From: Rob <rlbuc@aol.com>
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To: Eminent Domain OGC
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Subject: Eminent Domain

Eminent domain used to acquire mortgages as a means to correcting market efficiencies will have intended consequences unforeseen by jurisdictions considering the proposal. The principal of acquiring personal property (notes and trust deeds) by applying the power of eminent domain, in turn providing to the homeowner a range of financial benefits, doesn't fit the interpretation of public use but more personal benefit. Alone this precedent setting proposal could be watered down by jurisdictions eager to acquire private property under any circumstance both personal and real.

Furthermore, investors would red line geographical neighborhoods, perhaps whole communities, as to risky to provide home loans with municipalities having the power to usurp contract law. The cost to the consumer would be higher interest rates, increased up front fees, and diminished values.

As a Real Estate Broker serving my regional market Riverside/San Bernardino Counties for over 20 years it's important to have a robust lending market allowing buyers a full range of financial products. Lenders have told me that every loan tells a story. That story reflects the credit history of the borrower, how they use credit and it's quality, the amount of credit, and whether or not they deserve more. Applying the power of eminent domain for the purpose of cramming down interest rates, mortgage balances, and other favorable benefits in distressed markets to selected homeowners may seem as a likely solution to solving a problem. In the end, it will create a bigger problem affecting all consumers seeking home mortgages.

Rob Buckel
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