EXHIBIT N

From: Trina Jackson [trina_jackson@ci.richmond.ca.us]
Sent: Thursday, May 16, 2013 3:56 PM
To: jovankabeckles@yahoo.com; Tom Butt - external; Jim Rogers - external; Jael Myrick
Subject: 5/17: Important! FW: Webinar and strategy session on Using Eminent Domain to End the Foreclosure Crisis
Attachments: image005.png; Eminent Domain FAQ May 2013.docx; Prinicpal Reduction via Eminent Domain - 2 page Fact Sheet.docx; image008.jpg; image009.png; image010.jpg

Please let me know if you'd like me to rsvp you for the webinar tomorrow at 10am regarding using Eminent Domain to end the foreclosure crisis. Thank you.

Trina Jackson
Liaison to the City Council
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www.ci.richmond.ca.us

-----Original Message-----
From: David Sharples [mailto:dsharples@calorganize.org]
Sent: Thursday, May 16, 2013 12:38 PM
To: Trina Jackson
Subject: FW: Important! FW: Webinar and strategy session on Using Eminent Domain to End the Foreclosure Crisis

Hi Trina,

I wanted to invite Councilmembers Beckles, Rogers, Butt and Myrick to be on the below webinar

I wanted to invite you to be on a really important webinar and strategy session on Using Eminent Domain to End the Foreclosure Crisis, co-hosted by Local Progress and the Home Defenders League. This is a webinar which will include experts, scholars and elected officials from around the country. Its very important that you click on the below link to RSVP if you are available to be on the webinar May 17, at 10 a.m. pacific. Please also find attached a new Frequently Asked Questions document re: Using Eminent Domain to End the Foreclosure Crisis

https://docs.google.com/forms/d/1xpsvvI2CAU4gFwAu4hSASW1j6UXs58Jo_S-Kbx0iA-k/viewform

Thanks,
David Sharples
ACCE

Five years after the housing market collapsed, America's economy is still weak. Unemployment and under-employment rates remain extremely high and families are struggling. The foreclosure crisis remains a major drag on our sputtering economy: homeowners are burdened by huge debts and record-high foreclosure rates continue to sap wealth and savings out of neighborhoods.

On May 17, 2013 at 1 p.m. EDT, join policy experts and members of Local Progress for a national web briefing session to discuss how municipalities can help end the foreclosure crisis and generate economic growth by using eminent domain to reset mortgages to a fair market value. We'll talk about the innovative and powerful new proposal that cities around the country are considering in order to protect families and rejuvenate their local economies.

RSVP
here<http://click.icptrack.com/icp/relay.php?r=&msgid=0&act=11111&c=1261605&destination=https%3A%2F%2Fdocs.google.com%2Fforms%2Fd%2F1xpsvvI2CAU4gFwAu4hSASW1j6UXs58Jo_S-Kbx0iA-k%2Fviewform> for the call-in information and briefing packet.

Panelists:

Mayor Gayle McLaughlin (Richmond, CA)
Councilmember Darrin Sharif (Newark, NJ)

Mayor Andre Quintero (El Monte, CA)
Professor Robert Hockett, Cornell Law School

Amy Schur, Home Defenders League & ACCE

Moderator: Ady Barkan, Center for Popular Democracy

May 17, 2013 at 1 p.m. EDT

RSVP
here<http://click.icptrack.com/icp/relay.php?r=&msgid=0&act=11111&c=1261605&destination=https%3A%2F%2Fdocs.google.com%2Fforms%2Fd%2F1xpsvvI2CAU4gFwAu4hSASW1j6UXs58Jo_S-Kbx0iA-k%2Fviewform> for the call-in information and briefing packet.

Eminent Domain as a Tool for Preserving Homeownership, Resetting Mortgages, and Aiding Local Economies

Frequently Asked Questions

Q: Is this a legal use of the eminent domain law?

A. Yes, we believe it is. While this will definitely be raised by the Wall Street interests, numerous legal experts are confident of its legality and there is precedent for using eminent domain for similar purposes and in a similar manner in the past.

Q: Will this program take people's homes?

A. No. The entire goal of this program is to keep people in their homes. Mortgage loans are often bought and sold many times. In this case, the City will become the owner of the loan for a short period of time, during which they will help the homeowner refinance into a new loan with reduced principal, saving the homeowner thousands of dollars every year.

Q: Is this just another scheme that could in fact leave homeowners worse off?

B. No. We have developed a series of ten core principles that any program must meet to get our support. One of those principles is that no homeowner must be left worse off as a result of the program, and another is that it is a voluntary program. We believe that if the program is designed correctly, only those homeowners who benefit will opt into the program.

Q: Will homeowners be forced or pressured into this program against their will?

