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Attorneys for Plaintiffs Wells Fargo Bank, N.A.,  
as Trustee, *et al.*

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as Trustee, *et al.*;  
  
Plaintiffs,  
  
v.  
  
CITY OF RICHMOND, CALIFORNIA, a  
municipality, and MORTGAGE  
RESOLUTION PARTNERS LLC;  
  
Defendants.

Case No. CV-13-3663-CRB

**DECLARATION OF RONALDO R.  
REYES**

Date: September 13, 2013  
Time: 10:00 a.m.  
Judge: Hon. Charles R. Breyer

1 I, RONALDO R. REYES, hereby declare, pursuant to 28 U.S.C. § 1746 and under penalty  
2 of perjury under the laws of the United States, that the following is true and correct:

3 1. I am, and since 1998 have been, employed by Deutsche Bank National Trust  
4 Company (“DBNTC”) (formerly known as Bankers Trust Company of California, N.A.). I am a  
5 Vice President in DBNTC’s Global Transaction Banking, Trust & Agency Services department.

6 2. I respectfully submit this declaration in support of Plaintiffs’ motion for a  
7 preliminary injunction (the “Motion”). I base the facts stated in this declaration on my personal  
8 knowledge and experience and files maintained by DBNTC.

9 3. On or about July 31, 2013, DBTCA and DBNTC received a letter from the City  
10 Manager’s Office of the City of Richmond (“Richmond”) “offering to acquire all rights” to  
11 certain mortgage loans, and advising that if DBNTC and DBTCA did not accept the offers,  
12 Richmond may “proceed with the acquisition of the Loans through eminent domain.” (the  
13 “Offer Letter”). A copy of the Offer Letter is attached hereto as Exhibits 1. Attachment A to  
14 the Offer Letter sets forth a list of loans for which offers are being made to DBNTC or DBTCA,  
15 and Attachment B to the Offer Letter sets forth the unpaid principal balance, and the price  
16 Richmond is offering to acquire, each loan in Attachment A.

17 4. Annexed hereto as Exhibit 2 is a list 125 RMBS trusts for which (a) DBNTC, or  
18 its affiliate Plaintiff Deutsche Bank Trust Company Americas (“DBTCA”), serves as trustee,  
19 and (b) one or more mortgage loans are identified in the Offer Letter as being subject to  
20 Richmond’s offer (the “DB Offer Trusts”). Throughout this Declaration, I refer to the loans in  
21 the DB Offer Trusts that are specified in the Offer Letter as the “Richmond Offer Loans.”  
22 Based on DBNTC’s and DBTCA’s business records and the description of Richmond’s  
23 mortgage purchase program included in the Offer Letter, I believe that hundreds of additional  
24 trusts for which DBNTC or DBTCA act as trustee may, in the future, be subject to offers similar  
25 to those made to the DB Offer Trusts because they hold active loans secured by real property in  
26 Richmond.

27 5. The DB Offer Trusts are passive investment vehicles that were established as  
28 part of a residential mortgage loan securitization process. This is a process by which financial

1 and economic risks are distributed among investors by acquiring and pooling mortgage loans  
2 and issuing securities – typically certificates – for which the mortgage loans serve as collateral.  
3 DBNTC and DBTCA hold mortgage loans solely for the benefit of the certificateholders in the  
4 trusts that they administer, and those certificateholders receive cash flows collected from the  
5 underlying pool of mortgage loans.

6 6. The DB Offer Trusts are of the type referred to in the securitization industry as  
7 “private-label,” meaning that a private entity, rather than a government-sponsored enterprise  
8 such as Fannie Mae or Freddie Mac, “sponsored” the securitization. The sponsor’s role in the  
9 process is to initiate the securitization, including originating or otherwise acquiring mortgage  
10 loans and conveying them to a trustee, solely for the benefit of certificateholders of the Trust.

11 7. The DB Offer Trusts do not exclusively hold mortgage loans secured by real  
12 property in Richmond, or in California, or in any other single state or local community, but hold  
13 a more geographically diverse portfolios of loans.

14 8. The rights and obligations of the parties to the securitizations typically are  
15 governed by “Pooling and Servicing Agreements” and related agreements (collectively, the  
16 “PSAs”). Parties to the PSAs may include sponsors, loan sellers, loan servicers, and trustees.  
17 Under the PSAs, trustees, including DBNTC and DBTCA, hold legal title to mortgage loans  
18 held in trusts that they administer on behalf of and for the benefit of the certificateholders, and  
19 the trustees are deemed the legal owners of the mortgage loans. Annexed as Exhibit 3 is an  
20 example of a PSA of one of the DB Offer Trusts.

21 9. The PSAs provide that the loan servicers are responsible for administering and  
22 servicing the mortgage loans, including collecting mortgage loan payments, managing pool  
23 assets, escrowing taxes and insurance, and handling loss mitigation and foreclosure. The PSAs  
24 sometimes authorize loan servicers, in cases of borrower default, to modify loan terms or grant  
25 other types of loan work-outs.

26 10. To my knowledge, none of the DB Offer Trusts is incorporated or otherwise  
27 registered under the laws of any jurisdiction. Upon information and belief, all or substantially  
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1 all of the PSAs for the DB Offer Trusts expressly provide that the PSAs are governed by New  
2 York law. To my knowledge, none of the PSAs provides that it is governed by California law.

3 11. It is my understanding that the DB Offer Trusts are generally structured so as to  
4 qualify as Real Estate Mortgage Investment Conduits, or REMICs, under federal tax laws and,  
5 as such, must comply with certain rules prescribed by federal law in order to retain that status.

6 12. Private-label RMBS trusts do not conduct any operating business, but rather  
7 consist of a pool of financial assets -- mortgage loans -- which are held in trust by their trustee.  
8 The trustee conducts its trust business at the location of its corporate trust services department.  
9 DBTCA's corporate trust services department's principal office is located in New York, New  
10 York, and DBNTC's is located in Santa Ana, California. Neither DBTCA nor DBNTC  
11 maintains a corporate trust services department office or has any trust services personnel located  
12 in Richmond. Likewise, the custodians that are appointed to maintain the physical notes  
13 evidencing the mortgage loans that are held in DB Offer Trusts do not maintain those mortgage  
14 notes within the geographic borders of Richmond.

15 13. According to the Offer Letters, and the attachments thereto, Richmond has made  
16 offers for 152 mortgage loans that are held in 125 DB Offer Trusts.

17 14. The seizure and extinguishment of the performing Richmond Offer Loans would  
18 deprive the DB Offer Trusts of all future cash flows generated by the Richmond Offer Loans.

19 Date: Santa Ana, California  
20 August 6, 2013

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25 Ronaldo R. Reyes  
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