply with specified provisions. Existing law requires an enforcement agency to record with the county recorder of the county where real property is situated, on the same date that the certificate of occupancy for a manufactured home, mobilehome, or commercial modular is issued by the appropriate enforcement agency, that the real property has been installed upon, a document naming the owner of the real property, describing the real property with certainty, and stating that a manufactured home, mobilehome, or commercial modular has been affixed to the real property by installation on a foundation system.

This act instead requires that recordation is to occur within five business days of the issuance of the certificate of occupancy.

Existing law provides that once installed on a foundation system in compliance with these provisions, a manufactured home, mobilehome, or commercial modular shall be deemed a fixture and a real property improvement to the real property to which it is affixed and physical removal of the manufactured home, mobilehome, or commercial modular shall thereafter be prohibited without the consent of all persons or entities who, at the time of removal, have title to any estate or interest in the real property to which it is affixed.

The act also makes other technical, nonsubstantive, and clarifying changes.

Chapter 137 (AB 379 – Brown); amending Section 18551 of the Health and Safety Code.
**Notaries Public**

- Identification

Existing law relating to property transfers specifies certain documents as allowable forms of identification for a credible witness, who, by oath or affirmation, attests to the identity of an individual executing a written instrument in the presence of, and acknowledged by, a notary public. Existing law specifies that an inmate identification card that is current or has been issued within five years by the Department of Corrections and Rehabilitation if the inmate is in custody is an allowable form of identification, for purposes of these provisions, if it contains certain identifying information, including a photograph and description of the person named on it, is signed by the person, and has a serial or other identifying number.

This act recasts those provisions to make an inmate identification card that is current or has been issued within five years by the department, if the inmate is in custody in prison, an allowable form of identification for a credible witness to prove the identity of an individual who executes a written instrument, and to delete the requirement that the card have the additional identifying information.

*Chapter 159 (AB 625 – Quirk); amending Section 1185 of the Civil Code.*

**Privacy**

- Disclosure of Data Breaches
- Personal Information Expanded

Existing law requires any agency, and any person or business conducting business in California, that owns or licenses computerized data that includes personal information, as defined, to disclose in specified ways, any breach of the security of the system or data, as defined, following discovery or notification of the breach, to any California resident whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person. Existing law defines “personal information” for these purposes, to include an individual's first name and last name, or first initial and last name, in combination with one or more designated data elements relating to, among other things, social security numbers, driver's license numbers, financial accounts, and medical information.

This act revises certain data elements included within the definition of personal information, by adding certain information that would permit access to an online account.

This act imposes additional requirements on the disclosure of a breach of the security of the system or data in situations where the breach involves personal information that would permit access to an online or email account.

This act incorporates additional changes to Section 1798.29 of the Civil Code as enacted by Chapter 395 (AB 1149, Statutes of 2013).

*Chapter 396 (SB 46 – Corbett); amending Sections 1798.29 and 1798.82 of the Civil Code.*

**Property Taxation**

- Urban Agriculture Incentive Zones

Existing law, the Williamson Act, authorizes a city or county to enter into 10-year contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Existing law authorizes the parties to a Williamson Act contract to mutually agree to rescind a contract under the act in order to simultaneously enter into an open-space easement for a certain period of years.

This act enacts the Urban Agriculture Incentive Zones Act and authorizes, under specified conditions and until January 1, 2019, a city, county, or city and county and a landowner to enter into a contract to enforceably restrict the use of vacant, unimproved, or otherwise blighted lands for small-scale production of agricultural crops and animal husbandry. The act requires a contract entered into pursuant to these provisions to, among other things, be for a term of no less than five years and to enforceably restrict property that is at least 0.10 acres in size.

Existing law requires the county assessor to consider, when valuing real property for property taxation purposes, the effect of any enforceable restrictions to which the use of the land may be subjected. Under existing law these restrictions include, but are not limited to, zoning, recorded contracts with governmental agencies, and various other restrictions imposed by governments.

This act requires the county assessor to value property that is enforceably restricted by a contract entered into pursuant to the Urban Agriculture Incentive Zones Act at the rate based on the average per-acre value of irrigated cropland in California, adjusted proportionally to reflect the acreage of the property under contract, as most recently published by the National Agricultural Statistics Service of the United States Department of Agriculture. The act also requires the State Board of Equalization to post the per-acre land value as published by the National Agricultural Statistics Service of the United States Department of Agriculture on its Internet Web site within 30 days of publication, and to provide the rate to county assessors no later than January 1 of each assessment year.

*Chapter 406 (AB 551 – Ting); adding Chapter 6.3 (commencing with Section 51040) to Part 1 of Division 1 of Title 5 of the Government Code, and amending Section 402.1 of, and adding Section 422.7 to, the Revenue and Taxation Code.*
PUBLIC TRUST

• Dredging
• Notice and Leases

Existing law authorizes the State Lands Commission to enter into an exchange, with any person or private entity, of filled or reclaimed tidelands and submerged lands or beds of navigable waterways, or interests in those lands, if the commission finds that specified conditions are met.

This act requires that a local trustee of tide and submerged lands or an applicant for dredging on granted tide and submerged lands that intends to commence dredging on granted public trust lands, upon which any right to minerals on those lands is reserved by the state, to notify the commission, in writing, no later than 120 days prior to the time dredging is commenced, and would require that the written notice contain specified information.

The act specifies that if that written notice is provided to the commission, a local trustee or applicant for dredging may presume that a dredging lease is not required if prescribed conditions are met. The act authorizes the commission, if any dredging on granted tide and submerged lands wherein minerals are reserved to the state does not meet those prescribed conditions, to require a lease from the commission for that dredging. The act requires the commission, if it determines that a lease is required, to provide the grantee or applicant for dredging with written notification of that determination within 30 days after the commission receives notification of the proposed dredging. The act requires that any revenue that is earned by a local trustee from the dredging of granted lands be held or spent in a manner consistent with the trustee's existing obligations under the public trust and the specific terms of its grant of lands. The act makes the above requirements applicable only to dredging operations that are commenced on or after January 1, 2014.

Chapter 104 (AB 727 - Stone); adding Section 6707 to the Public Resources Code.

REAL PROPERTY

• Boundaries

Existing law defines the rights and obligations of owners of real property. Under existing law, coterminous owners are equally bound to maintain the boundaries between their properties. Existing law further requires coterminous owners to maintain fences between their properties.

This act, instead, requires adjoining landowners to share equally, with certain exceptions, the responsibility for maintaining the boundaries and monuments between them. The act establishes a rebuttable presumption that adjoining landowners share an equal benefit from any fence dividing their properties and, absent a written agreement to the contrary, are equally responsible for the reasonable costs for the fence.

Chapter 86 (AB 1404 – Committee on Judiciary); repealing and adding Section 841 of the Civil Code.

SUBDIVISION MAP ACT

• Floating Home Marinas
• Conversion

Existing law, the Subdivision Map Act, generally requires that a tentative and final map shall be required for all subdivisions creating 5 or more condominiums. Existing law requires a subdivider, at the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a mobilehome park to another use, to file a report on the impact of the conversion upon the displaced residents of the mobilehome park to be converted, addressing the availability of adequate replacement space in mobilehome parks. Existing law exempts from these requirements the conversion of a rental mobilehome park to resident ownership, and instead requires a subdivider for that conversion to avoid the economic displacement of nonpurchasing residents, as specified, and file a report on the impact of the conversion upon the displaced residents of the mobilehome park to be converted. Existing law also subjects the subdivider of a rental mobilehome park to resident ownership to a hearing regarding the impact of the conversion upon the displaced residents of the park, and requires the subdivider to offer each existing tenant the option to purchase his or her condominium unit to be created by the conversion. Existing law exempts mobilehome parks from the requirement of the filing of a tentative and final map for all subdivisions creating five or more condominiums, if at least two-thirds of the owners of mobilehomes who are tenants have applied for a waiver.

This act extends the same requirements to the conversion of floating home marinas.

