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By Fax

BROOKSTONE LAW, PC
Jonathan Tarkowski, SBN 297599
6 Hutton Centre Drive, Suite 1000
Santa Ana, CA 92707
Telephone: (949) 346-8148
Facsimile: (949) 407-4868
E-mail: jtarkowski@BrookstoneLaw.com

Attorney for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

RIVERSIDE HISTORIC COURTHOUSE

KARIE WASINACK, an individual; CHERYL SOTO, an individual; JACKIE BAIRD, an individual; KRISTIE GREENLEAF, an individual, YVONNE GUILLORY, an individual; MARTHA RAMIREZ, an individual,

Plaintiffs,

vs.

QUALITY LOAN SERVICE CORPORATION, a California corporation, JPMORGAN CHASE BANK, N.A., and DOES 1-10,

Defendants.

Case No.: RIC1601230

FIRST AMENDED COMPLAINT FOR:

1. INTENTIONAL MISREPRESENTATION
2. NEGLIGENT MISREPRESENTATION
3. VIOLATION OF CALIFORNIA HOMEOWNER BILL OF RIGHTS CALIFORNIA CIVIL CODE §2924.17
4. VIOLATION OF CALIFORNIA HOMEOWNER BILL OF RIGHTS CALIFORNIA CIVIL CODE §2923.55
5. UNFAIR, UNLAWFUL, AND FRAUDULENT BUSINESS PRACTICES (VIOLATION OF CALIFORNIA BUS & PROF. CODE §17200, *ET. SEQ.*)
6. WRONGFUL FORECLOSURE

JURY TRIAL DEMANDED

BY FAX

1 **TO THE COURT AND ALL PARTIES HERETO AND THEIR COUNSEL:**

2 Plaintiffs KARIE WASINACK, CHERYL SOTO, JACKIE BAIRD, KRISTIE GREENLEAF,
3 YVONNE GUILLORY, and MARTHA RAMIREZ (hereinafter “Plaintiffs”) bring this action against
4 QUALITY LOAN SERVICE CORPORATION, JPMORGAN CHASE BANK, N.A., and DOES 1-10
5 for Intentional Misrepresentation, Negligent Misrepresentation, Violation of California Civil Code §
6 2924.17, Violation of Cal. Civil Code Section 2923.55, Unfair, Unlawful, And Fraudulent Business
7 Practices (Violation Of California Bus & Prof. Code §17200, *et. seq.*), and Wrongful Foreclosure.

8 Plaintiffs reserve their right to join necessary parties (Defendants and/or Plaintiffs) to this action
9 under California Civil Procedure § 378 as those unknown parties become known to Plaintiffs. Plaintiffs
10 shall request leave of Court for such joinder matters.

11 **I. PARTIES**

12 1. Plaintiff, Karie Wasinack is a resident of California. The property she owns and has
13 equitable possession of is located at: 29533 Georgetown Lane, Temecula, CA 92591 (The subject
14 property). All acts complained of herein occurred within the territorial jurisdiction of this court lying in
15 Riverside County, California.

16 2. Plaintiff, Cheryl Soto is a resident of California. The property she formerly owned and
17 had equitable possession of until the date of foreclosure is located at: 3117 Glancy Drive San Diego,
18 CA 92173 (The subject property).

19 3. Plaintiff, Jackie Baird is a resident of California. The property she owns and has
20 equitable possession of is located at 6146 Rod Ave., Woodland Hills, CA 91367 (The subject property).

21 4. Plaintiff, Kristie Greenleaf is a resident of California. The property she formerly owned
22 until the date of foreclosure but continues to have equitable possession of is located at: 603 Sapphire
23 Street Redondo Beach, CA 90277 (The subject property).

24 5. Plaintiff, Yvonne Guillory is a resident of California. The property she owns and has
25 equitable possession of is located at: 12109 Clearglan Ave. Whittier, CA 90604 (The subject property).

26 6. Plaintiff, Martha Ramirez is a resident of California. The property she owns and has
27 equitable possession of is located at: 8014 Clarinda Ave. Pico Rivera, CA 90660 (The subject
28 property).

1 7. Defendant Quality Loan Service Corporation (“QUALITY”) is a California Domestic
2 Corporation filed on May 11, 1988. The company's filing status is listed as active and its File Number
3 is C1613350. The Registered Agent on file for this company is Bounlet Louvan, located at 411 Ivy St.,
4 San Diego, CA 92101. The company's principal address is 411 Ivy St., San Diego, CA 92101.
5 Defendant QUALITY has been doing business in the territorial jurisdiction of this court and all acts
6 complained of herein were within those same boundaries.

7 8. Defendant JPMorgan Chase Bank, N.A. (“CHASE”) is a California Foreign Corporation
8 filed on June 17, 2010. The company's filing status is listed as Surrendered and its File Number is
9 C3297309. The Registered Agent on file for this company is CT Corporation System and is located at
10 818 W Seventh St. Ste. 930, Los Angeles, CA 90017. The company's principal address is 10 South
11 Dearborn, Floor 19, Chicago, IL 60603. The company has one principal on record. The principal is
12 William Wulkan from Chicago, IL. CHASE was a business operating under the laws of the state of
13 California at all times relevant to this action.

14 **II. JURISDICTION**

15 9. The predicate acts complained of herein did occur within the territorial boundaries of
16 this court, and the corpus of the complaint centers on state law questions. Thus, jurisdiction is proper in
17 this court.

18 **III. VENUE**

19 10. Venue of this action is proper in this County because one of the six residential real
20 properties that is the subject of this action is situated in Riverside County and the Defendants’ acts
21 complained of occurred in Temecula, California.

22 **IV. FACTUAL BACKGROUND**

23 **A. General**

24 11. Defendants, Quality Loan and Chase, acting as the trustee and the servicer for various
25 mortgages and mortgage-back securities, have conducted countless non-judicial foreclosure actions and
26 filed foreclosure actions in state and federal courts in California, including against the Plaintiffs, under
27 false pretenses, alleging to be the owner or the holder of the underlying notes and mortgages when in
28 fact they are not, and without complying with California law governing its activities. These filings

1 represent a pattern of corrupt and illegal activity as defined by California law through which the
2 Defendants have charged thousands in fees, court costs, and other expenses against the Plaintiffs.

3 12. Defendants are lacking possession of requisite legally enforceable, recorded
4 assignments, and Defendants are unable to verify and demonstrate the chain of ownership and
5 assignment of the mortgages from the actual mortgagee. Further, Defendants are lacking sufficient
6 evidence to support the claims of a default. Thus, Defendants' pattern and practice of conducting non-
7 judicial foreclosure sales, filing foreclosure actions in state and federal courts, and/or filing false
8 publically recorded instruments while clearly lacking the right to do so is a clear violation of Plaintiffs'
9 rights.

10 **B. Karie Wasinack**

11 **a. Deed of Trust**

12 13. On December 9, 2005, Plaintiff signed a deed of trust (the "deed of trust") for the
13 subject property located at 29533 Georgetown Lane, Temecula, CA 92591. (Exhibit 1.) According to
14 the deed of trust, Plaintiff was the "borrower," and Washington Mutual Bank was the "lender."
15 Washington Mutual Bank ("WaMu") is named the "beneficiary," and California Reconveyance
16 Company ("CRC") was the "trustee." (*Id.* at 2)

17 14. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
18 to accelerate Plaintiff's amount due under the loan and the lender's other remedies. This section states
19 that, in the event of Plaintiff's default, *the lender* must give Plaintiffs notice of Plaintiff's default and
20 the lender's intent to accelerate, *prior to* acceleration. (*Id.* at 13).

21 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a
22 date, not less than 30 days from the date the notice is given to Borrower, by which the
23 default must be cured; and (d) that failure to cure the default on or before the date
24 specified in the notice may result in acceleration of the sums secured by this Security
25 Instrument and sale of the Property. *The notice shall further inform Borrower of the
right to reinstate after acceleration and the right to bring a court action to assert the
non-existence of a default or any other defense of Borrower to acceleration and sale.*

26 15. Only after such notice is given, does the deed of trust entitle the lender to accelerate
27 Plaintiff's amount due and invoke the lender's power of sale.

1 16. Paragraph fifteen of the deed of trust requires that, “[a]ll notices given by Borrower or
2 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
3 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
4 by first class mail or when actually delivered to Borrower’s notice address if sent by other means.” (*Id.*
5 at 10).

6 17. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
7 successor trustee only “by an instrument executed and acknowledged by Lender and recorded in the
8 office of the Recorder of the county in which the Property is located. The instrument shall contain the
9 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
10 is recorded and the name and address of the successor trustee.” (*Id.* at 13.)

11 **b. Proceeding Events**

12 18. On March 4, 2011, an Assignment of Deed of Trust was requested by CRC, which stated
13 that Chase “grant[ed], assign[ed], transfer[ed] to Bank of America... all beneficial interest under that
14 certain Deed of Trust dated 12-16-2005”

15 19. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
16 unlawful lien through the use of an alleged void assignment of Plaintiff’s deed of trust by both
17 Defendants.

18 20. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
19 fictitious payee of the subject debt obligation.

20 21. CRC recorded a Notice of Default (“NOD”) under the Deed of Trust on March 4, 2008.

21 22. CRC’s NOD indicated that CHASE was the servicer of the loan. CRC stated that,
22 Plaintiff only has the “legal right to bring [the] account in good standing by paying all of [the] past due
23 payments plus permitted costs and expenses within the time permitted by law for reinstatement of [the]
24 account.”

25 23. Nowhere in CRC’s NOD did CRC state that Plaintiff had the right to bring a court action
26 to dispute the default as required by paragraph twenty-two of the deed of trust.

27 24. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
28 intentionally interfered with the subject contract promissory note and deed of trust for their own gain

1 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
2 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
3 trust and further alleges that both Defendants claim to be entitled in some way under the contract
4 without lawful or contractual authority.

5 25. Defendants both are experienced and sophisticated real estate professionals and
6 investors who have a duty of due diligence to investigate title issues prior to sale.

7 26. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
8 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
9 authority.

10 27. On March 4, 2011, CRC recorded a Notice of Default.

11 28. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
12 Notice of Trustee Sale are void because their purported authority flows from the void assignment
13 instruments as fully examined and alleged above.

14 29. Plaintiff's home was set to be sold at auction on February 29, 2016. However, Plaintiff
15 never received a notice of postponement for her property from the previously scheduled January 2016
16 sale date. There is no sale date pending at the time of filing of this First Amended Complaint.
17 Consequently, Plaintiff brings the present claim disputing Defendants' rights to Plaintiff's deed of trust
18 and property.

