
In the
Court of Appeal
of the
State of California
FOURTH APPELLATE DISTRICT
DIVISION ONE

D075028

SALAM RAZUKI,
Plaintiff-Respondent,

v.

NINUS MALAN, SAN DIEGO UNITED HOLDINGS GROUP, LLC,
FLIP MANAGEMENT, LLC, BALBOA AVE COOPERATIVE,
CALIFORNIA CANNABIS GROUP, DEVILISH DELIGHTS, INC.,
CHRIS HAKIM, MIRA ESTE PROPERTIES, LLC and ROSELLE PROPERTIES, LLC,
Defendants-Appellants.

APPEAL FROM THE SUPERIOR COURT OF SAN DIEGO COUNTY
HONORABLE EDDIE C. STURGEON · CASE NO. 37-2018-000034229-CU-BC-CTL

APPELLANTS' APPENDIX
Volume 10 of 19 – Pages 3064 to 3499 of 6477

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6 Attorneys for Defendant
Ninus Malan

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO**

10
11 SALAM RAZUKI, an individual,

12 Plaintiff,

13 vs.

14 NINUS MALAN, an individual; CHRIS
15 HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC., a
16 California corporation; SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
17 California limited liability company; FLIP
MANAGEMENT, LLC, a California
18 limited liability company; ROSELLE
PROPERTIES, LLC, a California limited
19 liability company; BALBOA AVE
COOPERATIVE, a California nonprofit
20 mutual benefit corporation; CALIFORNIA
CANNABIS GROUP, a California
21 nonprofit mutual benefit corporation;
DEVILISH DELIGHTS, INC. a California
22 nonprofit mutual benefit corporation; and
DOES 1-100, inclusive;

23 Defendants.
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CASE NO. 37-2018-00034229-CU-BC-CTL

**DEFENDANTS NINUS MALAN, SAN
DIEGO UNITED HOLDINGS GROUP,
BALBOA AVE COOPERATIVE,
CALIFORNIA CANNABIS GROUP, AND
FLIP MANAGERMENTS' JOINT NOTICE
OF LODGMET IN SUPPORT OF
REQUEST TO VACATE RECEIVERSHIP
ORDER**

Judge: Hon. Eddie Sturgeon
Dept.: C-67
Date: September 7, 2018
Time: 1:30 p.m.

1 TO THE COURT, THE PARTIES, AND THEIR ATTORNEYS OF RECORD:

2 Defendant Ninus Malan (“Defendant”) hereby provides a notice of lodgment in support of
3 their motion for protective order. The documents lodged are as follows:

4 Exhibit A: California Department of Tax and Fee Administration’s Demand for
5 Immediate Payment to Ninus Malan [“Malan” is misspelled as “Malam”]
6 and Balboa Ave Cooperative, dated August 22, 2018. The amount owed is
7 \$173,772.86.

8 Exhibit B: Approved City of San Diego Conditional Use Permit No. 2068552 for the
9 Project “MPF 8859 Balboa Ave Project No. 585435” to San Diego United
10 Holdings Group, LLC as owner/permittee, dated August 15, 2018.

11 Exhibit C: Notice of Lodged Documents in Support of petitioner Dennise Gurfinkel
12 Civil Harassment Packet, in the San Diego Superior Court case *Gurfinkel v.*
13 *Razuki*.

14 Exhibit D: American Lending and Holdings, LLC’s entity detail page on the
15 California Secretary of State’s website, along with the stamp-filed Articles
16 of Organization for American Lending and Holdings, LLC and the 2015
17 Statement of Information.

18 Exhibit E: Complaint filed by American Lending and Holdings, LLC against Dennise
19 Gurfinkiel d/b/a Starting Point Realty and SLS Management Services,
20 Edgardo Masanes d/b/a Starting Point Realty, and Joey Soriano d/b/a
21 Starting Point Realty, San Diego County Superior Court case number 37-
22 2016-00022168-CU-BC-CTL.