Existing law, the Subdivided Lands Act, requires any person who intends to offer subdivided lands for sale or lease, as specified, to file with the Bureau of Real Estate an application for a public report consisting of, among other things, a notice of intention, as specified. Existing law exempts from the notice of intention requirement the purchase of a mobilehome park by a nonprofit corporation, under specified circumstances. Existing law requires the subdivider of a mobilehome park that is proposed to be converted to resident ownership to file a report consisting of, among other things, a notice of that intention, as specified. Existing law exempts mobilehome parks from the requirement of the filing of a tentative and final map for all subdivisions creating five or more condominiums, if at least two-thirds of the owners of mobilehomes who are tenants have applied for a waiver.

This act exempts from the notice of intention requirement the purchase of a mobilehome park by a nonprofit corporation. The act also requires the subdivider of a mobilehome park that is proposed to be converted to resident ownership to file a report consisting of, among other things, a notice of that intention, as specified. Existing law exempts mobilehome parks from the requirement of the filing of a tentative and final map for all subdivisions creating five or more condominiums, if at least two-thirds of the owners of mobilehomes who are tenants have applied for a waiver.

(Continued on Next Page...)
Subdivision Map Act (cont.)

(Continued from Previous Page...)

The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency, and sets forth procedures governing the local agency’s processing, approval, conditional approval or disapproval, and filing of tentative, final, and parcel maps, and the modification thereof. The act generally requires a subdivider to file a tentative map or vesting tentative map with the local agency, as specified, and the local agency, in turn, to approve, conditionally approve, or disapprove the map within a specified time period. The act requires an approved tentative map or vesting tentative map to expire 24 months after its approval, or after an additional period of time prescribed by local ordinance, not to exceed 12 months. However, the act extends the expiration date of certain approved tentative maps and vesting tentative maps.

This act extends by 24 months the expiration date of any approved tentative map or vesting tentative map that was approved on or after January 1, 2000. The act additionally requires the extension of an approved or conditionally approved tentative map or vesting tentative map, or parcel map for which a tentative map or vesting tentative map was approved on or before December 31, 1999, upon application by the subdivider at least 90 days prior to the expiration of the map.

The Permit Streamlining Act prohibits a local agency, after its approval of a tentative map for a subdivision of single- or multiple-family residential units, from requiring conformance with, or the performance of, any conditions that the local agency could have lawfully imposed as a condition to the previously approved tentative or parcel map, as a condition to the issuance of any building permit or equivalent permit upon approval of that subdivision, during a 5-year period following the recordation of the final map or parcel map for that subdivision. The act also prohibits a local agency from refusing to issue a building permit or equivalent permit for a subdivider’s failure to conform with or perform those conditions. However, the act also provides that this 5-year period is a 3-year period for a tentative map extended pursuant to a specified provision of law, and the local agency is not prohibited from levying a fee, or imposing a condition that requires the payment of a fee upon the issuance of a building permit, with respect to the underlying units.

This act provides that a tentative map extended pursuant to its provisions is also subject to the truncated three-year period, and that the local agency is not prohibited from levying a fee, or imposing a condition that requires the payment of a fee upon the issuance of a building permit, with respect to the underlying units.

Chapter 62 (AB 116 – Bocanegra): amending Section 65961 of, and adding Section 66452.24 to, the Government Code.

• Rental Mobilehome Park Conversion

The Subdivision Map Act requires a subdivider, at the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, to avoid the economic displacement of all nonpurchasing residents by following specified requirements relating to the conversion. In this regard, existing law requires that the subdivider obtain a survey of support of residents of the mobilehome park for the proposed conversion, that the results of the survey be submitted to the local agency for consideration, as specified, and that the subdivider be subject to a hearing by a legislative body or advisory agency that is authorized to approve, conditionally approve, or disapprove the map.

This act specifies that the results of the survey are to be considered by the local agency in making its decision to approve, conditionally approve, or disapprove the map. The act authorizes the local agency to disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park’s homeowners. The act authorizes local legislative bodies to, by ordinance or resolution, implement the survey requirements.


• Defined as “Agreement”

Existing law provides that the terms set forth in a writing intended by the parties as a final expression of their agreement with respect to the terms may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement. Existing law defines the term “agreement” to include deeds and wills, as well as contracts between parties.

This act includes trust instruments in the definition of the term “agreement.”

UNCLAIMED PROPERTY

• Reporting of Last Known Name & Address

The Unclaimed Property Law (UPL) specifies the circumstances under which unclaimed personal property held by a banking or financial institution, business association, or other holder of personal property escheats to the state. The UPL requires a banking or financial organization, if it has in its records an address for the apparent owner, which the records do not disclose to be inaccurate, to make reasonable efforts to notify by mail any customer that the customer’s deposit, account, shares, or other interest in the banking or financial organization will escheat to the state. The UPL authorizes a banking or financial organization to impose a service charge for the notice on the deposit, account, shares, or other interest in an amount up to $2 but not exceeding the administrative cost of mailing or electronically sending the notice, but prohibits a banking or financial institution from imposing a service charge for notice on items of less than $50. The UPL requires every person holding funds or other property that escheated to the state to submit a report to the Controller that includes, among other items, the name and last known address of each person appearing to be the owner of any property, except traveler’s checks and money orders, worth at least $50 that escheated to the state and, for items worth less than $50, the nature and identifying number, if any, or description of any intangible property reported in aggregate.

The UPL requires that the report be filed before November 1 of each year, except with regard to the report of life insurance corporations and of all insurance corporation demutualization proceeds subject to a specified statute, in which case the UPL requires that the report be filed before May 1 of each year.

This act, beginning July 1, 2014, requires a person holding escheated property to include in his or her report to the Controller the name and last known address of the apparent owner of any escheated property, except traveler’s checks and money orders, worth at least $25. The act allows the holder to report information regarding escheated items worth less than $25 in aggregate. The act authorizes a banking or financial institution to impose a service charge for notice if the deposit, account, shares, or other interest has a value greater than $2.

Chapter 362 (AB 212 – Lowenthal); amending Sections 1513.5 and 1530 of the Code of Civil Procedure.

VITAL RECORDS

• Death Certificates
• Digitized Images
• Proof of Execution

Under existing law, a certified copy of a birth, death, marriage or military service record may only be supplied by the State Registrar, local registrar, or county recorder to an authorized person, who submits a written or faxed request accompanied by a notarized statement sworn under penalty of perjury that the applicant is an authorized person.

This act additionally authorizes the request and the notarized statement to be a digitized image. The act removes the application of these provisions to requests for certified copies of a military service record as requests for certified copies of those records are also subject to different provisions of existing law.

Existing law authorizes proof of the execution of an instrument, generally not including deeds or instruments affecting real property, by certain persons and prescribes the form for that proof. Existing law authorizes the use of a specified form, or a substantially similar form, as a certificate for proof of execution of an instrument.

This act instead requires that only the specified form can be used as a certificate for proof of execution of an instrument, and would make several changes to the form.

Existing law authorizes, if title to real property is affected by the death of a person, any person to record evidence of the death in the county in which the property is located by providing specified documents, which may include, among other things, a certified copy of a record of the death.

This act would provide that a certified copy of a record of death includes a certified copy or informational certified copy issued by the State Registrar, local registrar, or county recorder pursuant to specified provisions.

Chapter 78 (AB 464 – Daly); amending Sections 1188 and 1195 of the Civil Code, amending Section 103526 of the Health and Safety Code, and amending Section 210 of the Probate Code.
### Index by Bill Number

<table>
<thead>
<tr>
<th>Assembly Bill</th>
<th>Chapter</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB 116</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 212</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 253</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 325</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 379</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 464</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 551</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 584</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 625</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 727</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 824</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 1169</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 1386</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AB 1404</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Index by Chapter Number