19 30. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
20 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
21 real property at this time.

22 31. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
23 filed, negligently relied upon or caused to be filed, a series of public documents known by both
24 Defendants to be false at the time of the execution and filing of the instruments in the public record
25 against Public Policy and against Plaintiffs' contract and property interests.

26 32. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
27 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
28 for such evidence, any document executed by the true beneficiary of the debt obligation, which

1 authenticates Defendant’s assertions that they are acting as bona fide agents and/or assignees for an
2 authenticated beneficiary to Plaintiff’s debt obligation.

3 33. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
4 2924.17(b). Plaintiff alleges that Defendants QUALITY and CHASE, as purported agent for the
5 beneficiary and loan servicer, had a duty to provide Plaintiff: “... the mortgage servicer will ensure that
6 the document is accurate and complete and supported by competent and reliable evidence.” 2924.17(a),
7 “the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
8 the borrowers default and the right to foreclose.” 2924.17(b), “A beneficiary, or his or her authorized
9 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her
10 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of
11 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement.”
12 Civil Code § 2943(b)(1).

13 34. Plaintiff alleges that neither Defendant performed any of the above described duties.
14 Plaintiff alleges that because of Defendants' acts and omissions has been harmed and prejudiced.

15 35. As a direct and proximate result of Defendants acts and omissions, Plaintiff’s loan
16 obligation has been accelerated by an unlawful means, forcing her to pay the entirety of her debt at one
17 time. Her credit has been damaged along with her ability to seek alternative financing. Her loan
18 obligation has not been verified as to whom the payments are actually due and what exact amounts are
19 due, thus exposing her to duplicative payments. She is at immediate risk of losing possession to
20 Defendants due to an illegal and oppressive sale by Defendant’s acts and omissions; the property is
21 encumbered by who have no lawful interest in the loan contract or real property. She has suffered
22 emotional damages due to constant worry about whether or not the wrong party is going to dispossess
23 her of her home. She cannot negotiate the contract with a party that has been authenticated as the lawful
24 beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at the direction
25 and execution of all Defendants named herein.

26 36. Plaintiff alleges that she is not seeking a “free house”, as will undoubtedly be claimed by
27 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
28 eight years now.

1 **C. Cheryl Ann Soto**

2 **a. Deed of Trust**

3 37. On October 14, 2006, Plaintiff signed a deed of trust (the “deed of trust”) for the subject
4 property located at 3117 Glancy Drive, San Diego, CA 92173. (Exhibit 2.) According to the deed of
5 trust, Plaintiff was the “borrower,” and Washington Mutual Bank, FA was the “lender.” Washington
6 Mutual Bank, FA is named the “beneficiary,” and California Reconveyance Company (“CRC”) was the
7 “trustee.” (*Id.* at 2)

8 38. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
9 to accelerate Plaintiff’s amount due under the loan and the lender’s other remedies. This section states
10 that, in the event of Plaintiffs’ default, *the lender* must give Plaintiffs notice of Plaintiffs’ default and
11 the lender’s intent to accelerate, *prior to* acceleration.

12 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date,
13 not less than 30 days from the date the notice is given to Borrower, by which the default must
14 be cured; and (d) that failure to cure the default on or before the date specified in the notice may
15 result in acceleration of the sums secured by this Security Instrument and sale of the Property.
16 *The notice shall further inform Borrower of the right to reinstate after acceleration and the
right to bring a court action to assert the non-existence of a default or any other defense of
Borrower to acceleration and sale. (Id.)* (emphasis added).

17
18 39. Only after such notice is given, does the deed of trust entitle the lender to accelerate
19 Plaintiffs’ amount due and invoke the lender’s power of sale. (*Id.*)

20 40. Paragraph fifteen of the deed of trust requires that, “[a]ll notices given by Borrower or
21 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
22 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
23 by first class mail or when actually delivered to Borrower’s notice address if sent by other means.” (*Id.*
24 at 10.)

25 41. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
26 successor trustee only “by an instrument executed and acknowledged by Lender and recorded in the
27 office of the Recorder of the county in which the Property is located. The instrument shall contain the
28

1 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
2 is recorded and the name and address of the successor trustee.” (*Id.* at 13.)

3 **b. Proceeding Events**

4 42. On March 9, 2011, an Assignment of Deed of Trust was recorded by CRC, which stated
5 that Chase “grant[ed], assign[ed], transfer[ed] to Bank of America... all beneficial interest under that
6 certain Deed of Trust dated 10-14-2006”

7 43. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
8 unlawful lien through the use of an alleged void assignment of Plaintiff’s deed of trust by both
9 Defendants.

10 44. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
11 fictitious payee of the subject debt obligation.

12 45. CRC recorded a Notice of Default and Election to Sell Under Deed of Trust on March 9,
13 2011. This notice occurred on the same exact day as the above described Assignment of the Deed of
14 Trust. Chase was the servicer of the loan. Nowhere in CRC’s NOD did it state that Plaintiff had the
15 right to bring a court action to dispute the default as required by paragraph twenty-two of the deed of
16 trust.

17 46. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
18 intentionally interfered with the subject contract promissory note and deed of trust for their own gain
19 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
20 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
21 trust and further alleges that both Defendants claim to be entitled in some way under the contract
22 without lawful or contractual authority.

23 47. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
24 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
25 authority.

26 48. Despite having not yet sent a notice of acceleration to Plaintiff pursuant to paragraph
27 twenty-two and fifteen of the deed of trust, CRC recorded a Notice of Trustee’s Sale on June 10,
28 2011.

1 49. A Substitution of Trustee was then recorded on March 3, 2014 which replaced CRC
2 with ALAW as the trustee for the loan. Subsequently, on July 9, 2015, Quality Loan Servicing
3 recorded a Notice of Sale.

4 50. Plaintiff has searched the records of the County Recorder's Office and there is no
5 recorded substitution of trustee by a valid lender or beneficiary.

6 51. Defendants both are experienced and sophisticated real estate professionals and
7 investors who have a duty of due diligence to investigate title issues prior to sale.

8 52. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
9 Notice of Trustee Sale are void because their purported authority flows from the void assignment
10 instruments as fully examined and alleged above.

11 53. Defendant foreclosed on Plaintiff's home on October 19, 2015. However, Plaintiff never
12 received a notice of postponement for her property. Consequently, Plaintiff brings the present claim
13 disputing Defendants' rights to Plaintiff's deed of trust and property.

14 54. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
15 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
16 real property at this time.

17 55. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
18 filed, negligently relied upon or caused to be filed, a series of public documents known by both
19 Defendants to be false at the time of the execution and filing of the instruments in the public record
20 against Public Policy and against Plaintiffs' contract and property interests.

21 56. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
22 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
23 for such evidence, any document executed by the true beneficiary of the debt obligation, which
24 authenticates Defendant's assertions that they are acting as bona fide agents and/or assignees for an
25 authenticated beneficiary to Plaintiff's debt obligation.

26 57. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
27 2924.17(b). Plaintiff alleges that Defendants QUALITY and CHASE, as purported agent for the
28 beneficiary and loan servicer, had a duty to provide Plaintiff: "... the mortgage servicer will ensure that

1 the document is accurate and complete and supported by competent and reliable evidence.” 2924.17(a),
2 “the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
3 the borrowers default and the right to foreclose.” 2924.17(b), “A beneficiary, or his or her authorized
4 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her
5 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of
6 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement.”
7 Civil Code § 2943(b)(1).

8 58. Plaintiff alleges that neither Defendant performed any of the above described duties.
9 Plaintiff alleges that because of Defendants' acts and omissions has been harmed and prejudiced.

10 59. As a direct and proximate result of Defendants acts and omissions, Plaintiff’s loan
11 obligation has been accelerated by an unlawful means, forcing her to pay the entirety of her debt at one
12 time. Her credit has been damaged along with her ability to seek alternative financing. Her loan
13 obligation has not been verified as to whom the payments are actually due and what exact amounts are
14 due, thus exposing her to duplicative payments. She is at immediate risk of losing possession to
15 Defendants due to an illegal and oppressive sale by Defendant’s acts and omissions; the property is
16 encumbered by who have no lawful interest in the loan contract or real property. She has suffered
17 emotional damages due to constant worry about whether or not the wrong party is going to dispossess
18 her of her home. She cannot negotiate the contract with a party that has been authenticated as the lawful
19 beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at the direction
20 and execution of all Defendants named herein.

21 60. Plaintiff alleges that she is not seeking a “free house”, as will undoubtedly be claimed by
22 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
23 eight years now.

24 **D. Jacqueline and Thomas Baird**

25 **a. Deed of Trust**

26 61. On March 8, 2007, Plaintiff signed a deed of trust (“deed of trust”) for the subject
27 property located at 6146 Rod Ave, Woodland Hills, CA 91367. (Exhibit 3.) According to the deed of
28 trust, Plaintiff was the “borrower,” and EquiFirst Corporation / Washington Mutual bank was the

1 “lender.” Washington Mutual Bank (WaMu) is named the “beneficiary,” and California Reconveyance
2 Company (CRC) was the “trustee.” (*Id.* at 2.)

3 62. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
4 to accelerate Plaintiff’s amount due under the loan and the lender’s other remedies. This section states
5 that, in the event of Plaintiff’s default, *the lender* must give Plaintiffs notice of Plaintiff’s default and
6 the lender’s intent to accelerate, *prior to* acceleration. (*Id.* at 13.)

7 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a
8 date, not less than 30 days from the date the notice is given to Borrower, by which the
9 default must be cured; and (d) that failure to cure the default on or before the date
10 specified in the notice may result in acceleration of the sums secured by this Security
11 Instrument and sale of the Property. *The notice shall further inform Borrower of the
12 right to reinstate after acceleration and the right to bring a court action to assert the
13 non-existence of a default or any other defense of Borrower to acceleration and sale.*

14 63. Only after such notice is given, does the deed of trust entitle the lender to accelerate
15 Plaintiffs’ amount due and invoke the lender’s power of sale.

16 64. Paragraph fifteen of the deed of trust requires that, “[a]ll notices given by Borrower or
17 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
18 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
19 by first class mail or when actually delivered to Borrower’s notice address if sent by other means.” (*Id.*
20 at 10.)

21 65. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
22 successor trustee only “by an instrument executed and acknowledged by Lender and recorded in the
23 office of the Recorder of the county in which the Property is located. The instrument shall contain the
24 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
25 is recorded and the name and address of the successor trustee.” (*Id.* at 13.)