A. No. Again, homeowners will have a choice as to whether or not to enter into the program, and will be encouraged to consult a HUD-certified housing counselor before making that decision.

Q: How will the City pay for this program?

A. The City can pay for the program by partnering with private investors who have the capital to acquire the loans and cover the costs of the program, both operational and legal. The City would be in charge, making all programmatic decisions and designing the program, but the money would come from these investors.

Q: Are there private investors ready to do this, and how do we know they can be trusted?

A. There is at least one group we know of that is ready to arrange private funding: Mortgage Resolution Partners (www.mortgageresolutionpartners.com). They are already partnering with various cities to explore options to address the underwater crisis. There may be other groups as well. The credentials and history of any potential partners should be explored. In order to get our support, any private partner must agree to our core principles that include essential homeowner, tenant, community, and taxpayer protections.

Q: Will the private investors make money off of this?

A. Yes. These investors will be able to make money off the difference between the market value of the old mortgage loans and the proceeds of refinancing them (reduced by program costs). This will not cost homeowners or the City anything, and at the end of the day, homeowners will have substantially lower mortgage payments.

Q: What's the risk for the City?

A. Public entities can create an authority to provide a degree of protection. There is a real chance Wall Street banks may sue. Our core principles state that the implementation of the program should not cause taxpayers to incur significant expenses, such as the legal costs of defending the program, and that the program must indemnify taxpayers from legal and financial liabilities. We will not support any program that does not meet these criteria. We believe that some potential partners, like MRP, will commit to this. This is a critical question we should ask any private investor group that the City considers partnering with.

Q: Won't this create a huge administrative expense for the City?

A. One of our core principles is that the implementation of the program should not cause taxpayers to incur significant expenses. We will not support any program that is not able to abide by this principle. We believe that some potential partners, like MRP, will commit to this.

Q: How will tenants in rental units be affected?

A. Tenants often face eviction after their landlords go into foreclosure. We believe that any program must be designed to maximize the benefit to tenants and minimize tenant displacement. By reducing principal on underwater properties and stabilizing property values, we believe this program will help tenants by making their landlords less likely to default. Furthermore, the foreclosure crisis has driven up the cost of rentals because millions of families who used to own a home have been forced into the rental market. By ebbing the coming tide of foreclosures, this program will also ease pressures on rent prices.

Q: Who is against this?

A. The leading group opposing this is the Securities Industry and Financial Markets Association (SIFMA), which is the trade association for the banks, securities firms, and asset managers. SIFMA's Chair-Elect is a the Chief Operating Officer of Morgan Stanley, and its membership includes the securities units of Bank of America, JPMorgan Chase, Wells Fargo, Citigroup, Goldman Sachs, and AIG. These are the same firms that caused the foreclosure crisis and lobbied to prevent federal relief for homeowners. Now they are trying to stop our communities from taking action at the local level to fix what they broke.

Q: Some realtors are worried that this will reduce neighboring home values. Is this true?

A. No. The concern stems from the misunderstanding that through this program properties are being sold at below market value and so will factor into the "comps" – what comparable homes are selling for in the area - when the price of other homes is determined. This is not the case. These homes are not in fact being sold. The *loan* is being sold, or taken through eminent domain. The house itself will not be going through the sale process. This program will in fact bolster home values since it will reduce the number of foreclosures, thereby preventing further negative impact on area home values.

Q: Will the future cost of credit in our community go up, as the opposition is saying?

A. SIFMA and other Wall Street groups are threatening that future mortgage lending in communities that adopt this program will be more expensive. They claim that having loans taken from investors using eminent domain creates uncertainty in the market and therefore SIFMA's member are threatening to not buy loans from these communities. There are several reasons why we believe this is a threat intended to frighten localities out of taking action, rather than a realistic prediction of what would happen:

1) Industry observers point out that there is enough competition in the mortgage market that where there is money to be made there will be lenders ready to make loans, and investors willing to finance them. Trade associations may make threats, but they do not actually control the profit seeking behavior of their members, the institutions that actually make and trade loans.

2) As proposed, this program will only be used with loans owned by Private Label Securities (PLS) – pooled loans owned by groups of private investors. This program is not being proposed for any loans owned by Fannie Mae, Freddie Mac, the FHA or the VA. **These (quasi) government agencies are *buying or insuring* 90% of new loans being made** (different from the many lenders *originating* loans). We trust that our government will not redline our community and refuse to buy or insure future loans.

3) This program is being proposed in response to the current crisis. This use of eminent domain only makes sense, and meets the legal bar of a "public purpose", because of the large numbers of homeowners who are deeply underwater. Also, if cities so choose, in an abundance of caution, they can impose a sunset on the program, to reassure the financial industry that they do not intend to implement such a program as a normal or even periodic, course of business.

Q: Has SIFMA really threatened to redline communities that dare adopt such a program?