23 Exhibit F: Amendment to Complaint, filed July 14, 2016, whereby D’Kiel Group,
24 LLC was named as “Doe 1” in the above-entitled case, *American Lending*
25 *and Holdings, LLC v. Dennise Gurfinkiel, et al.*

26 Exhibit G: San Diego Private Investments, LLC’s entity detail page on the California
27 Secretary of State’s website, along with the stamp-filed Articles of
28 Organization for San Diego Private Investments, LLC and its 2016

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Statement of Information.

Exhibit H: Complaint filed by San Diego Private Investments, LLC against D’Kiel Group, LLC, Alison McCloskey Escrow Company, Del Toro Loan Servicing, Inc., Sequoian Investments, Inc., and Dennise Gurfinkiel, San Diego County Superior Court case number 37-2016-+00043277-CU-OR-CTL.

Exhibit I: Deed of Trust with Assignment of Rents, document number 2016-0719759, made December 30, 2016, between San Diego Private Investments LLC as Trustor, and NM Investment Corp as Beneficiary, for the APN 538-751-15-00.

Exhibit J: The Deed of Trust with Assignment of Rents, document number 2016-0719758, made December 30, 2016, between San Diego Private Investments LLC as trustor, and NM Investment Corp as Beneficiary, for the APN 538-751-15-00.

Exhibit K: Stipulation for Entry of Judgment Against D’Kiel Group, LLC, filed by American Lending and Holdings, LLC in the San Diego County Superior Court case number 37-2016-00022168-CU-BC-CTL, signed by Ninus Malan on behalf of American Lending and Holdings, LLC and Salam Razuki on behalf of D’Kiel Group, LLC.

Exhibit L: United States Trustee’s Motion for Sanctions against George Panagiotou and the Costa Law Group pursuant to Federal Rule of Bankruptcy Procedure 9011; Request for Referral to the Disciplinary Committee of the United States District Court, in the action *In re: Rodrigo Marquez*, United States Bankruptcy Court, Southern District of California, case number 16-07541-LT13, on April 5, 2017.

Exhibit M: Grant Deed whereby American Lending and Holdings, LLC granted to San Diego Private Investments, LLC the property located on APN 586-120-11-00, document number 2017-0224563, and recorded on May 18, 2017 with

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the San Diego County Recorder.

Exhibit N: Grant Deed whereby American Lending and Holdings, LLC granted to San Diego Private Investments, LLC the property located on APN 168-600-20-00, document number 2017-0224555, and recorded on May 18, 2017 with the San Diego County Recorder.

Exhibit O: Grant Deed whereby American Lending and Holdings, LLC granted to San Diego Private Investments, LLC the property located on APN 185-273-11-00, document number 2017-0224558, and recorded on May 18, 2017 with the San Diego County Recorder.

Exhibit P: Grant Deed whereby Wafa Katto granted to Wafa Katto and Ninus Malan, as Joint Tenants, the property located on APN 538-340-26-00, document number 2017-0271404, and recorded on June 16, 2017 with the San Diego County Recorder.

Exhibit Q: Declaration of Salam Razuki in support of Defendants Balboa Ave Cooperative, San Diego United Holdings Group, LLC, and Ninus Malan's opposition to Plaintiff's Motion for Preliminary Injunction, filed in the San Diego County Superior Court case number 37-02017-00019384-CU-CO-CTL, titled *Montgomery Filed Business Condominiums Association v. Balboa Ave Cooperative, San Diego United Holdings Group, LLC, Ninus Malan, Razuki Investments, LLC, and Salam Razuki*, dated September 6, 2017.

Exhibit R: Deposition of Salam Razuki, dated Monday, March 26, 2018, in the San Diego County Superior Court case *Ninus Malan v. Hank Sybrandy, Gary Kent, Solymar Real Estate, and Keller Williams La Jolla*, case number 37-2016-00006980.

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Exhibit S: Complaint filed June 13, 2018, in the San Diego County Superior Court case *San Diego Private Investments, LLC v. Allison-McCloskey Escrow Company*, case number 37-2018-00029303-CU-BT-CTL.

