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October 10, 2008

Paul G. McNamara, Esq.
O'Melveny & Meyers LLP
400 S. Hope Street, Suite 1500
Los Angeles, CA 90071-2899

Via Facsimile and U.S. Mail

Dear Mr. McNamara:

I am writing on behalf of more than 300 homeowners who have contacted the City Attorney's Office requesting assistance and information about the Nationwide Homeownership Retention Program announced on October 6, 2008, by Bank of America.

The calls from these homeowners, who we know represent a small fraction of the homeowners under intense stress during this crisis, have provided a sobering experience. A frequent complaint and source of anxiety is the lack of understandable information.

Most of these homeowners are desperate and need immediate clarification regarding the likelihood of restoring their status as borrowers in good standing with their lender. We need not remind you that the desperation itself has become another negative force battering our economy.

I understand that the program you have committed to implement is complex and could take some weeks to establish. As the chief legal officer of the City of San Diego, I urge you to move forward as quickly as possible.

In order to provide some certainty to the housing market, however, I am also urging you to take interim steps to provide badly needed information to the many struggling families in San Diego who have contacted the City Attorney's Office.

These steps include:

- 1- Naming an official within the Bank of America or Countrywide Financial Corporation or your firm who will be the institutions' liaison with the City Attorney's Office during the period leading up to implementation of the retention program. This individual must be able to speak for the Bank and must provide at least weekly updates in email or

conventional mail format on progress toward implementing the retention program. I am requesting the name of this individual by **October 17th, 2008**.

- 2- A public communication by **October 17th** that will explain exactly what is known at that point about the retention program. I recognize that this communication may be incomplete but some information is required to assure homeowners that progress is being made and to assist them in making critical decisions. **This communication should include a firm date for when complete details of the retention program will be announced.** The communication should be in the form of a press release, as well as email and conventional mailings to your borrowers.
- 3- A commitment from the Bank that fully trained personnel will be available via telephone by **October 27th** and that this team will be large enough to respond in a timely fashion to the volume of calls expected. We define "timely fashion" as having an inquiry responded to by a fully trained Bank employee via telephone within **one business day**.
- 4- The Bank's confirmation in writing of its previously, publicly stated commitment that foreclosures will be halted throughout the City of San Diego until the homeowners' retention program is in place. It is absolutely intolerable for the Bank to continue foreclosures during the interim on properties that might be retained by homeowners under the program you will implement beginning December 1, 2008.

I am sure you understand the urgency of these matters both to the individuals involved and the City's overall economy. It is impossible to begin rebuilding the economy while such uncertainty is afflicting such a broad swath of homeowners in our region.

Many of our citizens have expressed outrage over the \$700 billion federal bailout package approved for the financial industry. The least they can expect is a rapid response from the industry to assist homeowners unable to keep current with mortgage payments. While some home buyers share responsibility for their predicament, every homeowner is being affected by the collapse of the housing market.

Because of the urgency of this matter, I am respectfully requesting that you respond to this letter within **three business days**.

Sincerely,


MICHAEL J. AGUIRRE
San Diego City Attorney