26 **b. Proceeding Events**

27 66. On October 5, 2009, an Assignment of Deed of Trust was executed by Chase, to “grant,
28 sell, assign, transfer, and convey unto BANK OF AMERICA, N.A....all beneficial interest” held by
Chase under the Deed of Trust.

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1 67. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
2 unlawful lien through the use of an alleged void assignment of Plaintiff's deed of trust by both
3 Defendants.

4 68. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
5 *fictitious* payee of the subject debt obligation.

6 69. CRC recorded a Notice of Default and Election to Sell Under Deed of Trust on October
7 7, 2009. CRC's NOD indicated that Chase was the servicer of the loan. CRC stated that, "unless the
8 obligation being foreclosed upon or a separate written agreement between [Plaintiff] and [Plaintiff's]
9 creditor permits a longer period, [Plaintiff has] only the legal right to stop the sale of property by
10 paying the entire amount demanded by [Plaintiff's] creditor." Nowhere in the NOD did CRC state that
11 Plaintiffs had the right to bring a court action to dispute the default as required by paragraph twenty-
12 two of the deed of trust.

13 70. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
14 intentionally interfered with the subject contract promissory note and deed of trust for their own gain
15 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
16 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
17 trust and further alleges that both Defendants *claim* to be entitled in some way under the contract
18 without lawful or contractual authority.

19 71. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
20 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
21 authority.

22 72. Despite having not yet sent a notice of acceleration to Plaintiff pursuant to paragraph
23 twenty-two and fifteen of the deed of trust, CRC executed a Notice of Trustee's Sale on January 8,
24 2010 which was recorded on January 11, 2010.

25 73. Defendants both are experienced and sophisticated real estate professionals and
26 investors who have a duty of due diligence to investigate title issues prior to sale.

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1 74. Plaintiff alleges that Defendant Quality Loan is not a valid trustee or agent of the
2 beneficiary nor is Defendant Chase a “*bona fide purchaser*” because Defendants never acquired
3 beneficial interest in the debt obligation or real property by operation of California state law.

4 75. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
5 Notice of Trustee Sale are void because their purported authority flows from the void assignment
6 instruments as fully examined and alleged above.

7 76. Plaintiff’s home currently has no foreclosure date. However, until this matter is
8 resolved, Defendant will continue to terrorize Plaintiff by issuing notice of sales. Consequently,
9 Plaintiff brings the present claim disputing Defendants’ rights to Plaintiff’s deed of trust and property.

10 77. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
11 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
12 real property at this time.

13 78. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
14 filed, negligently relied upon or caused to be filed, a series of public documents known by both
15 Defendants to be false at the time of the execution and filing of the instruments in the public record
16 against public policy and against Plaintiffs’ contract and property interests.

17 79. Defendants claim an interest that is adverse to Plaintiff’s by intentionally interfering
18 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
19 for such evidence, any document executed by the true beneficiary of the debt obligation, which
20 authenticates Defendants’ assertions that they are acting as bona fide agents and/or assignees for an
21 authenticated beneficiary to Plaintiff’s debt obligation.

22 80. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
23 2924.17(b). Plaintiff alleges that Defendants Quality Loan and Chase, as purported agent for the
24 beneficiary and loan servicer, had a duty to provide Plaintiff: “... the mortgage servicer will ensure that
25 the document is accurate and complete and supported by competent and reliable evidence.” 2924.17(a),
26 “the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
27 the borrowers default and the right to foreclose.” 2924.17(b), “A beneficiary, or his or her authorized
28 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her

1 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of
2 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement.”
3 Civil Code § 2943(b)(1).

4 81. Plaintiff alleges that neither Defendant performed any of the above described duties.
5 Plaintiff alleges that because of Defendants' acts and omissions, she has been harmed and prejudiced.

6 82. As a direct and proximate result of Defendants acts and omissions, Plaintiff's loan
7 obligation has been accelerated by an unlawful means, forcing them to pay the entirety of her debt at
8 one time. Plaintiff's credit has been damaged along with their ability to seek alternative financing.
9 Plaintiff's loan obligation has not been verified as to whom the payments are actually due and what
10 exact amounts are due, thus exposing them to duplicative payments. She is at immediate risk of losing
11 possession to Defendants due to an illegal and oppressive sale by Defendants' acts and omissions; the
12 property is encumbered by those whom have no lawful interest in the loan contract or real property. She
13 has suffered emotional damages due to constant worry about whether or not the wrong party is going to
14 dispossess her of their home. She cannot negotiate the contract with a party that has been authenticated
15 as the lawful beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at
16 the direction and execution of all Defendants named herein.

17 83. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
18 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
19 for such evidence, any document executed by the true beneficiary of the debt obligation, which
20 authenticates Defendant's assertions that they are acting as bona fide agents and/or assignees for an
21 authenticated beneficiary to Plaintiff's debt obligation.

22 84. Plaintiff allege that she is not seeking a “free house”, as will undoubtedly be claimed by
23 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
24 eight years now.

25 **E. Kristie Greenleaf**

26 **a. Deed of Trust**

27 85. On January 23, 2008, Plaintiff signed a deed of trust (the “deed of trust”) for the subject
28 property located at 603 Sapphire Street, Redondo Beach, CA 90277. (Exhibit 4.) According to the

1 deed of trust, Plaintiff was the “borrower,” and JPMorgan Chase Bank was the “lender” and the
2 “beneficiary.” Commonwealth Land Title Co. was the “trustee.” (*Id.* at 2.)

3 86. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
4 to accelerate Plaintiff’s amount due under the loan and the lender’s other remedies. This section states
5 that, in the event of Plaintiff’s default, *the lender* must give Plaintiff notice of Plaintiff’s default and the
6 lender’s intent to accelerate, *prior to* acceleration. (*Id.* at 13)

7 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a
8 date, not less than 30 days from the date the notice is given to Borrower, by which the
9 default must be cured; and (d) that failure to cure the default on or before the date
10 specified in the notice may result in acceleration of the sums secured by this Security
11 Instrument and sale of the Property. *The notice shall further inform Borrower of the
right to reinstate after acceleration and the right to bring a court action to assert the
non-existence of a default or any other defense of Borrower to acceleration and sale.*

12 87. Only after such notice is given, does the deed of trust entitle the lender to accelerate
13 Plaintiff’s amount due and invoke the lender’s power of sale.

14 88. Paragraph fifteen of the deed of trust requires that, “[a]ll notices given by Borrower or
15 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
16 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
17 by first class mail or when actually delivered to Borrower’s notice address if sent by other means.” (*Id.*
18 at 10.)

19 89. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
20 successor trustee only “by an instrument executed and acknowledged by Lender and recorded in the
21 office of the Recorder of the county in which the Property is located. The instrument shall contain the
22 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
23 is recorded and the name and address of the successor trustee.” (*Id.* at 13.)

24 **b. Proceeding Events**

25 90. On November 3, 2010, an Assignment of Deed of Trust was executed by JPMorgan
26 Chase Bank, N.A. that “grants, assigns, and transfers to Chase Home Finance, LLC all beneficial
27 interest” held by Chase under the Deed of Trust.
28

1 91. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
2 unlawful lien through the use of an alleged void assignment of Plaintiff's deed of trust by both
3 Defendants.

4 92. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
5 *fictitious* payee of the subject debt obligation.

6 93. Quality recorded a Notice of Default and Election to Sell Under Deed of Trust ("NOD")
7 on June 2, 2015. Quality stated in the notice that Plaintiff may come to a written agreement with the
8 beneficiary or mortgagee to establish additional time to cure the default and/or establish a schedule of
9 payments in order to cure the default. In referring to the time period for Plaintiff and the beneficiary or
10 mortgagee to come to an agreement, Quality goes on to state, "[f]ollowing the expiration of the time
11 period... unless the obligation being foreclosed upon or a separate written agreement between you and
12 your creditor permits a longer period, you have only the legal right to stop the sale of your property by
13 paying the entire amount demanded by your creditor." Nowhere in the NOD did Quality state that
14 Plaintiff has the right to bring a court action to dispute the default as required by paragraph twenty-two
15 of the deed of trust.

16 94. Furthermore, Quality stated:

17 "[t]hat by reason thereof, the *present beneficiary* under such deed of trust, has executed
18 and delivered to said duly appointed Trustee, a written Declaration of Default and
19 Demand for same, and has deposited with said duly appointed Trustee, such deed of
20 trust and all documents evidencing obligations secured thereby, and has declared and
21 does hereby declare all sums secured thereby immediately due and payable and has
elected and does hereby elect to cause the trust property to be sold to satisfy the
obligations secured hereby." (emphasis added).

22 95. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
23 intentionally interfered with the subject contract promissory note and deed of trust for their own gain
24 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
25 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
26 trust and further alleges that both Defendants *claim* to be entitled in some way under the contract
27 without lawful or contractual authority.
28

1 96. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
2 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
3 authority.

4 97. On August 10, 2015, Chase executed an Assignment of the Deed of Trust, whereby “JP
5 Morgan Chase Bank, N.A., S/B/M Chase Home Finance LLC, the undersigned holder of a Deed of
6 Trust (herein “assignor”) does hereby grant, sell, assign, transfer and convey unto U.S. Bank Trust,
7 N.A., as Trustee for LSF9 Master Participation Trust...all beneficial interest...” The Assignment was
8 executed by Kewanna McFarland, Vice President of JPMorgan Chase, N.A. The Assignment was
9 recorded November 6, 2015.

10 98. Plaintiff alleges Defendants, specifically Chase, did not have a beneficial interest in the
11 property at the time Chase executed the Assignment of the Deed of Trust.

12 99. Defendant Quality Loan executed a Notice of Trustee’s Sale (“NOS”) on December 21,
13 2015 that was recorded on December 23, 2015. The sale date was set for January 21, 2016.

14 100. Plaintiff filed this action January 29, 2016. Defendants were served with this action on
15 February 8, 2016 and again on February 23, 2016. Plaintiff filed a Notice of Pendency of Action in the
16 Los Angeles County Registrar-Recorder Office on February 16, 2016.

17 101. Defendant foreclosed on Plaintiff’s home on February 22, 2016 to Duke Partners LLC.
18 Consequently, Plaintiff amends her complaint and brings the present claim disputing Defendants’ rights
19 to Plaintiff’s deed of trust and property.

20 102. Defendants both are experienced and sophisticated real estate professionals and
21 investors who have a duty of due diligence to investigate title issues prior to sale.

22 103. Plaintiff alleges that Defendant Quality Loan is not a valid trustee or agent of the
23 beneficiary nor is Defendant Chase a “*bona fide purchaser*” because Defendants never acquired
24 beneficial interest in the debt obligation or real property by operation of California state law.