Exhibit T: San Diego United Holding Group’s Verified Cross-Complaint filed June 27, 2018 in the San Diego County Superior Court case *Avail Shipping, Inc. v. Razuki Investments, LLC, Salam Razuki, Ninus Malan, Marvin Razuki, American Lending and Holdings, LLC, San Diego Private Investments, LLC, SH Westpoint Group, LLC, and San Diego United Holdings Group, LLC*.

Exhibit U: Transcript of Proceedings on August 14, 2018, in the San Diego County Superior Court case *Salam Razuki v. Ninus Malan, Monarch Management Consulting, Inc., San Diego United Holding Group, LLC, Mira Este Properties, LLC, and Roselle Properties, LLC*, case number 37-2018-00034229-CU-BC-CTL

Exhibit V: Transcript of Proceedings on August 20, 2018, in the San Diego County Superior Court case *Salam Razuki v. Ninus Malan, Monarch Management Consulting, Inc., San Diego United Holding Group, LLC, Mira Este Properties, LLC, and Roselle Properties, LLC*, case number 37-2018-00034229-CU-BC-CTL

Exhibit W: a true and correct copies of payments made by me personally and San Diego United Holdings Group for expenses related to the Balboa Dispensary and Balboa Manufacturing as well as Roselle and Mira Este.

Exhibit X: UCC Financing Statement filed by The Loan Company of San Diego against debtor American Lending and Holdings.

Exhibit Y and Z: Business tax certificate (BTC) which California Cannabis Group uses to operate at Mira Este and payment I made for the application.

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Exhibit AA and BB and FF: true and correct copies of a Borrowers Closing Statement for American Lending and Holdings, Buyers Borrowers Settlement Statement, and an e-mail from escrow about Salam Razuki's bounced check.

Exhibit GG: September 13, 2016 true and correct copy of an e-mail with escrow related to Razuki Investments purchase of 8861 Suite B and 8863 Suite E Balboa.

Exhibit HH: October 11, 2016. Articles of Organization for San Diego United Holdings Group, LLC

Exhibit II: October 17, 2016. true and correct copy of the Estimated Borrower's Statement for Roselle.

Exhibit JJ: A true and correct copy of the EIN number assigned for San Diego United Holdings Group.

Exhibit KK: A true and correct copy of a document that relates to paragraph 15 where Salam Razuki signs on behalf of D'Kiel, right next to Dennise Gurfinkiel.

Exhibit LL: A true and correct copy of a letter from American Lending and Holdings attorney Doug Jaffe but it was sent by Mr. Jaffe on behalf of San Diego Private Investments to demand Allison McCloskey mishandled a D'Kiel/San Diego Private Investments escrow and demanded immediate release of two pieces of real property that were at issue (Newton and Friars).

Exhibit MM: A true and correct copy of an e-mail Salam Razuki forwarded to me from an attorney that goes by the name "George Costa."

Exhibit NN: A true and correct copy of the live scan fees I paid to get my live scan and fingerprint for the marijuana permits

Exhibit OO: A true and correct copy of the \$52.00 bill I paid for the Balboa Ave Cooperative business tax certificate

- 1 Exhibit PP: A true and correct copy of the grant deed that shows Razuki Investments
2 sold 8861 Suite B and 8863 Suite E to San Diego United Holdings Group.
- 3 Exhibit QQ: A true and correct copy of a loan that American Lending and Holdings
4 made to SH Property Investments, which is a company affiliated with the
5 Sunrise Dispensary that Razuki states he is a part of.
- 6 Exhibit RR: A true and correct copy of the Estimated Borrower's Closing Statement
7 where it states that Balboa Ave Cooperative purchased the (non-
8 operational) Balboa Dispensary for \$1.5 million.
- 9 Exhibit SS: A true and correct copy of the Third Party Deposit Instructions that show I
10 made the deposit and paid the fees for Balboa Ave Cooperative to purchase
11 the Balboa Dispensary.
- 12 Exhibit TT: A true and correct copy of the wire that shows I paid the fees referred to in
13 Exhibits RR and SS.
- 14 Exhibit UU: A true and correct copy of an advertising and sponsorship agreement with
15 the Reader for the Balboa Dispensary.
- 16 Exhibit VV and WW: A true and correct copies of the establishment of Flip Management
17 and the invoice and payment.
- 18 Exhibit XX: A true and correct copy of a sponsorship with the Association of Cannabis
19 professionals with the Earth Day event.
- 20 Exhibit YY: A true and correct copy of the Buyer's Closing Statement for San Diego
21 United Holdings Group purchase of 8863 Suite E and 8861 Suite B.
- 22 Exhibit ZZ: A true and correct copy of the Estimated Closing Statement that shows the
23 San Diego United purchased the Balboa Dispensary property and that there
24 was a second trust deed at that time in favor of Razuki Investments.
- 25 Exhibit AAA: A true and correct copy of business insurance that I procured for the
26 Balboa Dispensary
- 27 Exhibit BBB: A true and correct copy of monthly payment insurance that I procured for
28 the Balboa Dispensary for product insurance