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Bill Number</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 45</td>
<td>SB 139</td>
<td></td>
</tr>
<tr>
<td>Chapter 62</td>
<td>AB 116</td>
<td></td>
</tr>
<tr>
<td>Chapter 65</td>
<td>SB 426</td>
<td></td>
</tr>
<tr>
<td>Chapter 78</td>
<td>AB 464</td>
<td></td>
</tr>
<tr>
<td>Chapter 81</td>
<td>AB 824</td>
<td></td>
</tr>
<tr>
<td>Chapter 86</td>
<td>AB 1404</td>
<td></td>
</tr>
<tr>
<td>Chapter 104</td>
<td>AB 727</td>
<td></td>
</tr>
<tr>
<td>Chapter 137</td>
<td>AB 379</td>
<td></td>
</tr>
<tr>
<td>Chapter 159</td>
<td>AB 625</td>
<td></td>
</tr>
<tr>
<td>Chapter 176</td>
<td>SB 551</td>
<td></td>
</tr>
<tr>
<td>Chapter 238</td>
<td>AB 584</td>
<td></td>
</tr>
<tr>
<td>Chapter 251</td>
<td>SB 310</td>
<td></td>
</tr>
<tr>
<td>Chapter 313</td>
<td>SB 4</td>
<td></td>
</tr>
<tr>
<td>Chapter 362</td>
<td>AB 212</td>
<td></td>
</tr>
<tr>
<td>Chapter 373</td>
<td>SB 510</td>
<td></td>
</tr>
<tr>
<td>Chapter 380</td>
<td>AB 1169</td>
<td></td>
</tr>
<tr>
<td>Chapter 396</td>
<td>SB 46</td>
<td></td>
</tr>
<tr>
<td>Chapter 406</td>
<td>AB 551</td>
<td></td>
</tr>
<tr>
<td>Chapter 431</td>
<td>SB 652</td>
<td></td>
</tr>
<tr>
<td>Chapter 432</td>
<td>AB 253</td>
<td></td>
</tr>
<tr>
<td>Chapter 605</td>
<td>SB 752</td>
<td></td>
</tr>
<tr>
<td>Chapter 750</td>
<td>AB 1386</td>
<td></td>
</tr>
<tr>
<td>Chapter 767</td>
<td>AB 325</td>
<td></td>
</tr>
</tbody>
</table>
## Legislative Index by Topic

<table>
<thead>
<tr>
<th>Boundaries</th>
<th>Real Property</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cause of Actions</td>
<td>Land Use and Planning</td>
<td>5-6</td>
</tr>
<tr>
<td>Certificate of Lien for Wages</td>
<td>Liens</td>
<td>6</td>
</tr>
<tr>
<td>Commercial and Industrial Common Interest Development Act</td>
<td>Common Interest Developments</td>
<td>3</td>
</tr>
<tr>
<td>Common Interest Developments</td>
<td>Commercial and Industrial Common Interest Development Act</td>
<td>3</td>
</tr>
<tr>
<td>Conditions and Fees</td>
<td>Subdivision Map Act</td>
<td>9</td>
</tr>
<tr>
<td>Construction Defect Litigation</td>
<td>Disclosures</td>
<td>3</td>
</tr>
<tr>
<td>Continuation of Law</td>
<td>Exchange Facilitators</td>
<td>4</td>
</tr>
<tr>
<td>Conversion</td>
<td>Subdivision Map Act</td>
<td>8-9</td>
</tr>
<tr>
<td>Death Certificates</td>
<td>Vital Records</td>
<td>10</td>
</tr>
<tr>
<td>Deficiency Judgments</td>
<td>Foreclosure</td>
<td>4</td>
</tr>
<tr>
<td>Defined as “Agreement”</td>
<td>Trusts</td>
<td>9</td>
</tr>
<tr>
<td>Digitized Images</td>
<td>Vital Records</td>
<td>10</td>
</tr>
<tr>
<td>Disclosure of Data Breaches</td>
<td>Privacy</td>
<td>7</td>
</tr>
<tr>
<td>Disclosures</td>
<td>Construction Defect Litigation</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Notification to Landowners</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Oil and Gas Fracking</td>
<td>3</td>
</tr>
<tr>
<td>Dredging</td>
<td>Public Trust</td>
<td>8</td>
</tr>
<tr>
<td>Escrow Agent Rating Service</td>
<td>Escrow Agents</td>
<td>3-4</td>
</tr>
<tr>
<td></td>
<td>Escrow Agent Rating Service</td>
<td>3-4</td>
</tr>
<tr>
<td>Exchange Facilitators</td>
<td>Continuation of Law</td>
<td>4</td>
</tr>
<tr>
<td>Extension</td>
<td>Subdivision Map Act</td>
<td>9</td>
</tr>
<tr>
<td>Floating Home Marinas</td>
<td>Subdivision Map Act</td>
<td>8-9</td>
</tr>
<tr>
<td>Foreclosure</td>
<td>Deficiency Judgments</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Foreclosure Notices</td>
<td>4-5</td>
</tr>
<tr>
<td></td>
<td>Title Companies</td>
<td>4-5</td>
</tr>
<tr>
<td>Foreclosure Notices</td>
<td>Foreclosure</td>
<td>4-5</td>
</tr>
<tr>
<td>Identification</td>
<td>Notaries Public</td>
<td>7</td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>Risk and Solvency Assessment</td>
<td>5</td>
</tr>
<tr>
<td>Judgments</td>
<td>Renewal</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Name of Judgment Debtor</td>
<td>5</td>
</tr>
<tr>
<td>Land Use and Planning</td>
<td>Cause of Actions</td>
<td>5-6</td>
</tr>
<tr>
<td></td>
<td>Time Limitations</td>
<td>5-6</td>
</tr>
</tbody>
</table>
## Legislative Index by Topic

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liens</td>
<td></td>
</tr>
<tr>
<td>Certificate of Lien for Wages</td>
<td>6</td>
</tr>
<tr>
<td>Manufactured Housing</td>
<td></td>
</tr>
<tr>
<td>Recordation of Certificate of Occupancy</td>
<td>6</td>
</tr>
<tr>
<td>Name of Judgment Debtor</td>
<td></td>
</tr>
<tr>
<td>Judgments</td>
<td>5</td>
</tr>
<tr>
<td>Notaries Public</td>
<td></td>
</tr>
<tr>
<td>Identification</td>
<td>7</td>
</tr>
<tr>
<td>Notice and Leases</td>
<td></td>
</tr>
<tr>
<td>Foreclosure</td>
<td>7</td>
</tr>
<tr>
<td>Notification to Landowners</td>
<td></td>
</tr>
<tr>
<td>Disclosures</td>
<td>3</td>
</tr>
<tr>
<td>Oil and Gas Fracking</td>
<td></td>
</tr>
<tr>
<td>Disclosures</td>
<td>3</td>
</tr>
<tr>
<td>Personal Information Expanded</td>
<td></td>
</tr>
<tr>
<td>Privacy</td>
<td>7</td>
</tr>
<tr>
<td>Privacy</td>
<td></td>
</tr>
<tr>
<td>Disclosure of Data Breaches</td>
<td>7</td>
</tr>
<tr>
<td>Personal Information Expanded</td>
<td>7</td>
</tr>
<tr>
<td>Proof of Execution</td>
<td></td>
</tr>
<tr>
<td>Vital Records</td>
<td>10</td>
</tr>
<tr>
<td>Property Taxation</td>
<td></td>
</tr>
<tr>
<td>Urban Agriculture Incentive Zones</td>
<td>7</td>
</tr>
<tr>
<td>Public Trust</td>
<td></td>
</tr>
<tr>
<td>Dredging</td>
<td>8</td>
</tr>
<tr>
<td>Notice and Leases</td>
<td>8</td>
</tr>
<tr>
<td>Real Property</td>
<td></td>
</tr>
<tr>
<td>Boundaries</td>
<td>8</td>
</tr>
<tr>
<td>Recordation of Certificate of Occupancy</td>
<td></td>
</tr>
<tr>
<td>Manufactured Housing</td>
<td>6</td>
</tr>
<tr>
<td>Renewal</td>
<td></td>
</tr>
<tr>
<td>Judgments</td>
<td>5</td>
</tr>
<tr>
<td>Rental Mobilehome Park Conversion</td>
<td></td>
</tr>
<tr>
<td>Subdivision Map Act</td>
<td>9</td>
</tr>
<tr>
<td>Reporting of Last Known Name &amp; Address</td>
<td></td>
</tr>
<tr>
<td>Unclaimed Property</td>
<td>10</td>
</tr>
<tr>
<td>Risk and Solvency Assessment</td>
<td></td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>5</td>
</tr>
<tr>
<td>Subdivision Map Act</td>
<td></td>
</tr>
<tr>
<td>Conversion</td>
<td>8-9</td>
</tr>
<tr>
<td>Conditions and Fees</td>
<td>9</td>
</tr>
<tr>
<td>Extension</td>
<td>9</td>
</tr>
<tr>
<td>Floating Home Marinas</td>
<td>8-9</td>
</tr>
<tr>
<td>Rental Mobilehome Park Conversion</td>
<td>9</td>
</tr>
<tr>
<td>Time Limitations</td>
<td></td>
</tr>
<tr>
<td>Land Use and Planning</td>
<td>5-6</td>
</tr>
<tr>
<td>Title Companies</td>
<td></td>
</tr>
<tr>
<td>Foreclosure</td>
<td>4-5</td>
</tr>
<tr>
<td>Construction of Instruments</td>
<td>11</td>
</tr>
<tr>
<td>Trusts</td>
<td></td>
</tr>
<tr>
<td>Defined as “Agreement”</td>
<td>9</td>
</tr>
<tr>
<td>Unclaimed Property</td>
<td></td>
</tr>
<tr>
<td>Reporting of Last Known Name &amp; Address</td>
<td>10</td>
</tr>
<tr>
<td>Urban Agriculture Incentive Zones</td>
<td></td>
</tr>
<tr>
<td>Property Taxation</td>
<td></td>
</tr>
<tr>
<td>Vital Records</td>
<td></td>
</tr>
<tr>
<td>Death Certificates</td>
<td>10</td>
</tr>
<tr>
<td>Digitized Images</td>
<td>10</td>
</tr>
<tr>
<td>Proof of Execution</td>
<td>10</td>
</tr>
</tbody>
</table>
The Following Pages Contain New Cases of Importance to the Title Industry