25 104. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
26 Notice of Trustee Sale are void because their purported authority flows from the void assignment
27 instruments as fully examined and alleged above.

28 //

1 105. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
2 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
3 real property at this time.

4 106. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
5 filed, negligently relied upon or caused to be filed, a series of public documents known by both
6 Defendants to be false at the time of the execution and filing of the instruments in the public record
7 against Public Policy and against Plaintiffs' contract and property interests.

8 107. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
9 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
10 for such evidence, any document executed by the true beneficiary of the debt obligation, which
11 authenticates Defendant's assertions that they are acting as bona fide agents and/or assignees for an
12 authenticated beneficiary to Plaintiff's debt obligation.

13 108. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
14 2924.17(b). Plaintiff alleges that Defendants QUALITY and CHASE, as purported agent for the
15 beneficiary and loan servicer, had a duty to provide Plaintiff: "... the mortgage servicer will ensure that
16 the document is accurate and complete and supported by competent and reliable evidence." 2924.17(a),
17 "the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
18 the borrowers default and the right to foreclose." 2924.17(b), "A beneficiary, or his or her authorized
19 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her
20 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of
21 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement."'
22 Civil Code § 2943(b)(1).

23 109. Plaintiff alleges that neither Defendant performed any of the above described duties.
24 Plaintiff alleges that because of Defendants' acts and omissions has been harmed and prejudiced.

25 110. As a direct and proximate result of Defendants acts and omissions, Plaintiff's loan
26 obligation has been accelerated by an unlawful means, forcing her to pay the entirety of her debt at one
27 time. Plaintiff's credit has been damaged along with her ability to seek alternative financing. Plaintiff's
28 loan obligation has not been verified as to whom the payments are actually due and what exact amounts

1 are due, thus exposing her to duplicative payments. She is at immediate risk of losing possession due to
2 Defendants illegal and oppressive sale by Defendants' acts and omissions, the property is encumbered
3 by who have no lawful interest in the loan contract or real property. She has suffered emotional
4 damages due to constant worry about whether or not the wrong party is going to dispossess her of her
5 home. She cannot negotiate the contract with a party that has been authenticated as the lawful
6 beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at the direction
7 and execution of all Defendants named herein.

8 111. Plaintiff alleges that she is not seeking a "free house", as will undoubtedly be claimed by
9 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
10 eight years now.

11 **F. Yvonne Guillory**

12 **a. Deed of Trust**

13 112. On November 15, 2006, Plaintiff signed a deed of trust (the "deed of trust") for the
14 subject property located at 12109 Clearglen Ave. Whittier, CA 90604. (Exhibit 5.) According to the
15 deed of trust, Plaintiff was the "borrower," and Washington Mutual Bank was the "lender."
16 Washington Mutual Bank (WaMu) is named the "beneficiary," and California Reconveyance Company
17 (CRC) was the "trustee." (*Id.* at 2).

18 113. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
19 to accelerate Plaintiff's amount due under the loan and the lender's other remedies. This section states
20 that, in the event of Plaintiff's default, *the lender* must give Plaintiff notice of Plaintiff's default and the
21 lender's intent to accelerate, *prior to acceleration.* (*Id.* at 13).

22 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a
23 date, not less than 30 days from the date the notice is given to Borrower, by which the
24 default must be cured; and (d) that failure to cure the default on or before the date
25 specified in the notice may result in acceleration of the sums secured by this Security
26 Instrument and sale of the Property. *The notice shall further inform Borrower of the
right to reinstate after acceleration and the right to bring a court action to assert the
non-existence of a default or any other defense of Borrower to acceleration and sale.*

1 114. Only after such notice is given, does the deed of trust entitle the lender to accelerate
2 Plaintiff's amount due and invoke the lender's power of sale.

3 115. Paragraph fifteen of the deed of trust requires that, "[a]ll notices given by Borrower or
4 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
5 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
6 by first class mail or when actually delivered to Borrower's notice address if sent by other means." (*Id.*
7 at 10).

8 116. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
9 successor trustee only "by an instrument executed and acknowledged by Lender and recorded in the
10 office of the Recorder of the county in which the Property is located. The instrument shall contain the
11 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
12 is recorded and the name and address of the successor trustee." (*Id.* at 13.)

13 **b. Proceeding Events**

14 117. On March 11, 2011, an Assignment of Deed of Trust was requested by CRC, which
15 stated that Chase "grant[ed], assign[ed], transfer[ed] to Deutsche Bank National Trust Company... all
16 beneficial interest under that certain Deed of Trust dated 11-15-2006"

17 118. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
18 unlawful lien through the use of an alleged void assignment of Plaintiff's deed of trust by both
19 Defendants.

20 119. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
21 fictitious payee of the subject debt obligation.

22 120. CRC recorded a Notice of Default ("NOD") under the Deed of Trust on March 14, 2011.

23 121. CRC's NOD indicated that Deutsche Bank National Trust Company was the servicer of
24 the loan. CRC stated that, Plaintiff only has the "legal right to bring [the] account in good standing by
25 paying all of [the] past due payments plus permitted costs and expenses within the time permitted by
26 law for reinstatement of [the] account."

27 122. Nowhere in CRC's NOD did CRC state that Plaintiff had the right to bring a court action
28 to dispute the default as required by paragraph twenty-two of the deed of trust.

1 123. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
2 intentionally interfered with the subject contract promissory note and deed of trust for their own gain
3 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
4 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
5 trust and further alleges that both Defendants claim to be entitled in some way under the contract
6 without lawful or contractual authority.

7 124. Defendants both are experienced and sophisticated real estate professionals and
8 investors who have a duty of due diligence to investigate title issues prior to sale.

9 125. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
10 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
11 authority.

12 126. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
13 Notice of Trustee Sale are void because their purported authority flows from the void assignment
14 instruments as fully examined and alleged above.

15 127. Plaintiff's home is currently set to be sold at auction on March 30, 2016. Consequently,
16 Plaintiff brings the present claim disputing Defendants' rights to Plaintiff's deed of trust and property.

17 128. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
18 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
19 real property at this time.

20 129. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
21 filed, negligently relied upon or caused to be filed, a series of public documents known by both
22 Defendants to be false at the time of the execution and filing of the instruments in the public record
23 against public policy and against Plaintiff's contract and property interests.

24 130. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
25 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
26 for such evidence, any document executed by the true beneficiary of the debt obligation, which
27 authenticates Defendant's assertions that they are acting as bona fide agents and/or assignees for an
28 authenticated beneficiary to Plaintiff's debt obligation.

1 131. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
2 2924.17(b). Plaintiff alleges that Defendants QUALITY and CHASE, as purported agent for the
3 beneficiary and loan servicer, had a duty to provide Plaintiff: "... the mortgage servicer will ensure that
4 the document is accurate and complete and supported by competent and reliable evidence." 2924.17(a),
5 "the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
6 the borrowers default and the right to foreclose." 2924.17(b), "A beneficiary, or his or her authorized
7 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her
8 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of
9 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement."
10 Civil Code § 2943(b)(1).

11 132. Plaintiff alleges that neither Defendant performed any of the above described duties.
12 Plaintiff alleges that because of Defendants' acts and omissions has been harmed and prejudiced.

13 133. As a direct and proximate result of Defendants acts and omissions, Plaintiff's loan
14 obligation has been accelerated by an unlawful means, forcing her to pay the entirety of her debt at one
15 time. Plaintiff's credit has been damaged along with her ability to seek alternative financing. Plaintiff's
16 loan obligation has not been verified as to whom the payments are actually due and what exact amounts
17 are due, thus exposing her to duplicative payments. She is at immediate risk of losing possession to
18 Defendants due to an illegal and oppressive sale by Defendants' acts and omissions; the property is
19 encumbered by who have no lawful interest in the loan contract or real property. She has suffered
20 emotional damages due to constant worry about whether or not the wrong party is going to dispossess
21 her of her home. She cannot negotiate the contract with a party that has been authenticated as the lawful
22 beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at the direction
23 and execution of all Defendants named herein.

24 134. Plaintiff alleges that she is not seeking a "free house", as will undoubtedly be claimed by
25 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
26 eight years now.

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1 **G. Martha Ramirez**

2 **a. Deed of Trust**

3 135. On April 10, 2007, Plaintiff signed a deed of trust (the “deed of trust”) for the subject
4 property located at 8014 Clarinda Ave. Pico Rivera, CA 90660. (Exhibit 6.) According to the deed of
5 trust, Plaintiff was the “borrower,” and Chase Bank USA, N.A. was the “lender.” Chase Bank USA,
6 N.A. is named the “beneficiary,” and Douglas E. Miles was the “trustee.” (*Id.* at 2)

7 136. Paragraph twenty-two of the deed of trust explains the procedures required for the lender
8 to accelerate Plaintiff’s amount due under the loan and the lender’s other remedies. This section states
9 that, in the event of Plaintiff’s default, *the lender* must give Plaintiff notice of Plaintiff’s default and the
10 lender’s intent to accelerate, *prior to acceleration.* (*Id.* at 13).

11 The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a
12 date, not less than 30 days from the date the notice is given to Borrower, by which the
13 default must be cured; and (d) that failure to cure the default on or before the date
14 specified in the notice may result in acceleration of the sums secured by this Security
15 Instrument and sale of the Property. *The notice shall further inform Borrower of the*
16 *right to reinstate after acceleration and the right to bring a court action to assert the*
17 *non-existence of a default or any other defense of Borrower to acceleration and sale.*

18 137. Only after such notice is given, does the deed of trust entitle the lender to accelerate
19 Plaintiff’s amount due and invoke the lender’s power of sale.

20 138. Paragraph fifteen of the deed of trust requires that, “[a]ll notices given by Borrower or
21 Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in
22 connection with this Security Instrument shall be deemed to have been given to Borrower when mailed
23 by first class mail or when actually delivered to Borrower’s notice address if sent by other means.” (*Id.*
24 at 10).

25 139. Additionally, paragraph twenty-four of the deed of trust allows the lender to appoint a
26 successor trustee only “by an instrument executed and acknowledged by Lender and recorded in the
27 office of the Recorder of the county in which the Property is located. The instrument shall contain the
28 name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument
is recorded and the name and address of the successor trustee.” (*Id.* at 13.)

//

1 **b. Proceeding Events**

2 140. On March 11, 2011, an Assignment of Deed of Trust was requested by JPMC Mortgage,
3 which stated that Chase Bank, USA N.A. made the decision to “grant, sell, assign, transfer, and convey
4 un to JPMorgan Chase Bank, National Association... all beneficial interest under that certain Deed of
5 Trust dated 4-10-2007.”