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Exhibit CCC: a true and correct copy of a payment that I gave to the partner of Sunrise.

Exhibit DDD: a true and correct copies of electricity payments paid for the Balboa Dispensary

Exhibit EEE: a true and correct copy of of a Substitution of Trustee and Deed of Reconveyance for 8861 Balboa Suite B and 8863 Balboa Suite E where Razuki signed a reconveyance for the second trust deed thereby eliminating Razuki Investments debt interest in the Balboa Dispensary.

Exhibit FFF: a true and correct copy of a Salas Financial Escrow Closing Statement for the refinance of 8861 Suite B and 8863 Suite E.

Exhibit GGG: a true and correct copy of an Amended Payoff Statement for American Lending and Holdings of 4570th Street Unit 20.

Exhibit HHH: a true and correct copy of a Deed of Reconveyance for the original loan held by TGP.

Exhibit III: a true and correct copy of the closing statement for 8859 Balboa that shows Ninus Malan on behalf of San Diego United Holdings Group.

Exhibit JJJ: a true and correct copy of the same closing statement as Exhibit III as well as the loan signed by San Diego United Holdings Group.

Exhibit KKK: a true and correct copy of the bond and the cashier's check that San Diego United Holdings Group had to post in the HOA Litigation when we successfully dissolved the preliminary injunction.

Exhibit LLL: a true and correct copy of the invoice for work that was required on 8861 Suite B to enlarge a door in order to meet CUP conditions

Exhibit MMM: a true and correct copy of the agreement for the Balboa Manufacturing CUP.

Exhibit NNN: a true and correct copy of a bank statement for RM Property Holdings that was opened in November 2017.

- 1 Exhibit OOO: a true and correct copy of the RM Property Holdings December 2017
2 statement.
- 3 Exhibit PPP: a true and correct copy of the RM Property Holdings January 2018
4 statement.
- 5 Exhibit QQQ: a true and correct copy of the RM Property Holdings February 2018
6 Statement.
- 7 Exhibit RRR: a true and correct copy of the Notice of Deposition of Salam Razuki in the
8 bankruptcy matter that was referenced in paragraphs 22 and 23
- 9 Exhibit SSS: a true and correct copy of the RM Property Holdings March bank statement.
- 10 Exhibit TTT: a true and correct copy of the City of San Diego's Development Services
11 Invoice sent to Ninus Malan
- 12 Exhibit UUU: a true and correct copy of the RM Property Holdings April bank
13 statement.
- 14 Exhibit VVV: a true and correct copy of an invoice from Bartell & Associates for
15 consulting fees related to Balboa, Mira Este, and Roselle.
- 16 Exhibit WWW: a true and correct copy of a letter from the Loan Company.
- 17 Exhibit XXX: a true and correct copy of the RM Property Holdings May bank
18 statement.
- 19 Exhibit YYY: a true and correct copy of an invoice from the City of San Diego
20 Development Services Department to pay for the electric permit for the
21 electric sign that SoCal installed and that constituted a code violation
- 22 Exhibit ZZZ: a true and correct copy of a notice of delinquent taxes from Salas Financial.
- 23 Exhibit AAAA: a true and correct copy of a notice from the attorney for Cal Private Bank
24 who is the lender for San Diego Private Investments for a default on a 21
25 property blanket loan.
- 26 Exhibit BBBB: a true and correct copy of the RM Property Holdings June 2018 bank
27 statement.
- 28 Exhibit CCCC: a true and correct copy of a payment to the HOA Settlement required to

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keep the Balboa Dispensary and Balboa Manufacturing use variance.