PLEASE NOTE: The CLTA would like to thank Roger Therien of Old Republic Title Company for providing the following case summary information.
Adverse Possession

**Aguayo v. Amaro**

213 Cal. App. 4th 1102 (2013)

The doctrine of unclean hands can serve as a defense to adverse possession by color of title, but normally is not a defense when it is based on claim of right. The court held that unclean hands can be a defense to a claim of adverse possession by claim of right where plaintiff recorded a “wild” deed executed by a non-title holder in order to divert property tax bills from the true owner. The doctrine applied to defeat the adverse possession claim because recordation of the deed constituted deceitful interference with the true owner’s ability to defeat the claim.

**Hagman v. Meher Mount Corp.**


The doctrine of boundary by agreement does not apply where: 1) a boundary was not uncertain where it can be ascertained by an accurate survey; and 2) evidence of an actual agreement to resolve a boundary dispute does not exist.

Anti-Deficiency

**Bank of Am., N.A. v. Roberts**


Plaintiff held a loan secured by a second deed of trust on defendant’s residence. The parties entered into a short sale agreement, which provided that plaintiff would release its security interest in the property with defendant paying only a portion of the amount due, and that defendant would remain personally liable for the balance. Plaintiff filed this action seeking a money judgment after defendant defaulted. The court upheld the trial court’s grant of a summary judgment in favor of plaintiff holding:

1. C.C.P. Section 580e currently provides a borrower with anti-deficiency protection after the parties agree to a short sale and the loan is secured by any deed of trust on 1-4 family residential property. However, defendant is not entitled to that protection because at the time the parties entered into the short sale agreement Section 580e applied only to a first deed of trust, and the statute is not retroactive.

2. C.C.P. Section 726, which permits a deficiency judgment only after a judicial foreclosure, does not prohibit this lawsuit because defendant asked for and consented to the short sale and thereby waived any rights under Section 726.

3. The federal Troubled Asset Relief Program (“TARP”), which may require lenders subject to the program to modify mortgages, does not preclude this lawsuit for several reasons, including the fact that there is no private right of action under that law.

**Coker v. JP Morgan Chase Bank, N.A.**


A lender under a purchase money loan on a residence sought to recover the balance due on the loan after the lender and borrower agreed to a short sale, with the borrower agreeing to be personally liable for the unpaid balance. The court held that C.C.P. Section 580b precludes a deficiency judgment even where the lender does not foreclose, and public policy prohibits a waiver of a borrower’s rights under Section 580b.

**Enloe v. Kelso**

217 Cal. App. 4th 877 (2013), as modified on denial of reh’g (July 25, 2013), review denied (Sept. 18, 2013)

Plaintiffs/sellers of real property carried back a loan secured by a second deed of trust. They filed this action seeking a deficiency judgment after the parties entered into a short sale agreement leaving a large balance unpaid. Summary judgment in favor of defendant-purchasers was affirmed because Civil Code Section 580b bars a deficiency judgment for a purchase money loan, even though the trust deed was given to sellers after the close of escrow. Section 580b applies because the timing of the recordation of the trust deed did not change the character of the transaction.

Attorney-Client Privilege

**Bank of Am., N.A. v. Superior Court Of Orange Cnty.**

212 Cal. App. 4th 1076 (2013), review denied (Apr. 10 2013)

A tripartite attorney-client relationship arises when a title insurer retains counsel to prosecute an action on behalf of an insured pursuant to a title policy. The privilege applies even where the insurer asserted a reservation of rights in a non-Cumis situation.
**Conservation Easements**

*Wooster v. Dep’t. of Fish & Game*


1. The Department of Fish and Game’s failure to comply with its obligation to post signs on the subject property did not extinguish a conservation easement or give the plaintiff a basis for rescinding the easement.

2. The grant of hunting rights to the department, so that the department could prohibit all hunting on the property, was legal and consistent with the statutes governing conservation easements.

**County Recorder**

*Sierra Club v. Superior Court of Orange Cnty.*

57 Cal. 4th 157 (2013)

Orange County’s geographic information system is a database that must be made available to the public at the actual cost of duplication. The plaintiff must, however, use its own software to access the data.

**Deed Restrictions**

*Self v. Sharafi*


A 1946 deed contained a restriction against erecting any buildings on specified property retained by the grantor. In this lawsuit between subsequent owners of each parcel concerning whether the restriction runs with the land so as to bind subsequent owners of the servient parcel, the court held:

1. The restriction is not a covenant running with the land under the version of Civil Code Section 1468 in effect at the time of the conveyance because that Code Section only applied to covenants between landowners. The statute was subsequently amended to include covenants between a grantor and grantee, but the amendment only applies to covenants postdating its enactment.

2. The restriction is a covenant running with the land under Civil Code Section 1462, which provides that a covenant contained in a grant of an estate and made for the direct benefit of “the property”, runs with the land. The term “the property” refers to the property conveyed, which was benefitted by the restriction, so Section 1462 applies.

**Deeds of Trust**

*Scott v. JPMorgan Chase Bank, N.A.*

214 Cal. App. 4th 743 (2013), as modified on denial of reh’g (Apr. 16, 2013), review denied (June 12, 2013)

Plaintiff asserted that he had been fraudulently induced to enter into a subprime loan with the original lender, First Magnus Financial Corporation, and that consequently defendant could not foreclose. First Magnus had assigned the loan to Washington Mutual Bank, which was taken over by the FDIC, and the FDIC sold the loan to defendant pursuant to a Purchase and Assumption Agreement (P&A Agreement). The court upheld the trial court’s sustaining of defendant’s demurrer without leave to amend on the basis that under the P&A Agreement defendant obtained the beneficial interest under the deed of trust without assuming related liabilities.

*West v. JPMorgan Chase Bank, N.A.*


When a borrower complies with the terms of a “trial period plan” under the Home Affordable Mortgage Program, and the borrower’s representations remain true and correct, the loan servicer must offer the borrower a permanent loan modification. Accordingly, the plaintiff stated causes of action for damages and breach of contract where defendant foreclosed rather than offer a permanent loan modification.

However, the court upheld the trial court’s sustaining of a demurrer to the cause of action to set aside the trustee’s sale because the complaint alleged only procedural irregularities in the sale notice and procedure, and the trustee’s deed upon sale recited that the trustee complied with the deed of trust and all

(Continued on Next Page...)
Deeds of Trust (cont.)

(Continued from Previous Page...)

applicable statutory requirements. Thus, any notice defects were deemed voidable, not void, and plaintiff was therefore required to allege tender of the indebtedness in order to set aside the trustee’s sale, which plaintiff did not do. The court also upheld the sustaining of a demurrer to the cause of action to quiet title because plaintiff did not name as a defendant the person who purchased at the trustee’s sale.

