

# EXHIBIT V

## Richmond mayor, protesters turned away at Wells Fargo headquarters in San Francisco

By Robert Rogers *Contra Costa Times* *Contra Costa Times*

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SAN FRANCISCO – Richmond Mayor Gayle McLaughlin and more than 40 protesters were turned away from Wells Fargo corporate headquarters Thursday after demanding to speak to top officials of the banking giant about its lawsuit against the city.

McLaughlin, 61, was undaunted after bank officials denied her request to speak to CEO John Stumpf and locked the front door. She said the city will not be dissuaded from its plan to use eminent domain to seize underwater mortgages.

"I am absolutely not backing down," McLaughlin said.

On July 31, Richmond became the first city in the country to partner with San Francisco-based investment firm Mortgage Resolution Partners on a plan to compel banks to surrender mortgages where the loan amount exceeds the value of the home. The plan would allow the firm to refinance the loans under terms the homeowners can afford.

The city had threatened to use eminent domain to seize 624 underwater mortgages if lenders did not agree to sell them the loans by Aug. 14.

Wells Fargo and Deutsche Bank responded by filing suit on behalf of investors seeking a preliminary injunction against the city and the investment firm. The banks' lawsuit said Richmond's plan is unconstitutional on numerous points and violates the just-compensation requirements of the "takings" clause of the U.S. and California constitutions.

"The program is a for-profit scheme that proposes seizing performing mortgage loans at fractions of their unpaid principal balance, prices that are below the fair market value for even loans that are in default," the lawsuit reads.

Wells Fargo spokesman Ruben Pulido issued a statement Thursday saying that "in its role as either servicer or as trustee, (Wells Fargo) does not have the contractual authority to sell the loans that the city of Richmond has sought to purchase and believes the threatened use of the power of eminent domain to acquire the loans raises significant and troubling constitutional and other issues."

McLaughlin, the nation's only Green Party mayor of a city of more than 100,000 residents, defended Richmond's unprecedented attempt to slash underwater home loans. Citing studies by the Alliance of Californians for Community Empowerment, McLaughlin said more than 40 percent of mortgages remain underwater in the city.

She said the plan was "a proper use" of eminent domain because it seeks to stabilize neighborhoods.

"For Wells Fargo to be suing us is outrageous," McLaughlin said after marching down

Montgomery Street with dozens of supporters. "We just want them to cooperate with our efforts to save our communities."

The midday demonstration attracted dozens of onlookers and slowed traffic in the busy financial district.

When officials in business suits briefly opened the high-rise building's glass doors, McLaughlin slipped a letter inside. The letter, addressed to Stumpf, implored the banking executive to tour Richmond with her and "see the reality we have to deal with every day."

Pulido said the bank locks doors during protests "in order to protect the safety of our customers and team members."

Leonard Desmuke, a Richmond homeowner who attended the rally, said he backs the city's efforts. Desmuke said he has a mortgage of more than \$700,000 on a home valued at \$365,000.

"The federal government bailed out the banks but did nothing for the individual homeowners," Desmuke said.

Pulido said Wells Fargo has actively worked with borrowers to stem the foreclosure tide by adjusting loans for more than 870,000 customers and forgiving \$7 billion through principal reductions since 2009.

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