Exhibit DDDD: a true and correct copy of a cashier's check made out to Salam Razuki.

Exhibit EEEE: a true and correct copy of closing the RM Property Holdings account.

Exhibit FFFF: a true and correct copy of minutes of the HOA meeting of its board of directors for review and approval of a letter to the City Hearing officer recommending approval of the Balboa Manufacturing CUP.

Exhibit GGGG: a true and correct copy of a returned check that resulted from the disarray with the receivership orders.

Exhibit HHHH: a true and correct copy of an invoice from Techne.

Exhibit IIII: a true and correct copy of an invoice from Five Alarm Security for outstanding bills SoCal never paid including a demand for immediate payment.

Exhibit KKKK: a true and correct copy of a letter from CPA Richard Alvarez stating that Ninus Malan is the president and owner of American Lending and Holdings and has been doing the tax returns since 2014.

Exhibit LLLL: a true and correct copy of an e-mail from escrow showing that the \$70,000 deposit from American Lending and Holdings was wired at the close of escrow for Mira Este deposit.

Exhibit MMMM: is a true and correct copy of an e-mail from accountant Justus Henkes to Michael Essary inquiring after the \$40,000 tax payment that was not made yet originally shown on the receiver's interim report.

Exhibit NNNN: a true and correct copy of Far West Management's invoice for running the Balboa Dispensary.

Dated: September 5, 2018

AUSTIN LEGAL GROUP, APC

By: *Tamara Leatham*
Gina M. Austin/Tamara Leatham,
Attorneys for Ninus Malan

EXHIBIT A

3075

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

1501 STREET SACRAMENTO CA 95811
P.O. Box 92879 SACRAMENTO CALIFORNIA 95833
(916) 445-7445 FAX (916) 228-2444
WWW.CDTFA.CA.GOV

MARYBEL BATJER
Secretary, Government Operations Agency

NICOLAS MADUROS
Director

NINUS MALAM
BALBOA AVE COOPERATIVE
8868 BALBOA AVE STE 101
SAN DIEGO CA 92123-1547

Letter Date: August 22, 2018
Letter ID: 10001082827
Account Type: Sales and Use Tax
Account Number: 103-009445
Limited/Access Code: 1514132m
Period Begin: July 1, 2017
Period End: June 30, 2018

DEMAND FOR IMMEDIATE PAYMENT

Why we are contacting you:

The California Department of Tax and Fee Administration (CDTFA) records show you have an outstanding balance. Additional details of your delinquency is located in the box below. Details of the balance are shown below.

What you must do:

Payment is due immediately. To pay online go to our website at www.cdtfa.ca.gov and select *Make a Payment*.

What will happen if you do not comply:

Failure to pay this demand may result in additional penalties, interest and/or collection fees. We may make a legal claim on your property, bank account, or income.

Tax	516,142.00
Interest	916.66
Penalty	16,749.20
Other	1.00
Payments/Credit	1.00
Total	533,809.86

How to pay this demand:

To pay this demand online go to www.cdtfa.ca.gov and select *Make a Payment*. For the payment check please refer to the enclosed envelope. If you cannot pay this demand online or by check and would like to make a payment of a different amount, please call the CDTFA at (916) 445-7445. Make your check payable to the California Department of Tax and Fee Administration (CDTFA) P.O. Box 92879, Sacramento, CA 95833. If you need additional help, please call the toll-free number 1-800-405-9338.

Collection Fees:

Once 30 days have passed, if the remaining collection fees will apply to amounts over \$250. For more information, contact the CDTFA at (916) 445-7445 or Collection Cost Recovery Response at www.cdtfa.ca.gov.

Interest:

Interest will be added to the remaining balance if not paid by the date stated above. After which, additional interest will accrue until the balance is paid in full. The interest rate is 10% per annum, compounded annually. Interest of \$916.66 will accrue through August 31, 2018.