Deeds of Trust / Foreclosure

Intengan v. BAC Home Loans Servicing LP


1. Plaintiff stated a cause of action sufficient to overcome a de- murrer where plaintiff alleged that defendant did not contact her to explore options to foreclosure as required by Civil Code Section 2923.5. The trial court improperly took judicial notice of defendant’s statements in the declaration attached to the recorded notice of default asserting that defendant attempted with due diligence to contact plaintiff. While judicial notice may be taken of the existence of the declaration, the court may not take judicial notice of the facts asserted in the declaration.

2. Plaintiff did not need to tender payment of the loan in order to maintain this action because while the tender requirement may apply to causes of action to set aside a foreclosure sale, it does not apply to actions seeking to enjoin foreclosure sale where the lender has allegedly not complied with a condition precedent to foreclosure.

Easements

Cottonwood Duplexes, LLC v. Barlow


The court held that an easement cannot be reduced in size on the basis that the reasonable use requirements of the easement, both presently and in the future, do not require the full size and scope of the original easement. Even though defendant had no apparent use for more than 15 feet of the 60-foot easement, an easement acquired by deed cannot be lost by mere non-user. The court distinguished Scruby v. Vintage Grapevine, Inc. (1995) 37 Cal.App.4th 697, in which the court permitted the servient tenement to maintain water tanks and grape vines in the easement area because such use did not interfere with the dominant tenements use of the remainder of the easement for ingress and egress. Scruby dealt with the scope of use of an easement, whereas here plaintiff sought to entirely terminate defendant’s rights as to a portion of the easement.

Hamilton Court, LLC v. E. Olympic, L.P.


The doctrine of merger does not apply to eliminate an eas- ment where a servient and dominant tenement come under common ownership, and the dominant tenement is encum- bered by a mortgage which later forecloses.
**HOA Lien Foreclosure**

*Multani v. Witkin & Neal*

215 Cal. App. 4th 1428 (2013), as modified on denial of reh’g (May 29, 2013)

1. A non-judicial foreclosure of a homeowner’s association lien can be set aside where the HOA fails to provide notice of the homeowner’s 90-day right of redemption, as required by C.C.P. 729.050.

2. Plaintiffs were excused from complying with the usual requirement that they tender the amount due in order to maintain an action to set aside a foreclosure because requiring tender of the amount due would undermine a debtor’s right under C.C.P. 729.070 to seek a judicial determination of the redemption price.

**Indians / Contractor Law**

*Twenty-Nine Palms Enterprises Corp. v. Bardos*


In an Indian tribal corporation’s suit to recover money paid for construction work done on tribal land, on the ground that defendant was unlicensed at the time of the contract, a grant of summary judgment in favor of the plaintiff was affirmed where:

1. Defendant argued that sovereign immunity prevented plaintiff from asserting that defendant was not licensed as a contractor under state law because the work was performed on tribal land. This defense was rejected because it is only available to tribal entities and not to non-tribal entities;

2. Defendant was the sole shareholder of a corporation that had a contractor’s license, with defendant as Responsible Managing Officer. But the work was performed as a sole proprietorship under a different fictitious business name, and defendant did not obtain a contractor’s license in that name until after the work was complete. Even though a sole proprietorship is not a legal entity separate from the individual owner, the corporate license belonged to the corporation, which is a separate entity, so he could not perform work under the name of the sole proprietorship:

3. The court rejected defendant’s contention that the corporate identity should be disregarded via the alter ego doctrine because defendant used the sole proprietorship for the purpose of self-dealing, and equity does not require piercing the corporate veil in that circumstance.

4. Defendant could not establish substantial compliance with the licensing requirement because he did not meet the criteria of Business and Professions Code Section 7031(e); and

5. Defendant contended that plaintiff should be estopped from relying on Section 7031 because plaintiff told defendant that a license was not required for work performed on tribal land. But equitable principles may not be used to circumvent Business and Professions Code section 7031.

**Insurance**

*Chanda v. Fed. Home Loans Corp.*


Under the Collateral Source Rule, payments under an insurance policy are not deducted from the damages a plaintiff can otherwise collect from a tortfeasor. Therefore, a plaintiff may not normally introduce evidence that the defendant had insurance coverage. Here, however, evidence that a loan broker obtained title insurance for plaintiff’s deed of trust was admissible as to the issue of whether the loan broker satisfied industry standards and met its fiduciary duty toward plaintiff. Any prejudicial effect of the existence of insurance could be eliminated by an appropriate jury instruction.


An insurer agreed to provide a defense with a reservation of rights and approved independent counsel selected by the insured to represent the insured in the underlying tort action, pursuant to Civil Code Section 2860 and San Diego Federal Credit Union v. Cumis Ins. Society, Inc. (1984) 162 Cal. App.3d 358 (Cumis). The court held that the insurer did not have to continue to pay the insured’s Cumis counsel after it subsequently withdrew all reservations of rights and coverage defenses that gave rise to the insured’s right to Cumis counsel.
INSURANCE / BAD FAITH

Zhang v. Superior Court

57 Cal. 4th 364 (2013)

Fraudulent conduct by an insurer does not give rise to a private right of action under the Unfair Insurance Practices Act (Insurance Code section 790.03 et seq.), but it can give rise to a private cause of action under the Unfair Competition Law (“UCL”) (Business and Professions Code section 17200 et seq.). The court pointed out that the UCL permits only injunctive relief and restitution, not damages.

LANDSLIDE / QUIET TITLE

Joannou v. City of Rancho Palos Verdes

219 Cal. App. 4th 746 (2013)

The Cullen Earthquake Act, which provides for quiet title actions to reestablish boundaries that have shifted due to “disasters”, does not apply to gradual earth movements.

LIS PENDENS / FORGERY

La Jolla Grp. II v. Bruce


1. In order to be privileged under CC 47(b)(4), a lis pendens must a) identify a previously filed action and b) the previously filed action must be one that affects title or right of possession of real property. The court declined to add a third requirement that the plaintiff must make a showing of evidentiary merit.

2. The name of the beneficiary in a deed of trust was altered in an attempt by a loan broker to support an unrelated loan. The court held that since the deed of trust was materially altered after it was signed, it was a forgery and was therefore void ab initio.

LOAN AGREEMENTS

Jolley v. Chase Home Fin. LLC


In an action to enjoin a trustee’s sale and for damages in connection with a construction loan, the court reversed a summary judgment in favor of the defendant lender, finding that there were triable issues of fact as to whether the lender was negligent or engaged in misconduct that allegedly lead plaintiff to believe the loan would be modified. The court held that, while the “Homeowner Bill of Rights” (Assem. Bill 278; Sen. Bill 900 (2011–2012 Reg. Sess.) did not apply in this case, the legislation sets forth policy considerations that should affect a court’s assessment of whether a duty of care was owed to plaintiff, and courts should not rely mechanically on the general rule that lenders owe no duty of care to their borrowers.

LOAN MODIFICATIONS

Bushell v. JPMorgan Chase Bank, N.A.


After being denied a loan modification under the federal Home Affordable Modification Program (“HAMP”), plaintiffs properly alleged state law causes of action for breach of contract, breach of the implied covenant of good faith and fair dealing, promissory estoppel and fraud based on false promise, where they alleged that they complied with all terms of a “Trial Period Plan” including making all required payments, providing all required documentation, and maintaining the integrity of their modification-based representations.

The court rejected the defendant lender’s argument that plaintiffs could not allege damages, because all plaintiffs did was to make monthly mortgage payments they were already obligated to make. Plaintiffs properly alleged damages where they alleged that they were damaged by the considerable time they spent repeatedly contacting defendant and repeatedly preparing documents at defendant’s request; by discontinuing efforts to pursue a refinance from other financial institutions or to pursue other means of avoiding foreclosure (such as bankruptcy restructuring, or selling or renting their home); by having their credit reports further damaged; and by losing their home and making it unlikely they could purchase another one.
**Mechanics’ Liens**

*Appel v. Superior Court of Los Angeles Cnty.*


Where the value of a mechanics lien claimant’s work exceeds the contract price, the amount of the lien is limited to the contract price under former Civil Code Section 3123(a) (substantially reenacted as CC 8430), even where the property has been conveyed to a person who was not a party to the contract. That code section provided that the amount of a mechanics lien is the lesser of 1) the reasonable value of the work or 2) the price agreed to by the claimant and the person that contracted for the work.

