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RE: *MHC v. City of San Rafael, et al.*
U.S. District Court, Northern District of California

To all interested parties:

We are legal counsel to Contempo Marin Homeowners Association, defendant in a federal lawsuit brought by Manufactured Home Communities (now Equity Lifestyle Properties) to enjoin the City of San Rafael's mobilehome rent control ordinance (the "Ordinance").

On January 29, 2008, Judge Vaughn Walker issued his Findings of Fact, Conclusions of Law and Order Thereon, in which he indicated his intent to enjoin enforcement of the Ordinance. As of this writing, Judge Walker has not issued a final judgment in the case.

Upon entry of judgment, the Homeowners' Association will appeal this case to the United States Court of Appeals for the Ninth Circuit, and will concurrently seek to stay enforcement of Judge Walker's ruling during the appeal. We believe there are strong grounds for the courts to grant a stay. If the Homeowners are successful in obtaining a stay, the Ordinance will remain in place, including its protection of rent levels, pending the outcome of the appeal.

Sincerely,



Craig C. Daniel

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