EXHIBIT B

3077

**RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION
501**

**WHEN RECORDED MAIL TO
PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501**

INTERNAL ORDER NUMBER: 24007568

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Conditional Use Permit No. 2068552

MPF 8859 BALBOA AVE PROJECT NO. 585435

Hearing Officer

This Conditional Use Permit No. 2068552 is granted by the Hearing Officer of the City of San Diego to SAN DIEGO UNITED HOLDINGS GROUP, LLC, a California limited liability company, Owner/Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 2.51-acre site is located at 8859 Balboa Avenue, Suites A-E in the IL-3-1 zone of the Kearny Mesa Community Plan. The project site is legally described as Parcel 1: an undivided 5/64th interest in and to the southwesterly 219.55 feet of the northeasterly 413.55 feet of Lot 9, in the City of San Diego Industrial Park Unity No. 2, according to Map thereof No. 4113, filed March 12, 1959.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Marijuana Production Facility within existing suites A-E comprising of an operational area of 4,998 square feet within an existing 39,675 square foot industrial building located at 8859 Balboa Avenue in the Kearny Mesa Community Plan area described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated August 15, 2018, on file in the Development Services Department.

The project shall include:

- a. Operation of a Marijuana Production Facility within existing suites A-E, comprising an operational area of 4,998 square feet within an existing 39,675 square foot industrial building. The operation shall include the production of marijuana products consistent with the requirements of the State of California statues and the California Departments of Food and Agriculture, Consumer Affairs and Public Health regulations; and the manufacturing, storing, and distributing of cannabis products to State of California licensed outlets. Cultivation and retail sales are prohibited;
- b. The Marijuana Production Facility operations will include the following areas:

Secured Entry - This entry will be used by employees to enter and exit the building. It will also serve as a visitor entrance/exit. The external door to the Entry Lobby is open to visitors. A bell rings alerting staff that a visitor has arrived. The exterior door from the

Secured Entries to the secure areas have an electronic key pad entry. All employees will have a unique digital electronic key code for entry through this door.

Manager's Room – This office will be locked and only managers will be allowed in the manager's office. It has a key lock. This room is also where any cash will be securely stored, if needed.

Secured Product Storage Room - Product that has been manufactured, tested, packaged, labeled, and quality assurance checked will be stored in this room. It will be separately locked with access by manager's only. Product stored here is waiting distribution.

Break Room – The employee break room will be used for breaks, lunches, etc. It is not separately locked.

Packaging & Distribution Room – After manufacturing, products will be moved to this room for packaging, labeling, and preparation for distribution. This will also be the room used for the quality control procedure.

Raw Material Storage – When raw cannabis is received, inspected, and accepted from cultivators the raw material is moved and stored in this room until processing is ready for it. There will be shelves in this room that allow for separate storage of batches.

Extraction Room – Cannabinoids will be extracted in this room through a variety of processes. Batches are kept separate during the extraction process.

Post Processing Room – This room will be where the raw extract is further processed through a variety of methods into a more refined oil or extract. This room is also where batches will be stored awaiting the laboratory testing process. The lab testing licensee performs the sampling of batches in this room. The manufactured product will remain in this room until lab test results are returned. If a batch passes testing, the product will be moved to the Finished Product Storage Room or directly enter the distribution process;

- c. Off-street parking; and
- d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable

guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by August 30, 2021.

2. This Conditional Use Permit [CUP] and corresponding use of this site shall expire on August 30, 2023. Upon expiration of this Permit, the facilities and improvements within the building described herein shall be removed from this site and the property shall be restored to its original condition preceding approval of this Permit.
3. No permit for the construction, occupancy, or operation of any facility or improvement described herein shall be granted, nor shall any activity authorized by this Permit be conducted on the premises until:
 - a. The Owner/Permittee signs and returns the Permit to the Development Services Department; and
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
4. While this Permit is in effect, the subject property shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
5. This Permit is a covenant running with the subject property and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
6. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.
7. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).
8. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.
9. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.
10. All of the conditions contained in this Permit have been considered and were determined necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

11. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

BUILDING OFFICIAL REQUIREMENTS:

12. Prior to the commencement of operations granted by this Permit, the Owner/Permittee shall obtain a change of use/occupancy building permit consistent with all California Codes and Regulations in effect at the time of building permit, satisfactory to the Building Official.

