Exhibit A

[Letterhead]

ABC Servicing Corporation
14523 Servicer Way, #150
Any Town, CA 97005

Re: 1007 Main Street, St. Paul, MN 55104

To Whom It May Concern:

As you may know, there are a growing number of vacant and abandoned properties within the City of Saint Paul. These problem properties have been the source of increased vandalism and drug dealing, while degrading neighborhoods and greatly reducing property values.

To that extent, the City of Saint Paul believes that ABC Servicing Corporation has been negligent in the maintenance and management of 1007 Main Street. The City of Saint Paul further believes that the property constitutes a public nuisance. In an effort to resolve this matter, I have set forth a brief description of the City's legal claims as well as a path towards resolving this issue.

In February 2009, the City declared the property vacant, and since that time the City of St. Paul has expended numerous resources regarding the property. For example, the City had to remove ice and snow from the sidewalks on February 2, 2009 and February 25, 2009. The City also had to remove garbage from the lawn on April 9, 2009 and April 17, 2009. In addition, on June 4, 2009, the City's Department of Safety and Inspections sent a letter to the ABC Servicing Corporation outlining the steps needed to bring the property up to code.

Negligence

The elements of negligence are well-established. To assert and prevail on a claim for common-law negligence, a plaintiff must set forth four elements: (1) duty; (2) breach of that duty; (3) that the breach was a proximate cause of the plaintiff's injury; and (4) damages *See Minneapolis Employees Retirement Fund v. Allison-W*, 519 N.W.2d 176, 182 (Minn. 1994). All persons have a duty of ordinary care, meaning a standard of conduct of how "a reasonably prudent person" would act under the same or similar circumstances. *Id.* People may also have a statutory duty of care, meaning that particular conduct has been required by law for the protection of others against unreasonable risk of harm. *See Seim v. Garavalia*, 306 N.W.2d 806 (Minn. 2005). In this case, Title VI, Chapters 34 and 43 of Saint Paul's municipal ordinances set forth some of the statutory duties for all persons who own property in the City of Saint Paul. Chapter 34 provides the "minimum property maintenance standards for all structures," including specific standards for the exterior, interior, and basic facilities, such as plumbing, heating, light and ventilation.

Chapter 43 provides the duty for all persons who own registered vacant property, incorporating by reference a duty to comply with all applicable laws and codes. Chapter 43 further requires that the owner submit and adhere to a plan to rehabilitate the property within 365 days, and that the owner keep the building "secured and safe and the building and ground properly maintained until the rehabilitation or demolition has been completed."

The "owner" under both chapters 34 and 43 is broadly defined to encompass both the recorded property owner as well as any corporation in control of the premises. *See* City of St. Paul Ordinance, Title VI, §§ 34.07, 43.02(3) (2008). Chapter 43 further states that "any" person who falls under the definition of owner "shall have a joint and several obligation for compliance."

In this case, the breach of both the ordinary and statutory duties is clear based on the facts outlined above.

The damage caused by this breach is similarly clear. In addition to the excessive consumption of City services and resources, the breach has decreased the value of city-owned property in the area and decreased the value of surrounding properties. There also may be a basis to assert a claim for punitive damages. When determining whether punitive damages are appropriate and may be pled, a court will determine whether the defendant had "deliberate disregard for the rights and safety of others." Minn. Stat. § 249.02, subd. 1 (2008). Minnesota statutes define "deliberate disregard" when the defendant has knowledge of facts or intentionally disregards facts that create a high probability of injury to the rights or safety of others and deliberately proceeds to act with "indifference to the high probability of injury to the rights or safety of others." *Id.* That indifference, in essence, is exactly what appears to have happened with regard to 1007 Main Street. This property has been abandoned, and there is no evidence of any effort to prevent the property from continuing to deteriorate and injure the community.

Public Nuisance

Interrelated to the negligence claim there is also liability for both common-law and statutory public nuisance. A public nuisance exists when a person permits a condition which unreasonably annoys, injures or endangers the safety, health, morals, comfort, or repose of any considerable number of members of the public. *See generally* Minn. Stat. §§ 609.74, 609.745 (2008). In the present circumstance, the conduct already described above falls within the common-law and statutory scope of public nuisance. Indeed, when the City of Saint Paul passed its minimum standards for property maintenance, the City found:

> There exists in the city structures which are not or which may in the future become substandard with respect to structure, equipment, maintenance or energy efficiency. That such conditions, together with inadequate provision for light and air, insufficient protection against fire hazards, lack of proper heating, unsanitary conditions and overcrowding, constitute a menace to public health, safety and welfare of its citizens. It is further found and declared that the existence of such conditions, factors or characteristics adversely affects public health and safety and leads to the continuation, extension and aggravation of urban blight. It is further found that adequate protection of public health, safety and welfare, therefore,

requires the establishment and enforcement of minimum property standards.

City of Saint Paul Ordinance, Title VI § 34.02 (2008).

Framework for Resolution

In order to resolve this matter, the City of Saint Paul proposes the following path towards resolution without bringing this matter to court.

1.) ABC Servicing, as the entity who controls and owns the property shall immediately contract to abate and bring 1007 Main Street into compliance with all City of Saint Paul ordinances, or work with the City of Saint Paul to transfer the property to a person who will bring the property into compliance with city ordinances; and

2.) All outstanding fees, assessments, and taxes, if any, are paid in full.

Thank you, in advance, for your attention to this matter. The City would like this matter resolved and I ask that you acknowledge this letter within ten (10) days. As always, please feel free to contact me with any questions or concerns.

Sincerely,

JOE/JANE SMITH
Assistant Saint Paul City Attorney

(enc.)

CC: [NAME OF SECURITIZED TRUST AND TRUSTEE (IF KNOWN)]