6 141. Plaintiff alleges that a loan contract and real property has been falsely encumbered by an
7 unlawful lien through the use of an alleged void assignment of Plaintiff’s deed of trust by both
8 Defendants.

9 142. Plaintiff alleges that Defendants are claiming to be agents, purchasers and assignees of a
10 fictitious payee of the subject debt obligation.

11 143. Quality recorded a Notice of Default (“NOD”) under the Deed of Trust on May 19,
12 2015.

13 144. Quality’s NOD indicated that JPMorgan Chase Bank, N.A. was the servicer of the loan.
14 Quality stated that, Plaintiff only has the “legal right to bring [the] account in good standing by paying
15 all of [the] past due payments plus permitted costs and expenses within the time permitted by law for
16 reinstatement of [the] account.”

17 145. Nowhere in Quality’s NOD did Quality state that Plaintiff had the right to bring a court
18 action to dispute the default as required by paragraph twenty-two of the deed of trust.

19 146. Plaintiff alleges that Defendants unlawfully, and with full knowledge and intent,
20 intentionally interfered with the subject contract promissory note and deed of trust for their own gain
21 and at the expense and detriment of Plaintiff. Plaintiff denies and refutes that Defendants are a valid
22 beneficiary or agent for beneficiary, a lawful assignee or entitled in any way under the contract deed of
23 trust and further alleges that both Defendants claim to be entitled in some way under the contract
24 without lawful or contractual authority.

25 147. Defendants both are experienced and sophisticated real estate professionals and
26 investors who have a duty of due diligence to investigate title issues prior to sale.

27 //

28 //

1 148. Plaintiff alleges that all Defendants worked together in a scheme to convert a personal
2 Instrument (Promissory Note) and subsequently real property to their own possession without lawful
3 authority.

4 149. Plaintiff alleges that any and all recorded instruments, including Notice of Default and
5 Notice of Trustee Sale are void because their purported authority flows from the void assignment
6 instruments as fully examined and alleged above.

7 150. Plaintiff's home was set to be sold; however, the sale date is currently cancelled.
8 Plaintiff brings the present claim disputing Defendants' rights to Plaintiff's deed of trust and property.

9 151. Plaintiff alleges that a controversy exists as to whether or not all Defendants acquired
10 any rights to the loan contract. Defendants claim a beneficial or purchase interest in the contract and
11 real property at this time.

12 152. Plaintiff alleges that all Defendants willfully, negligently and with malice aforethought,
13 filed, negligently relied upon or caused to be filed, a series of public documents known by both
14 Defendants to be false at the time of the execution and filing of the instruments in the public record
15 against public policy and against Plaintiffs' contract and property interests.

16 153. Defendants claim an interest that is adverse to Plaintiff's by intentionally interfering
17 with a contract without such authority, and by failing to evidence, after notice by Plaintiff and request
18 for such evidence, any document executed by the true beneficiary of the debt obligation, which
19 authenticates Defendant's assertions that they are acting as bona fide agents and/or assignees for an
20 authenticated beneficiary to Plaintiff's debt obligation.

21 154. Plaintiff alleges that she has rights to disclosures under Cal. Civ. Code §§ 2924.17(a),
22 2924.17(b). Plaintiff alleges that Defendants QUALITY and CHASE, as purported agent for the
23 beneficiary and loan servicer, had a duty to provide Plaintiff: "... the mortgage servicer will ensure that
24 the document is accurate and complete and supported by competent and reliable evidence." 2924.17(a),
25 "the mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate
26 the borrowers default and the right to foreclose." 2924.17(b), "A beneficiary, or his or her authorized
27 agent, shall, within 21 days of the receipt of a written demand by an entitled person or his or her
28 authorized agent, prepare and deliver to the person demanding it a true, correct, and complete copy of

1 the note or other evidence of indebtedness with any modification thereto, and a beneficiary statement.”
2 Civil Code § 2943(b)(1).

3 155. Plaintiff alleges that neither Defendant performed any of the above described duties.
4 Plaintiff alleges that because of Defendants' acts and omissions has been harmed and prejudiced.

5 156. As a direct and proximate result of Defendants acts and omissions, Plaintiff's loan
6 obligation has been accelerated by an unlawful means, forcing her to pay the entirety of her debt at one
7 time. Plaintiff's credit has been damaged along with her ability to seek alternative financing. Plaintiff's
8 loan obligation has not been verified as to whom the payments are actually due and what exact amounts
9 are due, thus exposing her to duplicative payments. She is at immediate risk of losing possession to
10 Defendants due to an illegal and oppressive sale by Defendant's acts and omissions; the property is
11 encumbered by who have no lawful interest in the loan contract or real property. She has suffered
12 emotional damages due to constant worry about whether or not the wrong party is going to dispossess
13 her of her home. She cannot negotiate the contract with a party that has been authenticated as the lawful
14 beneficiary to the debt obligation; she has been subjected to a wrongful foreclosure sale at the direction
15 and execution of all Defendants named herein.

16 157. Plaintiff alleges that she is not seeking a “free house”, as will undoubtedly be claimed by
17 the Defendants in the typical foreclosure mill style that has plagued this, and all California courts, for
18 eight years now.

19 **V. CAUSES OF ACTION**

20
21 **FIRST CAUSE OF ACTION**
22 **INTENTIONAL MISREPRESENTATION**
(Against All Defendants)

23 158. Plaintiffs incorporate all preceding paragraphs of the Complaint and the paragraphs of
24 the subsequent causes of action as though fully set forth herein.

25 159. Defendants, their principals, agents, and/or employees, and each of them acted to
26 deceive Plaintiffs in the manner and by the misrepresentations and statements identified and set forth
27 herein.

28 //

1 160. Plaintiffs are informed and believe, and based thereon allege, that Defendants 1) made
2 representations of facts as true, 2) the representations were not true, 3) Defendants knew the
3 statements were false, or made recklessly without regard for their truth, 4) with the intent that
4 Plaintiffs rely on these representations, 5) that Plaintiffs were ignorant of the falsity of the
5 Defendants' representations and reasonably relied on the material representations, 6) Plaintiffs
6 were harmed, and 7) Plaintiffs' reliance on Defendants' representations was a substantial factor in
7 causing Plaintiffs' harm.

8 161. Defendants made numerous misrepresentations orally, verbally, written, and/or by their
9 nonverbal conduct, including but not limited to publicly recorded documents, written and oral
10 communications to Plaintiffs, website postings, and other affirmative actions taken by Defendants.

11 162. Defendants' statements were not mere opinions under the conditions and should be
12 treated as a statement of fact. A statement will be considered a statement of fact when (1) the Defendant
13 held himself out to be specifically qualified and the Plaintiffs were in a position to reasonably rely upon
14 the Defendant's knowledge; (2) the Defendants who made the statements were typically in
15 fiduciary/trusted positions; and (3) depending on the circumstance, Defendants either made the
16 statements as an existing fact or implied the facts in such a manner that justified a belief in the truth of
17 the opinion.

18 163. Plaintiffs are informed and believe, and based thereon allege, that Defendants made
19 numerous material misrepresentations as alleged herein.

20 164. Plaintiffs specifically allege that Defendants represented they were indeed valid
21 servicers and/or trustees with valid authority to foreclose.

22 165. Plaintiffs are informed and believe, and based thereon allege, Defendants represented
23 they had valid authority to foreclose based on information and instructions from the beneficiary.
24 However, despite numerous requests for the beneficiary statements, Defendants have refused to provide
25 the requested information.

26 166. Defendants represented they are the holders of the notes and deeds of trust and that they
27 were operating under a valid power from the current holders of the notes and deeds of trust and
28 therefore had the right to proceed with the foregoing foreclosures.

1 167. Plaintiffs are informed and believe, and based thereon allege, Defendants knew these
2 representations to be false, or made the representations without regard for their truth.

3 168. Defendants knew these representations were false as they knew they were no longer the
4 note holders and/or made the representations recklessly without regard to the truth because they do not
5 know who actually owns the notes and deeds and do not know who holds or held the valid power to
6 foreclose on Plaintiffs. Defendants represented that they were the owners despite recording assignments
7 and transfers in public records that were to the contrary, inaccurate, and/or incomplete.

8 169. Plaintiffs based thereon allege Defendants do not have the information and/or
9 instructions from the current beneficiary and/or did not have the information, documentation, or
10 otherwise at the time they represented to be the valid trustees and/or servicers with authority to
11 foreclose.

12 170. Plaintiffs based on the information herein allege that Defendants did not have the
13 information, instructions, documentations, or otherwise from the actual beneficiary at the time
14 Defendants filed publicly recorded documents, including the Notice of Trustee Sale.

15 171. Plaintiffs allege that Defendants, without this information, filed false, misleading, and/or
16 inaccurate public documents in violation of California law.

17 172. Plaintiffs are informed and believe, and based thereon allege Defendants, each
18 individually and/or collectively, cannot determine the actual beneficiary, both presently and/or at the
19 time of the public filings referenced herein.

20 173. Plaintiffs are informed and believe, and based thereon allege, Defendants knowingly
21 relied on information they knew was false to file publicly recorded documents and/or filed the
22 documents recklessly without regard to the truth or willfully acted blindly in filing the documents.
23 Defendants did not act reasonably in determining the validity of the information they relied on to file
24 the publicly recorded documents.

25 174. Defendants made the material misrepresentations with the intent of inducing Plaintiffs to
26 rely upon the material misrepresentations alleged herein.

27 175. Defendants intended for Plaintiffs and the general public to rely upon any and all
28 instruments by placing it into the records of the respective County's Recorder's Office.

1 176. Defendants intended for Plaintiffs and the general public to rely upon the false
2 utterances in the public record for all person to rely.

3 177. Plaintiffs reasonably relied upon those statements as true and had cause to rely on those
4 statements by virtue of the sanctity of public records and the presumption that no party would
5 knowingly make and publish such false representations intentionally.

6 178. Plaintiffs reasonably relied on Defendants' statements, oral, written, conduct, or
7 otherwise, in regards to Defendants' authority, status, and relationship or partnership as to the other
8 Defendants and Plaintiff as referenced herein.

9 179. Plaintiffs were harmed by the misrepresentations made by Defendants.

10 180. Plaintiffs made substantial monthly payments to a party who had no authority to accept
11 those payments on behalf of a *bona fide* beneficiary to her loan contract.

