

_____, 2009

The Honorable Jan Brewer
Governor of Arizona
The Executive Tower
1700 West Washington
Phoenix, AZ 85007

Re: Request that Governor Brewer Amend the Special Session of the Arizona Legislature to Correct Problems Caused by Senate Bill 1271 & the Modification of Arizona Revised Statutes Section 33-814(G)

Dear Governor Brewer:

I am a citizen of Arizona who believes that the Arizona legislature made a terrible mistake by passing Senate Bill 1271 and amending Arizona Revised Statutes Section 33-814(G). The new law not only changes long standing Arizona law retroactively without notice to the public and those borrowers who are affected, but it will:

1. Cause lenders to file tens of thousands of lawsuits to obtain deficiency judgments.
2. Create a burden on Arizona courts that are already facing large caseloads during a time when court operating funds are decreasing.
3. Cause tens of thousands of Arizonans who incur deficiency judgments to file for personal bankruptcy.
4. Make it less likely that investors will invest money in Arizona residential real estate, which means less demand for housing and lower home values.
5. Have a substantial adverse affect on Arizona's economy.

In addition, the new law is extremely ambiguous. Experienced Arizona real estate lawyers cannot agree on what it means or how Arizona courts will interpret it. See "***New Arizona Law Limits Borrowers' Protection from Deficiency Judgment After Foreclosure of a Home***" by Arizona real estate attorney Jeana Morrissey found here: www.keytlaw.com/azrealestate/ars33-814g.htm. For example, the new law:

1. Does not say if it applies to loans made before the effective date.
2. Uses the terms "utilize" and "use" rather than "occupies" so we do not know if the trustor must personally occupy the property or if a trustor is protected if the trustor allows a tenant to "utilize" the home.
3. Requires six consecutive months of use, but doesn't define this requirement. We don't know if a trustor must sleep in a home every day for six consecutive months or it's ok to spend one hour in the home every day for six months or if the trustor and family go out of town for one day during a six month period their six month clock resets and they must start a new six month period.
4. Does not take into consideration that some jurisdictions do not issue certificates of occupancy or that some homes may have been built without the need to obtain a certificate of occupancy.

Please amend your call for the current special session of the Arizona legislature to fix this broken law before it becomes effective and harms Arizona and many of its citizens.

Signature of Sender

Address of Sender