

California Association of Mortgage Brokers



TO: The Honorable Ron Calderon, Chair
Senate Banking, Finance and Insurance Committee
FROM: Ed Smith, Jr., Vice President of Government Affairs & Industry Relations
Ken Jones, Co-Chair, Government Affairs Committee
SUBJECT: SB 660 (Wolk)
POSITION: **SUPPORT**
DATE: April 30, 2009

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CAMB Chapters

Central Coast

Central Valley

East Bay

Inland Empire

Los Angeles Metro

Greater Monterey Bay Area

North Bay

North Central Coast

North Los Angeles County

Greater Northstate

Orange County

Greater Sacramento Area

San Diego

San Diego North County

San Francisco Peninsula

San Gabriel Valley

San Joaquin

Silicon Valley

Southern Los Angeles County

On behalf of the California Association of Mortgage Brokers (CAMB), we respectfully support SB 660 (Wolk).

CAMB is a nonprofit professional trade association consisting of licensed real estate brokers, salespersons, and affiliated lenders whose primary business is assisting consumers in obtaining residential and commercial real estate financing. Mortgage brokers originate the majority of all residential mortgages in California. CAMB Members subscribe to a Code of Best Practices and Ethics, pledging to uphold the highest standards of professional conduct, honesty and integrity, and to full compliance with applicable laws. CAMB supports SB 660 as amended.

Under SB 660, any lender, broker, person, or entity who recommends the purchase of a reverse mortgage in anticipation of financial gain owes the prospective borrower a duty of honesty, good faith, and fair dealing and shall have reasonable belief that the borrower understands the risks, benefits, and reasonable alternatives involved in the purchase of a reverse mortgage. CAMB supports SB 660 and its author's goal to protect borrowers and their relatives from fraudulent or incompetent reverse mortgage providers. CAMB believes this bill is a reasonable effort to help further transparency in the reverse program, and will help insure that the counselors involved in the transaction discuss all known issues that may impact the decision to take out a reverse mortgage.

CAMB supports SB 660 as amended for the reasons outlined above.

We appreciate your consideration of our suggestions.

cc: Senator Lois Wolk
Members, Senate Banking Finance and Insurance Committee
Consultant, Senate Banking Finance and Insurance Committee
Consultant, Senate Republican Caucus
Aaron Read and Robyn Black, Aaron Read & Associates