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August 28, 2016

To the Distinguished Members of the PROMESA Task Force:

In 2008, then President George W. Bush signed into law the TARP program. Banks and other financial institutions were rescued with TARP funds. Such bailout helped avoid a Great Depression like that of the 1930's.

In February 2010, the Obama administration established the Hardest Hit Fund (HHF) program (a TARP initiative) to provide targeted aid to families in states hit hard by the economic and housing market downturn. HHF provided funding to develop state-tailored foreclosure prevention solutions in areas that had been hard hit by home price declines and high unemployment. From its initial announcement, this program evolved from a \$1.5 billion initiative to a broader-based \$9.6 billion initiative. Eighteen states and the District of Columbia have benefited from HHF funds.

States were selected for funding either because they were struggling with unemployment rates at or above the national average or steep home price declines greater than 20 percent (personally, my home is worth 60% less than its original market value). HHF funds have been used to:

- Provide mortgage payment assistance for unemployed or underemployed homeowners
- Help homeowners get into more affordable mortgages by principal and interest reduction
- Help homeowners who are transitioning out of their homes into more affordable places of residence
- Provide down payment assistance

Most HHF programs target assistance toward unemployed homeowners and those with homes that are worth less than the value of their mortgages.

Most certainly, Puerto Rico meets the eligibility criteria to receive HHF funds, only that it is not part of continental US. The Puerto Rico unemployment rate is much higher than that of any state of the union and the District of Columbia. In average, house prices in Puerto Rico have dropped much in excess of 20%. As a result of the prevailing economic crisis, many home mortgages in the island are deeply underwater, and house foreclosures have reached a record high. No doubt, Puerto Rico was hit harder by the economic and housing market downturn than any of the HHF funds recipients.

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The subscriber respectfully proposes that the HHF program be extended to Puerto Rico. With HHF funds, initiatives such as the “Mortgage Resolution Program” in the state of Illinois and the “Florida HHF Principal Reduction program”, may help thousands of US citizens residing in Puerto Rico avoid foreclosure and keep their homes. In addition to helping stabilize the housing market and stimulating construction activity, HHF funds will significantly contribute to reduce people migration, a much needed turnaround to bring the economy of Puerto Rico back in its feet.

Enclosed you will find a power point presentation of a proposed initiative to rescue families with underwater mortgages. It is in the Spanish language, but I will gladly translate it to the English language, if so requested by you.

Best regards to you all,

A handwritten signature in blue ink, appearing to read "Luis R. Marín Aponte". The signature is stylized with a large initial 'L' and 'M'.

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