12 181. Plaintiffs were harmed by Defendants' false utterances by enduring the unlawful
13 acceleration of her debt and by a party not authorized under her contract publishing false statements
14 leading Plaintiff to an unlawful invocation of California's non-judicial foreclosure statute.

15 182. Plaintiffs were wrongfully foreclosed upon based on Defendants' misrepresentations.

16 183. Plaintiffs' reliance on Defendants' representation was a substantial factor in causing
17 their harm.

18 184. As a result of such intentional misrepresentations Plaintiffs were damaged as described
19 herein. Without limiting the damages as described herein, Plaintiffs' damages arose directly from the
20 misrepresentations, or at the very least, the misrepresentations were a substantial factor in causing the
21 damages alleged herein, including but not limited to the loss of equity in their house, loan payments
22 falsely represented to be much lower than what they truly were, growth in their loan balances which
23 Defendants represented would not occur, costs and expenses related to protecting themselves, reduced
24 credit scores, unavailability of credit, increased costs of credit, reduced availability of goods and
25 services tied to credit ratings, increased costs of those services, as well as fees and costs, including,
26 without limitation, attorneys' fees and costs.

27 185. Defendants' intentional, wide-scale, fraudulent conduct merits the imposition of punitive
28 damages.

SECOND CAUSE OF ACTION
NEGLIGENT MISREPRESENTATION
(Against All Defendants)

1
2
3 186. Plaintiffs incorporate all preceding paragraphs of the Complaint and the paragraphs of
4 the subsequent causes of action as though fully set forth herein.

5 187. Plaintiffs allege that Defendants made representations of facts as true there were not
6 true, and now state that although Defendants may have honestly believed the representation was
7 true, Defendants had not reasonable grounds for believing the representation was true when the
8 representations were made. Plaintiffs again allege Defendants made the representations with the
9 intent that Plaintiffs rely on these material representations, that Plaintiffs were ignorant of the
10 falsity of the Defendants' representations and reasonably relied on the material representations,
11 Plaintiffs were harmed, and Plaintiffs' reliance on Defendants' representations was a substantial
12 factor in causing Plaintiffs' harm.

13 188. Plaintiffs are informed and believe, and based thereon allege Defendants made
14 representations described herein, and more fully set forth in First Cause of Action, paragraphs 158-185,
15 without exercising reasonable care.

16 189. Defendants are required to exercise reasonable care when filing publicly recorded
17 documents and knowing the information utilized to file the documents.

18 190. Defendants, and each of them, have an independent duty to exercise reasonable care and
19 may not eliminate this duty by relying upon others.

20 191. Defendants had a duty of care to know and understand the laws regarding transfers of
21 interests in real property as sophisticated professionals.

22 192. Defendants then made, or negligently relied upon, false statements that are admitted (by
23 silence where Defendants had a duty to speak) as being false and executed by persons without personal,
24 first-hand knowledge of the facts contained within the instruments at issue here or by failing to record
25 necessary instruments.

26 193. Defendants are responsible for knowing the false representations contained in
27 communications, oral and written, publicly recorded instruments, and otherwise, known to be false by
28 Defendants, which led to the unlawful acceleration of debt instrument securing Plaintiffs' real property,

1 and inevitably willfully oppressive sale of Plaintiffs' real property by use of known and intentionally
2 false and omitted information contained within those recorded instruments.

3 194. Defendants knowingly and with willful intent prepared, negligently relied upon,
4 executed and published the instruments without lawful authority.

5 195. Defendants intended for Plaintiffs and the general public to rely on the recorded
6 instruments and notices filed, relied upon and executed by Defendants.

7 196. Plaintiffs did in fact rely on the material representations, and did so in a reasonable
8 manner.

9 197. Plaintiffs were harmed by the unauthorized acceleration of the debt and loss of their real
10 property interest. Defendants all were unjustly enriched by previously accepting payments from
11 Plaintiffs. Defendants were unjustly enriched by garnering profits, real property and fees from Plaintiffs
12 to their detriment. Plaintiffs have suffered legal costs incurred due to Defendants' acts and omissions,
13 loss of wages from personal time spent defending her real property under her contractual duties and
14 emotional distress and humiliation.

15 198. Plaintiffs' justifiable reliance on Defendants' predicate acts and/or representations and
16 omissions was a "but for" cause of Plaintiffs' harms, or at the very least was a substantial factor in
17 causing the harms herein. Public records are considered as sacred and Defendants, as the authors, or in
18 negligent reliance upon the instruments at issue, bear the burden of proof over real property records
19 sanctity.

20 199. Defendants' actions were a substantial factor, if not the direct cause, of the harms
21 alleged and suffered herein as a result of Plaintiffs' reliance.

22
23 **THIRD CAUSE OF ACTION**
24 **VIOLATION OF CALIFORNIA HOMEOWNER BILL OF RIGHTS**
25 **CALIFORNIA CIVIL CODE §2924.17**
(Against All Defendants)

26 200. Plaintiffs incorporate all preceding paragraphs of the Complaint and the paragraphs of
27 the subsequent causes of action as though fully set forth herein.

28 //

1 201. Section 2924.17(a) imposes a duty on all mortgage servicers and those acting on their
2 behalf to ensure that all documents, including a notice of default, notice of sale, assignment of the deed
3 of trust, or substitution of trustee, filed in connection with a foreclosure subject to the requirements of
4 section 2924 “shall be accurate and complete and supported by competent and reliable evidence.”

5 202. As such, Defendants QUALITY and CHASE each had an independent duty to ensure
6 that all of the documents referenced herein and filed on their behalf were “accurate and complete and
7 supported by competent and reliable evidence.”

8 203. Plaintiffs are informed and believe, and thereon allege Defendant QUALITY and
9 CHASE, their principals, agents, and/or employees, and each of them willfully or negligently violated
10 California Civil Code section 2924.17 in each and every document they publicly recorded herein by
11 filing publicly recorded instruments related to a foreclosure proceeding without being “accurate and
12 complete and supported by competent and reliable evidence.”

13 204. Plaintiffs are informed and believe, and thereon allege Defendants breached this duty in
14 each and every document publicly recorded herein and subject to section 2924.17.

15 205. Plaintiffs bring this action pursuant to Cal. Civ. Code section 2924.12(a)-(b) to enjoin
16 material violations under section 2924.17.

17 206. Plaintiffs are informed and believe, and thereon allege Defendants has filed inaccurate
18 and/or incomplete documents, with falsities and alleges the documents are void as forgeries.

19 207. Plaintiffs are informed and believe, and thereon allege the documents filed by
20 Defendants were not supported by competent and reliable evidence, and instead filed by individuals
21 with no personal knowledge of Plaintiff’s property, loan status, and/or alleged default.

22 208. Plaintiffs are informed and believe, and thereon allege Defendant filed documents
23 electronically, commonly called “Robo-signing,” with no review of whether the evidence is competent
24 and/or reliable. Plaintiffs allege Defendants’ standard business practice is to record public documents
25 without competent and reliable evidence in violation of Cal Civ. Code § 2924.17(b).

26 209. Section 2924.17(b) places the burden directly on mortgage servicers as follows:

27 “(b) Before recording or filing any of the documents described in subdivision (a), a
28 mortgage servicer shall ensure that it has reviewed competent and reliable evidence to

1 substantiate the borrower's default and the right to foreclose, including the borrower's
2 loan status and loan information.”

3 210. Plaintiffs are informed and believe, and thereon allege that Defendants did not review
4 their own right to foreclose and acted without regard to the truth they had no authority from the
5 beneficiary to foreclose.

6 211. Assignees and their agents of the original debt obligation and the security instrument are
7 necessarily required to provide a competent evidentiary foundation that the note and deed were lawfully
8 sold, transferred and accepted by the assignee.

9 212. As alleged previously, Plaintiffs allege that Defendants hold no beneficial interest in the
10 property and have no valid authority or right to foreclose on Plaintiff’s property. Plaintiffs allege
11 Defendants are not acting on behalf of the beneficiary and do not have evidence to support such claim.

12 213. Plaintiffs have repeatedly notified Defendants they lack the authority to foreclose, lack
13 the authority to file publicly recorded documents against her property interest, and that the presently
14 recorded documents need to be rescinded.

15 214. However, Defendants continue to file publicly recorded documents in violation of
16 section 2924(a)(6), which states as follows:

17 “No entity shall record or cause a notice of default to be recorded or otherwise initiate
18 the foreclosure process unless it is the holder of the beneficial interest under the
19 mortgage or deed of trust, the original trustee or the substituted trustee under the deed of
20 trust, or the designated agent of the holder of the beneficial interest. No agent of the
21 holder of the beneficial interest under the mortgage or deed of trust, original trustee or
22 substituted trustee under the deed of trust may record a notice of default or otherwise
23 commence the foreclosure process except when **acting within the scope of authority
24 designated by the holder of the beneficial interest.**” [emphasis added].

25 215. Plaintiffs again alleges that Defendants do not have the authority to commence the
26 foreclosure process as they have not yet been able to prove they have the authority from the beneficial
27 interest to foreclose.

28 216. Defendants are legally obligated to ensure that all facts contained within all material
instruments in the chain of title are true, correct and are verifiable by competent and reliable evidence
to support those facts. Plaintiffs are informed and believe, and thereon allege that Defendants have
willfully or at the least negligently breached their duty.

1 217. All assignments and all recorded instruments must contain truthful statements and facts
2 that are authenticated or verified by evidence and by a person with personal first-hand knowledge, or
3 the instrument is void.

4 218. Substantial competent and reliable evidence must be offered upon a challenge by the
5 borrower to support the recitals contained within all instruments that affect their title. Plaintiffs have
6 invoked such a right under statute and deed of trust contract wherein it states that the borrower has a
7 duty to defend title against all others.

8 219. Plaintiffs allege that Defendant CHASE had a duty which it has violated by failing to
9 ensure that documents (NOD, Sub. of Trustee, Notice of Trustee Sale, and Assignments of Deed) were
10 complete and supported by admissible, reliable evidence by persons with personal first-hand
11 knowledge of the facts contained within. CHASE's violation of Section 2924.17 is willful.

12 220. Defendants failed to produce evidence, upon request by the borrower, that a *bona fide*
13 beneficiary has directed the *valid* trustee to execute the acceleration of debt and that the *bona fide*,
14 authenticated beneficiary has executed and delivered a written "Declaration of Default and Demand for
15 Sale," as stated in the NOD.

16 221. Defendant CHASE also failed to record a valid substitution of trustee granting
17 QUALITY the power of sale contained as a clause in Plaintiff's loan contract.