**Notaries**

*Hutton v. Fid. Nat’l Title Co.*

213 Cal. App. 4th 486 (2013) as modified on denial of reh’g (Feb. 22, 2013)

Government Code section 8211.1 limits that amount a notary may charge for taking an acknowledgment to $10 per signature, but does not limit the amount a notary may charge for performing other services, such as traveling to the location of signing, presenting multiple documents for signature, answering questions, etc. In the unpublished portion of the opinion the court held that the attorney’s fee provision in the General Provisions of defendant’s escrow instructions was unconscionable because it was buried in the middle of extensive provisions in small font, was one of numerous documents signed by plaintiff and was one-sided because it provided for attorney’s fees only for defendant, and not for plaintiff.

**Parol Evidence Rule**

*Riverisland Cold Storage v. Fresno –Madera Production Credit Ass’n.*

55 Cal. 4th 1169 (2013)

The California Supreme Court held that evidence of oral promises or agreements at variance with the terms of a written contract may be considered to determine if the contract should be invalidated as having been procured by fraud, even where the contract contains an “integration clause”. The court overruled its 1935 decision in Bank of America v. Pendergrass, which held that evidence offered to prove fraud “must tend to establish some independent fact or representation, some fraud in the procurement of the instrument or some breach of confidence concerning its use, and not a promise directly at variance with the promise of the writing.” The court pointed out that a showing of justifiable reliance would still be necessary to establish the alleged fraud.

**Predatory Lending**

*Fuller v. First Franklin Fin. Corp.*

216 Cal. App. 4th 955 (2013), as modified on denial of reh’g (June 24, 2013), review denied (Sept. 25, 2013)

The court overruled the trial court’s sustaining of a demurrer because the complaint’s allegations of an overstatement of the appraisal value, concealment of plaintiffs’ eligibility for more favorable loans, and hidden kickbacks stated a claim for deceit, and this alleged conduct, along with the alleged failure to explain the terms of the loans to plaintiffs, stated a claim for breach of fiduciary duty and for unfair business practices. The court also concluded that defendants had failed to establish the expiration of the statute of limitations period on the face of the pleading.

**Prescriptive Easements**

*King v. Wu*

218 Cal. App. 4th 1211 (2013), reh’g denied (Sept. 4, 2013), review filed (Sept. 24, 2103)

Defendants asserted as a defense to a claim of a prescriptive easement that defendant was not in possession of the adversely used land for a continuous period of five years because the property was leased under a series of leases and defendant was therefore not personally in possession for five continuous years. The court rejected this defense holding that if at any point during the adverse use an owner or a landlord has been in possession, including constructively at the expiration of a renewable lease, he or she could and should have taken action to interrupt such use.
**Prescriptive Easements (cont.)**

*Windsor Pac. LLC v. Samwood Co., Inc.*


1. Plaintiff could not establish a prescriptive easement over access roads where the use was permissive pending the parties’ negotiations regarding development of the property.

2. Plaintiff was equitably estopped from asserting a prescriptive easement where defendants were entitled to rely on plaintiff’s conduct indicating that use of the roads was permissive.

**Subdivision Map Act**

*Corrie v. Soloway*


An option agreement was originally illegal because it permitted the sale of a parcel of real property before the filing of a final parcel map and without being expressly conditioned upon the approval and filing of such a map, as required by the Subdivision Map Act (Gov. Code Section 66499.30(e)). However, a subsequent amendment to the option agreement provided that it was conditioned on the filing of a parcel map. The court held that the option was valid and did not violate Section 66499.30(e) because the amendment was in substance a new and different option agreement that stood on its own feet independently of the prior illegality.

**Title Insurance**

*Liberty Nat’l Enterprises v. Chicago Title Ins. Co.*


The court followed Safeco Title Ins. Co. v. Moskopoulos (1981) 116 Cal.App.3d 658, holding that the insuring clause of a title insurance policy did not cover an action that did not allege defective title, but rather tortious conduct in the manner in which the insured acquired title. There was no potential for coverage and therefore no duty to defend. The court did not address whether any policy exclusions applied because an occurrence not within the insuring clause does not also have to be excluded by the policy’s exclusions.

**Subordination Agreements**

*Citizens Bus. Bank v. Gevorgian*


A seller’s agreement to subordinate its security interest to that of a bank is unenforceable where the developer and the bank entered into a letter of understanding between themselves, to which the seller did not consent, about which it knew nothing, and which substantially impaired its security. The bank had paid off prior deeds of trust, but the court rejected the bank’s claim of equitable subrogation because it is not available where the superior equities of the otherwise senior lien holder would be prejudiced by granting equitable subrogation.

**Transfer Fees**

*Fowler v. M & C Ass’n Mgmt. Servs., Inc.*

220 Cal. App. 4th 1152 (2013)

Transfer fees charged by a Homeowners Association were not “transfer fees” within the meaning of Civil Code Section 1098, which requires recordation of a document disclosing details of the fee, because CC Section 1098(g) excludes assessments, charges, penalties, or fees authorized by the Davis-Stirling Common Interest Development Act.
**Trustee’s Sales**

**Biancalana v. T.D. Service Co.**

56 Cal. 4th 807 (2013)

A trustee under a deed of trust may declare a trustee’s sale to be void where the trustee made an error in communicating the lender’s credit bid to the auctioneer, and the error was coupled with a grossly inadequate bid price. The court pointed out that its holding was premised on the trustee discovering its mistake before it issues the deed, and that after the deed is issued, a bona fide purchaser is entitled to a conclusive presumption that the sale was conducted regularly and properly.

**Chavez v. Indymac Mortgage Servs.**

219 Cal. App. 4th (2013)

1. Plaintiff borrower asserted that a trustee’s sale was improper because she had complied with a modification agreement that defendant lender had not signed. The court held that defendant was equitably estopped from asserting a statute of frauds defense because defendant had represented to plaintiff that it would sign the modification agreement if plaintiff qualified for the modification, and plaintiff did qualify.

2. Plaintiff was excused from tendering the amount of the indebtedness because plaintiff alleged that the trustee’s sale was void, which is one of four exceptions to the tender rule.

**Glaski v. Bank of Am. Nat’l Ass’n**


A borrower may challenge a securitized trust’s chain of ownership of a deed of trust by alleging that the attempts to transfer the deed of trust to the trust (which was formed under New York law) occurred after the trust’s “closing date”. Transfers that violate the terms of the trust instrument are void under New York trust law, and borrowers have standing to challenge void assignments of their loans even though they are not a party to, or a third party beneficiary of, the assignment agreement. Also, tender of the amount due is not required where the foreclosure sale is void, rather than voidable, such as when a plaintiff proves that the entity lacked the authority to foreclose on the property.

**Jenkins v. JP Morgan Chase Bank, N.A.**


The court upheld the trial court’s sustaining of a demurrer without leave to amend, finding:

1. Production of the note is not required for a lender to process a trustee’s sale.

2. Plaintiff’s claim that defendant violated the terms of a securitized investment trust’s pooling and servicing agreement fails because plaintiff was not a third party beneficiary of that agreement.

3. A borrower cannot bring a preemptive judicial action to challenge whether the person initiating the foreclosure is authorized to do so because California’s trustee’s sale statutes do not allow for an additional requirement that the foreclosure entity must demonstrate in court that it is authorized to initiate a foreclosure.

4. Civil Code Section 2932.5’s requirement that an assignment be recorded before the power of sale can be exercised applies to mortgages, but not to deeds of trust.

5. Plaintiff lacked standing under Business and Professions Code Section 17200 et seq. (Unfair Competition Law) because one of the requirements is for a plaintiff to show economic injury resulting from the defendant’s unlawful acts. Here, plaintiff’s economic injury was a result of her default on her loan, which occurred prior to defendants’ allegedly unlawful acts.

6. Plaintiff’s claim of a breach of the implied covenant of good faith and fair dealing fails because the covenant must be related to a contract. Here, the only contracts were the note and deed of trust and defendants’ alleged conduct was in connection with plaintiff’s efforts to have the loan modified and in connection with the conduct of the trustee’s sale, not to a violation of any provision of the note and deed of trust.

7. Plaintiff did not state a cause of action for violation of RESPA’s Qualified Written Request rules because any harm plaintiff suffered occurred as a result of her own default on the loan.