A. Yes. SIFMA has threatened to try to prevent loans made in our communities from being traded on the secondary market, making lending in our community more difficult.

Our cities are taking action locally to fix the mess that Wall Street created, and now SIFMA, the trade association that represents these Wall Street institutions, is threatening to refuse loans from our community. They peddled predatory loans to our communities and now they are trying to bully us out of helping our homeowners survive this crisis.

The finance industry has a long history of drawing on this threat when they are opposing a new program or regulation. When our local governments considered policies to curb predatory lending, we heard these threats. Some states proceeded to pass laws prohibiting certain predatory lending practices, and the cost of credit in those states *did not go up*. Too often, Wall Street's threats succeeded in scaring elected officials, predatory lending went uncurbed, and we ended up with a devastating foreclosure crisis.

Rebuilding Community Wealth

Contact us:
1-888-441-5527
www.HomeDefendersLeague.org

Plan to Preserve Homeownership, Reset Mortgages & Aid Local Economies
May 2013

The Crisis Continues: Lost Homes, Lost Wealth, Neighborhoods Devastated, Recovery Slowed

- Americans as a whole lost 40% of their wealth from 2007-2010.[1]
- African-American and Latino households have been particularly hard-hit, both because they were targeted for predatory loans and because a particularly high percentage of their wealth is in their homes. From 2005 to 2009, inflation-adjusted median wealth fell by 66% among Hispanic households and 53% among black households nationally.[2] Nearly 25 percent of loans in low-income neighborhoods and 20 percent of loans in high-minority neighborhoods have been foreclosed upon or are seriously delinquent.
- Communities and cities are harmed by destabilized neighborhoods, lower property values, reduced property tax revenue, and added costs borne by cities to deal with the rise in vacant properties.
- 1.8 million families lost their homes to foreclosure in 2012, and another 5.1 million[3] are in foreclosure or delinquent. Currently, there are still some 13.8 million[4] US homes underwater.

It's Time to Tackle the Underwater Crisis: Preserve Homeownership & Aid Local Economies

- Top economists say that housing remains the single biggest impediment to economic recovery and that what's needed is principal write-down.[5]
- No matter how many top economists and leaders call for a widespread principal reduction program, Wall Street bankers have been unwilling to take this step to help fix what they broke. It is because of Wall Street's recklessness and greed that the U.S. has seen the greatest loss of homes and wealth in decades, taking an enormous toll on families, neighborhoods and the broader economy. And it's not over, with 14 million households still underwater.

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1 http://www.federalreserve.gov/pubs/bulletin/2012/PDF/scf12.pdf
2 http://www.pewresearch.org/daily-number/recession-takes-its-toll-on-household-wealth/
3 http://www.lpsvcs.com/LPSCorporateInformation/NewsRoom/Pages/default.aspx
4 zillowblog.com/research/2013/02/20/nearly-2-million-american-homeowners-freed-from-negative-equity-in-2012
5 Joseph Stiglitz and Mark Zandi, August 12, 2012 http://www.nytimes.com/2012/08/13/opinion/the-one-housing-solution-left-mass-mortgage-refinancing.html?_r=0

- And unsuspecting homeowners who are unlucky enough to have their loans sold to pools of private investors (trusts/private label securities/mortgage-backed securities) are often told that principal reduction is not allowed given the terms of these Wall Street investment deals. This is likely true in some cases and likely not in others.

A Local Solution with a Big Impact: A Partnership to Acquire and Restructure Loans

- Finally, there's a way for local communities to step in and take action to help homeowners and communities. Cities can acquire certain underwater loans and restructure them so that homeowners can refinance into a new loan in line with the current value of the home and current market interest rates. The city never takes possession of the homes themselves, but rather just the mortgage loans.

- This can be accomplished through a partnership with experts who have the legal and financial expertise to carry out the program and with investors who have the capital to acquire the loans and cover the costs of the program, both operational and legal. The city (or city/county joint-powers authority, if established) would be in charge, making all programmatic decisions.

- By recognizing the current "fair market value" of these loans, as opposed to the inflated value on the books, the loans can be acquired at a price that allows for a new mortgage to be written that no longer has the homeowner underwater.

- How can cities "acquire" these loans at "fair market value"? Two ways: First, the City can make an offer to purchase the loans (it's possible that eminent domain is then needed to free the loan from the trusts they are packaged into). Second, if the investors that own the loans are unwilling to sell, the City can use its "eminent domain" authority to acquire the loans at "fair market value."

- Tremendous impact for homeowners, communities, cities: If just the five most severely underwater US cities used eminent domain to write down the principal on all underwater homes, homeowners in those cities would save $6.2 billion a year on their mortgage payments, and as they spent that money it would create 91,000 jobs in those five cities alone.