18 222. Defendant CHASE also failed to produce competent and reliable evidence, upon request
19 by Plaintiffs, that all assignments of the deed of trust were executed by valid parties and that valuable
20 consideration was paid for each "grant" of interest (assignment) in the debt obligation. *See* Cal. Civ.
21 Code § 1066.

22 223. All documents executed and recorded by Defendant QUALITY and CHASE are alleged
23 as being void and as being forgeries by Plaintiffs.

24 224. Plaintiffs repudiate and refute the validity, truthfulness and accuracy of all statements
25 made by Defendants within the four corners of all instruments recorded and/or discussed herein.

26 225. Plaintiffs allege that Defendants have made, or negligently relied upon, false and
27 misleading statements within assignment instruments, notice of default, substitutions of trustee and
28

1 notice of sale documents exhibited by Plaintiffs. The falsity of those statements is alleged above in
2 Plaintiffs' opening statement of facts.

3 226. Plaintiffs allege that Defendant CHASE caused her loan obligation to be unlawfully
4 accelerated.

5 227. Plaintiffs allege that Defendant QUALITY has placed a known false, forged instrument
6 into the permanent records of the County.

7 228. Plaintiffs have been damaged as a result of Defendants' violations in that her credit has
8 been destroyed, she has suffered emotional distress and humiliation, and she cannot sell or otherwise
9 dispose of her real property due to the actions of Defendants.

10 229. Plaintiffs allege Defendants have made multiple and repeated uncorrected violations of
11 section 2924.17(b) and are subject to civil penalties in an action by the government under section
12 2924.17(c).

13 230. Plaintiffs allege that Defendant CHASE directed the sale of the property. Defendant
14 QUALITY substantially relied upon, and directed, Notice of Trustee Sale without being substituted as
15 trustee and recording such authoritative instrument.

16 **FOURTH CAUSE OF ACTION**
17 **VIOLATION OF CALIFORNIA CIVIL CODE § 2923.55**
18 **(Against All Defendants)**

19 231. Plaintiffs incorporate all preceding paragraphs of the Complaint and the paragraphs of
20 the subsequent causes of action as though fully set forth herein.

21 232. Pursuant to Cal. Civil Code section 2923.55 a mortgage servicer, mortgagee, trustee,
22 beneficiary, or authorized agent may not record a notice of default until it satisfies the requirements of
23 section 2924 and sends the required information detailed in section 2923.55 (a)-(b).

24 233. Section 2923.55 (b)(1)(B)(iii) states a borrower may request "[a] copy of any
25 assignment, if applicable, of the borrower's mortgage or deed of trust required to demonstrate the right
26 of the mortgage servicer to foreclose."

27 234. Plaintiffs are informed and believe, and thereon allege Defendants, their principals,
28 agents, and/or employees, and each of them acted in violation of California Civil Code section 2923.55

1 by filing publicly recorded documents without the required information. Additionally, the documents
2 should never have been filed because Defendants did not have the required information at the time of
3 filing due to the fact Defendants were never in possession of the assignments required to demonstrate
4 the right of the servicer to foreclose.

5 235. Plaintiffs have requested the documents repeatedly from Defendants and are informed
6 and believe, and thereon allege that Defendants do not presently have the required documents to
7 demonstrate the right of the servicer to foreclose.

8 236. Additionally, Cal. Civil Code section 2924(a)(1) requires the trustee, mortgagee, or
9 beneficiary, or any of their authorized agents to file a notice of default within the county of the
10 property. Pursuant to Cal. Civil Code section 2924(a)(1)(C) notice of default shall include all of the
11 following:

12 “(C) A statement setting forth the nature of each breach *actually known to the*
13 *beneficiary* and of his or her election to sell or cause to be sold the property to satisfy
14 that obligation and any other obligation secured by the deed of trust or mortgage that is
15 in default.” (*Id.*) (Emphasis added)

16 237. Plaintiffs are informed and believe, and thereon allege that Defendants never had this
17 statement as required. Plaintiffs believe that any statement alleged to satisfy the above requirements
18 was a forgery and/or made by someone without personal knowledge of the “breach known to the
19 beneficiary.”

20 238. Plaintiffs are informed and believe, and thereon allege that Defendants conduct in
21 violating the requirements of sections 2923.55 and 2924 was willful and material. Defendants were
22 placed on notice numerous times and did not provide the requested documentation, the “statement
23 setting forth the nature of each breach actually known to the beneficiary” and/or the documents proving
24 the right of the Defendants to foreclose on each Plaintiff’s property. Defendants continued to record
25 other public documents in addition to the Notice of Deed, including assignments and Notices of Sale.
26 Defendants willfully relied on false information, even after repeated notice of the falsity, to file
27 documents in furtherance of the foreclosure process.

28 //

1 239. As alleged above, Defendants continued to file publicly recorded documents in violation
2 of the California Homeowners Bill of Rights despite being placed on notice of the violations and in
3 direct conflict with section 2924(a)(6). Defendants had no authority to foreclose as alleged herein.

4 240. It bears repeating that after the Notice of Default, Defendants continued to file publicly
5 recorded documents in violation of the California Homeowners Bill of Rights despite being placed on
6 notice of the violations. Pursuant to section 2924(a)(6):

7 “No entity shall record or cause a notice of default to be recorded or otherwise initiate
8 the foreclosure process unless it is the holder of the beneficial interest under the
9 mortgage or deed of trust, the original trustee or the substituted trustee under the deed of
10 trust, or the designated agent of the holder of the beneficial interest. No agent of the
11 holder of the beneficial interest under the mortgage or deed of trust, original trustee or
12 substituted trustee under the deed of trust may record a notice of default or otherwise
commence the foreclosure process except when acting within the scope of authority
designated by the holder of the beneficial interest.”

13 241. Plaintiffs again allege that Defendants do not have the authority to commence the
14 foreclosure process as they have not yet been able to prove they have the authority from the beneficial
15 interest to foreclose.

16 242. Plaintiffs are informed and believe, and thereon allege Defendants continue to willfully
17 and blindly act in their own self-interest to foreclose on Plaintiffs’ property without proper authority.
18 Instead, Defendants look to each other as servicer and trustee to instruct each other in the process,
19 acting in complete disregard for the law and the necessity of authority from the beneficial interest.

20 243. Even when Plaintiffs contact Defendants, and each of them, Defendants refer to the
21 other entity for information, skirting the law and attempting to put Plaintiffs in limbo as to who must
22 answer questions relating to her foreclosure. Meanwhile, Defendants proceed with the foreclosure
23 process without the necessary information, statements, and/or documentation required proving both the
24 default and the right to foreclose, both of which Plaintiffs contend Defendants do not hold.

25 244. Defendants’ violations of the sections herein has been willful, material, repeated, and
26 with malice to Plaintiffs. Defendants have acted in self-interest without regard to the law and/or
27 Plaintiff’s rights.

28 //

1 245. Defendants and each of them are not entitled to immunity from liability under Cal. Civil
2 Code section 2924(b) because Defendants have not acted in good faith. Defendants have not relied on
3 information “provided in good faith by the beneficiary regarding the nature and the amount of the
4 default under the secured obligation, deed of trust, or mortgage.” Instead, Defendants have relied on
5 information from one another, relied on patently false information, filed false information in publicly
6 recorded documents, and/or simply do not have information or instructions from the beneficiary as
7 required.

8 246. Plaintiffs pursue this action under Cal. Civil Code section 2924.12(a)-(b) for an
9 injunction for Defendants to remedy the violations and damages resulting from Defendants’ actions in
10 pursuing foreclosure without the required statements and authority to foreclose.

11 247. Defendants have improperly collected payments, fees, fines, principal, and Plaintiffs
12 have incurred loss of credit, equity, increased expenses for credit, loss of availability of credit, and loss
13 of her property due to Defendants’ actions. Defendants ignored Plaintiffs’ numerous requests for
14 information and acted in complete disregard for the law.

15 248. Plaintiffs are entitled to an injunction for Defendants to remedy and/or rescind the
16 improperly filed documents, damages, statutory or treble damages pursuant to section 2924.12 (b) and
17 for attorney’s fees and costs pursuant to section 2924.12(i).

18
19 **FIFTH CAUSE OF ACTION**
20 VIOLATION OF CALIFORNIA BUSINESS AND PROFESSIONS CODE § 17200, ET. SEQ.
21 UNFAIR COMPETITION LAW
22 (Against All Defendants)

23 249. Plaintiffs incorporate all preceding paragraphs of the Complaint and the paragraphs of
24 the subsequent causes of action as though fully set forth herein.

25 250. California’s Unfair Competition Law (UCL) prohibits any unfair competition defined as
26 any “unlawful, unfair, or fraudulent business act or practice.” Bus. & Prof. Code § 17200.

27 251. Defendants have engaged in unlawful business practices as described above and herein,
28 by conducting business practices that are unlawful. *See Olszewski v. Scripps Health* (2003) 30 Cal.4th
798, 135 Cal. Rptr.2d 1 (“A business practice is unlawful ‘if it is forbidden by any law’”)

1 252. Defendants violated various state and federal laws, including but not limited to those
2 alleged herein. Defendants provided false and/or misleading information in response to Plaintiffs’
3 complaints, providing false or misleading information, and failing to honor proper state law mandated
4 foreclosure proceedings. These violations are standard practice for Defendants and are intended to
5 deceive and harm Plaintiffs and the general public.

6 253. Defendants have *clearly* violated the unfair business practices prong of the UCL as set
7 forth in the Complaint and herein.

8 254. Courts have defined “unfair” as a practice that offends public policy or is immoral,
9 unethical, oppressive, unscrupulous or substantially injurious to consumers or required courts to weigh
10 the utility of Defendants’ conduct against the gravity of the harm to the alleged victim. *See Graham v.*
11 *Bank of America* (2014) 226 Cal.App.4th 594, 612. Plaintiffs alleging an unfair business practice must
12 show Defendants’ conduct is tethered to an underlying constitutional, statutory, or regulatory provision
13 or that it threatens an incipient violation of an antitrust law, or violates the policy or spirit of an antitrust
14 law. *Id.* at 613.

15 255. Defendants’ acts alleged herein are unfair insofar as they intentionally failed to properly
16 notify Plaintiffs of their rights to dispute an alleged default per the signed Deed of Trust, California
17 law, and California public policy, cure the alleged default in a timely manner, notify and allow
18 Plaintiffs to seek legally permissible alternatives to foreclosure, and wrongful foreclosure. Plaintiffs
19 were forced to watch as Defendants claimed rights to issue Notices of Default, Notices of Sale, and
20 authority to sell Plaintiffs’ property.