**Lueras v. BAC Home Loans Servicing, LP**

221 Cal. App. 4th 49 (2013)

The court overruled the trial court’s sustaining of defendant’s demurrer, holding that:

1. A residential lender does not owe a common law duty of care to offer, consider, or approve a loan modification, or to explore...
and offer foreclosure alternatives. Any such duty arises only as set forth in the note and deed of trust, any forbearance agreement entered into by borrower and lender, federal and state statutes and regulations, and governmental directives and announcements. However, a lender does owe a duty to a borrower to not make material misrepresentations about the status of an application for a loan modification or about the date, time, or status of a foreclosure sale.

2. A forbearance agreement entered into pursuant to Fannie Mae’s HomeSaver Forbearance Program includes the provisions and directives set forth in Fannie Mae’s Announcement 09-05R, which was issued to provide policy clarification and instruction.

3. A cause of action does not lie for violation of Civil Code Section 2923.5, requiring a lender to explore foreclosure alternatives before foreclosing, because the only remedy afforded by that section is to postpone the foreclosure sale before it happens, and in this case the sale had been conducted.

4. Plaintiff’s allegations that the lender misrepresented the status and date of the foreclosure sale were sufficient to state a cause of action for violation of California’s unfair competition law, Business and Professions Code Section 17200 et seq.

5. Plaintiff could not state a cause of action for quiet title without alleging tender of payment of the outstanding balance of the indebtedness.

Rossberg v. Bank of Am., N.A.

219 Cal. App. 4th 1481 (2013), as modified on denial of reh’g (Sept. 26, 2013), review filed (Oct. 9, 2013)

The court held:

1. Civil Code Section 2923.5 requires a lender to contact a borrower to explore options to avoid foreclosure more than 30 days prior to recording a Notice of Default, but does not require contacting the borrower during the 30 days prior to recording the NOD.

2. A Substitution of Trustee is valid where it is executed prior to recording an NOD even though it is not recorded until after the NOD records.

3. A document can be notarized after, and even long after, it is executed.

4. An NOD can be executed by an agent for the beneficiary or trustee, rather than by the beneficiary or trustee themselves.

5. The requirement in C.C. 2932.5 that an assignment must be recorded prior to recordation of a Notice of Default applies only to mortgages and not to deeds of trust.

6. Plaintiffs did not state a cause of action for promissory fraud because they failed to specifically allege the harm suffered and how their reliance on the allegedly promised loan modification caused them harm.

7. Plaintiffs did not adequately allege a violation of the Unfair Competition Law (B&PC 17200 et seq.) because they did not properly allege a breach of C.C. 2924 et seq.

8. Plaintiff’s breach of contract claim fails because an agreement to modify a loan secured by a deed of trust is subject to the Statute of Frauds, and plaintiffs did not allege that there was a written loan modification.

Shuster v. BAC Home Loans Servicing, LP

211 Cal. App. 4th 505 (2012)

1. Omission of the name of the trustee in a deed of trust does not preclude a non-judicial sale. It was sufficient that a trustee was substituted prior to the foreclosure.

2. The foreclosing party does not have to have an interest in or possession of the note. CC 2924(a)(1) permits the “trustee, mortgagor, or beneficiary, or any of their authorized agents” to institute foreclosure.

3. Plaintiff’s claims fail because they did not allege tender of the amounts due and owing under the loan. The court pointed out that there are exceptions to the tender rule, such as when the borrower challenges the validity of the underlying debt, asserts a counter-claim or set-off against the beneficiary or demonstrates the deed of trust is void on its face, but none of those exceptions was applicable in this case.
**Trustee’s Sales (cont.)**

**Siliga v. Mortgage Elec. Registration Sys., Inc.**

219 Cal. App. 4th 75 (2013)

1. A property owner may not pursue a “preemptive suit” challenging the authority of a foreclosing beneficiary or beneficiary’s agent absent a specific factual basis for alleging that the foreclosure was not initiated by the correct party. (A “preemptive suit” does not seek a remedy for specified misconduct in the nonjudicial foreclosure process, which may provide a basis for a valid cause of action. Instead, a preemptive suit seeks to create an additional requirement for the foreclosing party, apart from the comprehensive statutory requirements, by requiring the foreclosing party to demonstrate in court that it is authorized to initiate a foreclosure.)

2. MERS has the authority to assign a note secured by a deed of trust and to initiate trustee’s sale proceedings.

3. A trustee may record a Notice of Default before it is substituted as trustee where it executes the NOD not as trustee but as agent for the beneficiary.

3. Plaintiff’s claims fail because they did not allege tender of the amounts due and owing under the loan. The court pointed out that there are exceptions to the tender rule, such as when the borrower challenges the validity of the underlying debt, asserts a counterclaim or set-off against the beneficiary or demonstrates the deed of trust is void on its face, but none of those exceptions was applicable in this case.

**trustEE’s Sales / Anti-SLAPP**

**Trapp v. Naima**


Plaintiffs brought this action against financial institutions and their lawyers based on a trustee’s sale and subsequent unlawful detainer action. The court ordered the lawyers’ anti-SLAPP motion to be granted and the action dismissed as to them. The act of noticing a nonjudicial foreclosure sale does not qualify as a protected activity under the anti-SLAPP statute, but the lawyers did not participate in the nonjudicial sale proceedings. The lawyers only involvement was with the unlawful detainer action, which is a protected activity.

**Usury**

**Bock v. California Capital Loans, Inc.**


Even when the lender on a loan arranged by a licensed real estate broker is a corporation that is wholly owned by the broker, the broker can still be found to have arranged the loan “for another” for purposes of the usury exemption in Civil Code section 1916.1. Also, in such a situation, the broker may be found to have met the requirement that the broker arranged the loan “in expectation of compensation” even if the only compensation the broker will receive is the profit his wholly owned corporation reaps from the interest on the loan. The court also found that a loan would be arranged “for another” if it was arranged for the borrower instead of the lender.
<table>
<thead>
<tr>
<th>Case Name</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aguayo v. Amaro</td>
<td>15</td>
</tr>
<tr>
<td>Appel v. Superior Court of Los Angeles Cnty.</td>
<td>20</td>
</tr>
<tr>
<td>Bank of Am., N.A. v. Roberts</td>
<td>15</td>
</tr>
<tr>
<td>Bank of Am., N.A. v. Superior Court Of Orange Cnty.</td>
<td>15-16</td>
</tr>
<tr>
<td>Biancalana v. T.D. Service Co.</td>
<td>22</td>
</tr>
<tr>
<td>Bock v. California Capital Loans, Inc.</td>
<td>24</td>
</tr>
<tr>
<td>Bushell v. JPMorgan Chase Bank, N.A.</td>
<td>19</td>
</tr>
<tr>
<td>Chanda v. Fed. Home Loans Corp.</td>
<td>18</td>
</tr>
<tr>
<td>Chavez v. IndyMac Mortgage Servs.</td>
<td>22</td>
</tr>
<tr>
<td>Citizens Bus. Bank v. Gevorgian</td>
<td>21</td>
</tr>
<tr>
<td>Coker v. JPMorgan Chase Bank, N.A.</td>
<td>15</td>
</tr>
<tr>
<td>Corrie v. Soloway</td>
<td>21</td>
</tr>
<tr>
<td>Cottonwood Duplexes, LLC v. Barlow</td>
<td>17</td>
</tr>
<tr>
<td>Enloe v. Kelso</td>
<td>15</td>
</tr>
<tr>
<td>Fowler v. M &amp; C Ass’n Mgmt. Servs., Inc.</td>
<td>21</td>
</tr>
<tr>
<td>Fuller v. First Franklin Fin. Corp.</td>
<td>20</td>
</tr>
<tr>
<td>Glaski v. Bank of Am. Nat’l Ass’n</td>
<td>22</td>
</tr>
<tr>
<td>Hagman v. Meher Mount Corp.</td>
<td>15</td>
</tr>
<tr>
<td>Hamilton Court, LLC v. E. Olympic, L.P.</td>
<td>17</td>
</tr>
<tr>
<td>Hutton v. Fid. Nat’l Title Co.</td>
<td>20</td>
</tr>
<tr>
<td>Intengan v. BAC Home Loans Servicing LP</td>
<td>17</td>
</tr>
<tr>
<td>Jenkins v. JPMorgan Chase Bank, N.A.</td>
<td>22</td>
</tr>
<tr>
<td>Joannou v. City of Rancho Palos Verdes</td>
<td>19</td>
</tr>
<tr>
<td>Jolley v. Chase Home Fin. LLC</td>
<td>19</td>
</tr>
<tr>
<td>King v. Wu</td>
<td>20</td>
</tr>
<tr>
<td>La Jolla Grp. II v. Bruce</td>
<td>19</td>
</tr>
<tr>
<td>Liberty Nat’l Enterprises v. Chicago Title Ins. Co.</td>
<td>21</td>
</tr>
<tr>
<td>Lueras v. BAC Home Loans Servicing, LP</td>
<td>22-23</td>
</tr>
<tr>
<td>Multani v. Withkin &amp; Neal</td>
<td>18</td>
</tr>
<tr>
<td>Pfeifer v. Countrywide Home Loans, Inc.</td>
<td>17</td>
</tr>
<tr>
<td>R.E. Loans, LLC v. Investors Warranty of Am., Inc.</td>
<td>21</td>
</tr>
<tr>
<td>Riverisland Cold Storage v. Fresno - Madera Production Credit Ass’n</td>
<td>20</td>
</tr>
<tr>
<td>Rossberg v. Bank of Am., N.A.</td>
<td>23</td>
</tr>
<tr>
<td>Scott v. JPMorgan Chase Bank, N.A.</td>
<td>16</td>
</tr>
<tr>
<td>Self v. Sharafi</td>
<td>16</td>
</tr>
<tr>
<td>Shuster v. BAC Home Loans Servicing, LP</td>
<td>23</td>
</tr>
<tr>
<td>Sierra Club v. Superior Court of Orange Cnty.</td>
<td>16</td>
</tr>
<tr>
<td>Siliga v. Mortgage Elec. Registration Sys., Inc.</td>
<td>24</td>
</tr>
<tr>
<td>Swanson v. State Farm Gen. Ins. Co.</td>
<td>18</td>
</tr>
<tr>
<td>Trapp v. Naima</td>
<td>24</td>
</tr>
<tr>
<td>Twenty-Nine Palms Enterprises Corp. v. Bardos</td>
<td>18</td>
</tr>
<tr>
<td>West v. JPMorgan Chase Bank, N.A.</td>
<td>16-17</td>
</tr>
<tr>
<td>Windsor Pac. LLC v. Samwood Co., Inc.</td>
<td>21</td>
</tr>
<tr>
<td>Wooster v. Dept. of Fish &amp; Game</td>
<td>16</td>
</tr>
<tr>
<td>Zhang v. Superior Court</td>
<td>19</td>
</tr>
</tbody>
</table>
## New Cases Index by Topic