ENGINEERING REQUIREMENTS:

13. Prior to the issuance of any construction permit the Owner/Permittee shall submit a Water Pollution Control Plan (WPCP). The WPCP shall be prepared in accordance with the guidelines in Part 2 Construction BMP Standards Chapter 4 of the City's Storm Water Standards.

14. Prior to the issuance of any building permits, the Owner/Permittee shall assure, by permit and bond, the removal and replacement of the westernmost driveway, adjacent to the site on Balboa Avenue, per current City Standards.

PLANNING/DESIGN REQUIREMENTS:

15. All operations shall be conducted indoors within a secured structure. All equipment and storage shall be also located within a secure structure.
16. Lighting shall be provided to illuminate the immediate surrounding area of the facility, including parking lots and adjoining sidewalks. Lighting shall be hooded or oriented to deflect light away from adjacent properties.
17. Security shall include operable cameras, alarms, and a security guard. The security guard shall be licensed by the State of California and be present on the premises during business hours. The security guard shall only be engaged in activities related to providing security for the facility, except on an incidental basis.
18. The name and emergency contact telephone number of an operator or manager shall be posted outside the marijuana production facility in a location visible to the public from the public right-of-way in character size at least two inches in height. The permittee shall provide this contact information to the San Diego Police Department. The operator or manager shall also be available 24 hours a day to address public nuisance complaints and interact with local, state, and federal law enforcement authorities. Other than the contact information, a marijuana production facility shall limit signage on the exterior of the property visible from the public right-of-way to the address.
19. A permit shall be obtained as required pursuant to Chapter 4, Article 2, Division 15.
20. The retail sale of marijuana and marijuana products shall only be conducted by a marijuana outlet in accordance with Section 141.0504. A marijuana production facility is prohibited from providing marijuana and marijuana products to any person other than another marijuana production facility, a testing lab, or a marijuana outlet.
21. The marijuana production facility, adjacent public sidewalks, and areas under the control of the marijuana production facility shall be maintained free of litter and graffiti at all times.
22. The marijuana production facility shall provide daily removal of trash, litter, and debris. Graffiti shall be removed from the premises within 24 hours.
23. The Owner/Permittee shall provide an odor absorbing ventilation and exhaust system capable of minimizing excessive or offensive odors emanating outside of the permitted facility, to the satisfaction of the Development Services Department.

TRANSPORTATION REQUIREMENTS

24. The automobile, motorcycle and bicycle parking spaces must be constructed and provided in accordance with the requirements of the SDMC. All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing authorized by the appropriate City decision maker in accordance with the SDMC.

25. A maximum of ten employees shall be allowed on-site at any given time to correspond to the ten parking spaces provided for the project.

INFORMATION ONLY:

- The issuance of this discretionary permit alone does not allow the immediate commencement or continued operation of the proposed use on site. Any operation allowed by this discretionary permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Hearing Officer of the City of San Diego on August 15, 2018 by Resolution No. HO-7131.

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

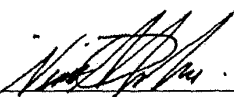
Hugo Castaneda
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

SAN DIEGO UNITED HOLDINGS GROUP, LLC,
a California limited liability company
Owner/Permittee

By



Ninus Malan
Managing Member

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**

See attachment

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)
On 8/30/2018 before me, A. Caro Del Castillo, Notary Public,
Date Here Insert Name and Title of the Officer
personally appeared Ninus malan
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____

Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Hearing Officer Resolution No. HO-7131
Conditional Use Permit No. 2068552
MPF 8859 BALBOA AVE PROJECT NO. 585435

WHEREAS, SAN DIEGO UNITED HOLDINGS GROUP, LLC, a California limited liability company, Owner/Permittee, filed an application with the City of San Diego for a permit to operate a Marijuana Production Facility within existing suites A-E comprising an operational area of 4,998 square feet within an existing 39,675 square foot industrial building (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Permit No. 2068552), on portions of a 2.51-acre site;