21 256. Defendants’ acts are unfair insofar as they failed to record Substitutions of Trustee, not
22 only for Plaintiffs, but for a large part of the general public, as required by the Deed of Trust, California
23 law, and California public policy. This failure deceives both Plaintiffs and the general public as to the
24 identity of the true Trustee and/or true holder of the note.

25 257. Defendants’ acts are unfair insofar as they failed to notify Plaintiffs of the acceleration
26 of Plaintiff’s debt as required by the Deed of Trust, California law, and California public policy, not
27 only for Plaintiffs, but for many individuals in the general public, as this is standard practice for
28 Defendants.

1 258. Defendants unfairly held themselves out as having proper authority to file publicly
2 recorded documents and foreclose on Plaintiffs' property. Although Plaintiffs relied on this apparent
3 authority, Plaintiffs and the general public were ignorant of the fact that Defendants did not own the
4 notes and were not lawful agents, beneficiaries, or trustees for the true and legal owner of the note.
5 Consequently, Plaintiffs unfortunately relied on this improper authority.

6 259. Defendants continuously engaged in fraudulent business practices pursuant to Section
7 17200. In order to show fraudulent business practices, Plaintiffs "need only show that members of the
8 public are *likely* to be deceived." *See Bank of the West v. Sup. Ct.* (1992) 2 Cal.4th 1254, 1267.

9 260. Defendants acted fraudulently in a manner that was likely to not only deceive Plaintiffs,
10 but was likely to deceive the general public, including but not limited to making material
11 misrepresentations or omissions, knowingly filing false instruments for the general public to view,
12 knowingly filing false instruments without required declarations, failing to properly notify Plaintiffs of
13 their rights to dispute alleged defaults and wrongful foreclosure in a manner that constitutes fraudulent
14 business acts and practices as prohibited by Cal. Bus. & Prof. Code § 17200, *et. seq.*

15 261. Defendants unlawfully filed public documents including Notices of Default and Notices
16 of Trustee's Sale without the authority to do so as the Defendants were not owners of the note or lawful
17 trustees, beneficiaries, or agents for the true and legal owner of the note at the time of filing.

18 262. Defendants fraudulently continued this scheme of filing false documents and attempting
19 to sell property in order to profit, knowing their actions were illegal, unfair, and fraudulent but acting
20 with complete disregard to Plaintiffs, along with numerous homeowners throughout California.

21 263. Defendants' unlawful, unfair, and fraudulent business practices are alleged throughout
22 this complaint and it is plainly clear that at the very least, Plaintiffs and the public was likely to be
23 deceived by Defendants' practices.

24 264. Business & Professions Code Section 17204 provides a private right of action for a
25 person who is injured and lost money or property as a result of the unfair competition.

26 265. Plaintiffs "may pursue representative claims or relief on behalf of others" according to
27 Business & Professions Code Section 17203.

28 //

1 the evidence of assignment be clear and positive to protect an obligor from any further claim by the
2 primary obligee. *See Cockerell v. Title Ins. & Trust Co.*, 42 Cal. 2d 284, 292, 267 P.2d 16, 21 (1954).

3 275. Defendants have unlawfully invoked Cal. Civ. Code § 2924 for non-judicial foreclosure
4 by using or relying upon known forgeries in recorded instruments and without contractual or lawful
5 authority.

6 276. Under the Uniform Commercial Code, a negotiable instrument, such as a promissory
7 note secured by a mortgage, may only be enforced by the holder or a person with the rights of a holder.
8 Com. Code §3-301. For instruments payable to an identified person, such as a lender, a holder is
9 generally recognized as the payee or one to whom the negotiable instrument has been negotiated. This
10 requires transfer of possession and endorsement by the prior holder. Com. Code §3-201. Unless the
11 parties otherwise provide, the mortgage follows the note. Cal. Civ. Code §2936.

12 277. Though in California, the assignment of a note generally carries with it an assignment of
13 the mortgage, it is still required in California that the holder of the note or a person operating with
14 authority from that holder be the foreclosing party and that the mortgage not have been assigned away
15 from that note.

16 278. Defendants no longer own the notes it originated and there is just no way of knowing
17 who now owns the Plaintiffs' mortgages because the Defendants do not know who owns these
18 mortgages. Indeed, the Defendants do not know where it is that they obtained their alleged rights to
19 collect money from Plaintiffs thereunder.

20 279. Once separated from the note, the trust deed is unenforceable and of no legal value. For
21 negotiable instruments payable to an identified person, such as a lender, a holder is generally
22 recognized as the payee or one to whom the negotiable instrument has been negotiated. This requires
23 transfer of possession and endorsement by the prior holder. (Com. Code §3-201). Unless the parties
24 otherwise provide, the mortgage follows the note. (Civ. Code §2936; *see also Carpenter v. Longan*
25 (1872) 83 U.S. 271, 275).

26 280. Cal. Civil Code §2936 provides: "the assignment of a debt secured by mortgage carries
27 with it the security." Defendants have no evidence that they own the notes or have any power to enforce
28 them from the rightful owners.

1 Third Cause of Action: Violation of California Homeowner Bill of Rights, California Civil
2 Code section 2924.17

3 5. For general and special damages in an amount according to proof at trial.

4 6. For a finding and determination that Plaintiffs are the rightful holders of the title to their
5 respective properties and that Defendants herein, and each of them, have no estate, right, title, lien or
6 interest in said properties.

7 7. For immediate rescission of all instruments exhibited herein and injunctive relief
8 enjoining Defendants from any act in furtherance of rights under Plaintiffs' contract deed of trust and
9 real property.

10 8. For cancellation/rescission of the Assignments of Deed of Trust, Notices of Trustee Sale
11 and/or Notices of Default.

12 9. For the maximum penalties allowed per false filing of publicly recorded documents.

13 10. For a judgment that not one of the Defendants has any unencumbered legal interest in
14 the notes and/or deeds of trust.

15 11. For Court Order and Decree cancelling Defendants' recordings and for the court to
16 execute full deed of reconveyance of the deed of trust in favor Plaintiffs.

17 12. For reasonable attorney's fees and costs pursuant to section California Civil Code
18 section 2924.12(i) upon injunction and/or damages.

19 13. For punitive and exemplary damages in an amount appropriate to punish Defendants and
20 deter others from engaging in similar conduct.

21 Fourth Cause of Action: Violation of California Civil Code section 2923.55

22 14. For general and special damages in an amount according to proof at trial.

23 15. For a finding and determination that Plaintiffs are the rightful holder of the title to their
24 respective properties and that Defendants herein, and each of them, have no estate, right, title, lien or
25 interest in said properties.

26 16. For a judgment that not one of the Defendants has any unencumbered legal interest in
27 the notes and/or deeds of trust.

28 //

1 17. For Court Order and Decree cancelling Defendants' recordings and for the court to
2 execute full deed of reconveyance of the deed of trust in favor Plaintiffs.

3 18. Enjoining any trustee sale contemplated against Plaintiffs' respective properties until a
4 determination is made that the violations of the statute have been remedied.

5 19. For statutory damages to the fullest extent of the law if any of the Defendants records a
6 trustee's deeds upon sale against Plaintiffs' interests without correcting the violations described herein.

7 20. For reasonable attorney's fees and costs pursuant to California Civil Code section
8 2924.12(i) upon injunction and/or damages.

9 21. For punitive and exemplary damages in an amount appropriate to punish Defendants and
10 deter others from engaging in similar conduct.

11 Fifth Cause of Action: Unfair, Unlawful, And Fraudulent Business Practices (Violation Of
12 California Bus & Prof. Code §17200, et. Seq.)

13 22. For general and special damages in an amount according to proof at trial.

14 23. For restitution to restore to Plaintiffs any, and all, monies and property acquired by
15 means of Defendants' unlawful/unfair/fraudulent conduct.

16 24. For a permanent injunction pursuant to Business and Professions Code section 1703
17 restraining and enjoining Defendants from conducting or attempting to conduct foreclosure
18 proceedings, foreclosure attempts, communications regarding foreclosure, and/or publicly recording
19 Notices of Default and/or Notices of Trustee Sale.

20 25. During the pendency of this action, a preliminary injunction issued pursuant to Business
21 and Professions Code section 17203 to enjoin and restrain Defendants from the acts of unfair
22 competition set forth above.

23 26. For restitution to restore other victims any, and all, monies and properties acquired by
24 means of Defendants' conduct.

25 27. For such orders or judgment as may be necessary to prevent the
26 unlawful/unfair/fraudulent practices which constitute unfair competition.

27 28. For punitive and exemplary damages in an amount appropriate to punish Defendants and
28 deter others from engaging in similar conduct.

1 Sixth Cause of Action: Wrongful Foreclosure

2 29. For general and special damages in an amount according to proof at trial.

3 30. For restitution to restore to Plaintiffs any, and all, monies and property acquired by
4 means of Defendants conduct.

5 31. The unwinding of Defendants' wrongful foreclosure sales, and return of title to
6 Plaintiffs.

7 32. For a finding and determination that Plaintiffs are the rightful holders of the title to their
8 respective properties and that Defendants herein, and each of them, have no estate, right, title, lien or
9 interest in said properties.

10 33. For a judgment that not one of the Defendants has any unencumbered legal interest in
11 the notes and/or deeds of trust.

12 34. For Court Order and Decree cancelling Defendants' recordings and for the court to
13 execute full deed of reconveyance of the deed of trust in favor Plaintiffs.

14 35. For a permanent injunction enjoining Defendants from conducting or attempting to
15 conduct foreclosure proceedings, foreclosure attempts, communications regarding foreclosure, and/or
16 publicly recording Notices of Default and/or Notices of Trustee Sale related to said properties.

17 36. For punitive and exemplary damages in an amount appropriate to punish Defendants and
18 deter others from engaging in similar conduct.

19 37. For reasonable attorney's fees.

20 38. For costs of suit herein.

21 39. For such other and further relief as the court deems just and proper.

22
23 Dated: March 8, 2016

Respectfully submitted,

BROOKSTONE LAW, PC

24
25
26 By: 

Jonathan Tarkowski
Attorneys for Plaintiffs

1 **DEMAND FOR JURY TRIAL**

2 TO EACH PARTY AND TO THE COUNSEL OF RECORD FOR EACH PARTY:

3 Plaintiffs hereby demand a jury trial in the above-entitled action.

4
5
6 Dated: March 8, 2016

Respectfully submitted,

7 **BROOKSTONE LAW, PC**

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9 By: 

Jonathan Tarkowski
Attorneys for Plaintiffs