**Adverse Possession**  
Aguayo v. Amaro ............................................................. 15  
Hagman v. Meher Mount Corp. ........................................ 15

**Anti-Deficiency**  
Bank of Am., N.A. v. Roberts ........................................... 15  
Coker v. JPMorgan Chase Bank, N.A. ................................. 15  
Enloe v. Kebo ............................................................... 15

**Attorney-Client Privilege**  
Bank of Am., N.A. v. Superior Court Of Orange Cnty. ...... 15-16

**Conservation Easements**  
Wooster v. Dept. of Fish & Game ...................................... 16

**County Recorder**  
Sierra Club v. Superior Court of Orange Cnty. ................. 16

**Deed Restrictions**  
Self v. Sharafi .................................................................. 16

**Deeds of Trust**  
Scott v. JPMorgan Chase Bank, N.A. ................................. 16  
West v. JPMorgan Chase Bank, N.A. ................................. 16-17

**Deeds of Trust / Foreclosure**  
Intengan v. BAC Home Loans Servicing LP .................... 17

**Easements**  
Cottonwood Duplexes, LLC v. Barlow.............................. 17  
Hamilton Court, LLC v. E. Olympic, L.P. ......................... 17

**Foreclosure**  
Pfeifer v. Countrywide Home Loans, Inc. ........................ 17

**HOA Lien Foreclosure**  
Multani v. Witkin & Neal .............................................. 18

**Indians / Contractor Law**  
Twenty-Nine Palms Enterprises Corp. v. Bardos .............. 18

**Insurance**  
Chanda v. Fed. Home Loans Corp. ................................. 18  
Swanson v. State Farm Gen. Ins. Co. ............................... 18

**Insurance / Bad Faith**  
Zhang v. Superior Court ................................................ 19

**Landslide / Quiet Title**  
Joannou v. City of Rancho Palos Verdes ........................... 19

**Lis Pendens / Forgery**  
La Jolla Grp. II v. Bruce ................................................ 19

**Loan Agreements**  
Jolley v. Chase Home Fin. LLC ....................................... 19

**Loan Modifications**  
Bushell v. JPMorgan Chase Bank, N.A. ............................ 19

**Mechanics’ Liens**  
Appel v. Superior Court of Los Angeles Cnty. ................. 20

**Notaries**  
Hutton v. Fid. Nat'l Title Co. .......................................... 20

**Parol Evidence Rule**  
Riverisland Cold Storage v. Fresno - Madera Production Credit Ass’n ................................................................. 20

**Predatory Lending**  
Fuller v. First Franklin Fin. Corp. .................................. 20

**Prescriptive Easements**  
King v. Wu .................................................................... 20  
Windsor Pac. LLC v. Samwood Co., Inc. .......................... 21

**Subdivision Map Act**  
Corrie v. Soloway .......................................................... 21

**Subordination Agreements**  
Citizens Bus. Bank v. Gevorgian .................................... 21  
R.E. Loans, LLC v. Investors Warranty of Am., Inc. ............ 21

**Title Insurance**  
Liberty Nat'l Enterprises v. Chicago Title Ins. Co. ............ 21

**Transfer Fees**  
Fowler v. M & C Ass'n Mgmt. Servs., Inc. ....................... 21

**Trustee’s Sales**  
Biancalana v. T.D. Service Co. ...................................... 22  
Chavez v. Indymac Mortgage Servs. ............................. 22  
Glaski v. Bank of Am. Nat'l Ass'n .............................. 22  
Jenkins v. JPMorgan Chase Bank, N.A. .......................... 22  
Lueras v. BAC Home Loans Servicing, LP ...................... 22-23  
Rossberg v. Bank of Am., N.A. ........................................ 23  
Shuster v. BAC Home Loans Servicing, LP ....................... 23  
Siliga v. Mortgage ELEC. Registration Sys., Inc. ............. 24

**Trustee’s Sales / Anti-SLAPP**  
Trapp v. Naima ............................................................. 24

**Usury**  
Bock v. California Capital Loans, Inc. ............................ 24
The CLTA’s 107th Annual Convention

Mark Your Calendar – April 27-29, 2014

Mark your calendar for the CLTA’s 107th Annual Convention!

Held at the stunning Hotel Del Coronado in San Diego, California, you won’t want to miss this year’s planned schedule of events, including: the Icebreaker Reception, Third Annual CLTA-PAC Golf Tournament, Business Program, and Closing Dinner complete with the CLTA-PAC Silent Auction and entertainment!

Sponsorship opportunities will be available in the coming weeks! Keep an eye on the CLTA website at www.cltalo and sign up for our electronic newsletter, the CLTA eNews, for more information as it becomes available.

Registration information and program details will be forwarded in January.

The 2014 CLTA Directory of Members...

Available in January, 2014

For Ordering Information:

Please visit the CLTA’s website at www.cltalo and go to the “Publications” section to download an order form.
CLTA Legislative Committee Functions

The CLTA Legislative Committee is established in the Bylaws. It is a 23 member committee which devotes approximately 588 volunteer hours per year in support of this Association.

The purpose of the Legislative Committee is to review and make recommendations with respect to legislative matters that may have an impact on the conduct of the business of title insurance in this state.

The Legislative Committee is charged with the following responsibilities: to review the write ups for the annual Summary of Legislation; to refer legislation to the Forms and Practices Committee for Manual or practice changes; to review legislative proposals; to report significant legislation to the Board of Governors; to determine which legislation the CLTA should sponsor; and to review and determine CLTA positions on all legislation.