WHEREAS, the project site is located at 8859 Balboa Avenue in the IL-3-1 zone of the Kearny Mesa Community Plan;

WHEREAS, the project site is legally described as Parcel 1: an undivided 5/64th interest in and to the southwesterly 219.55 feet of the northeasterly 413.55 feet of Lot 9, in the City of San Diego Industrial Park Unity No. 2, according to Map thereof No. 4113, filed March 12, 1959;

WHEREAS, on June 7, 2018 the City of San Diego, as Lead Agency, through the Development Services Department, made and issued an Environmental Determination that the project is exempt from the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) under CEQA Guideline Section 15303(c) and there was no appeal of the Environmental Determination filed within the time period provided by San Diego Municipal Code Section 112.0520;

WHEREAS, on August 15, 2018, the Hearing Officer of the City of San Diego considered Conditional Use Permit No. 2068552 pursuant to the Land Development Code of the City of San Diego;

NOW, THEREFORE, BE IT RESOLVED by the Hearing Officer of the City of San Diego as follows:

That the Hearing Officer adopts the following written Findings, dated August 15, 2018.

A. CONDITIONAL USE PERMIT [SDMC Section 126.0305]

1. Findings for all Conditional Use Permits:

- a. The proposed development will not adversely affect the applicable land use plan.**

The proposed project requests a Conditional Use Permit to operate a Marijuana Production Facility within existing suites A-E comprising an operational area of 4,998 square feet within an existing 39,675 square foot industrial building. The 2.51-acre site is located at 8859 Balboa Avenue in the IL-3-1 zone of the Kearny Mesa Community Plan. The site is designated Industrial and Business Parks uses by the Kearny Mesa Community Plan. The Industrial and Business Parks designation is intended to

accommodate manufacturing, storage, warehousing, distribution, and similar uses. The Industrial and Business Park designation would permit light manufacturing uses, thereby providing additional land suitable for manufacturing activities. The proposed Marijuana Production Facility, classified as light industrial services, is a compatible use for this location with a Conditional Use Permit and is consistent with the community plan, and therefore will not adversely affect the applicable land use plan.

b. The proposed development will not be detrimental to the public health, safety, and welfare.

The proposed Marijuana Production Facility within existing suites A-E comprising of an operational area of 4,998 square feet within an existing 39,675 square foot industrial building. The 2.51-acre site is located at 8859 Balboa Avenue in the IL-3-1 zone of the Kearny Mesa Community Plan. The building is currently being used for light industrial uses. The project proposes tenant improvements to the existing building to facilitate operations including the manufacturing, storing, and distributing of cannabis products to State of California licensed outlets. No cultivation or retail sales are proposed. The proposed improvements will require the Owner/Permittee to obtain a change of use/occupancy building permit consistent with all California Codes and Regulations in effect at the time of building permit, satisfactory to the Building Official. Public improvements will include the removal and replacement of the westernmost driveway, adjacent to the site on Balboa Avenue, per current City Standards.

Marijuana Production Facilities are restricted to forty City-wide, within light and heavy industrial zones. Marijuana Production Facilities require compliance with San Diego Municipal Code (SDMC), section 141.1004, which require a 1,000 foot separation, measured between property lines from, resource and population-based City parks, churches, child care centers, playgrounds, City libraries, minor-oriented facilities, residential care facilities, and schools. Marijuana Production Facilities also require a minimum distance requirement of 100 feet from a residential zone. Security requirements include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours. Marijuana Production Facilities must also comply with Chapter 4, Article 2, Division 15 which provides guidelines for lawful operation.

The proposed project will be required to comply with the development conditions as described in the Conditional Use Permit No. 2068552 as it relates to the operational requirements imposed by the City of San Diego. The Conditional Use Permit No. 2068552 will be valid for five years and may be revoked if the Owner/Permittee violates the terms, conditions, lawful requirements, or provisions of the Permit.

The proposed development will not be detrimental to the public's health, safety and welfare in that the discretionary permit controlling the use of this site contains specific regulatory conditions of approval, as referenced in the Conditional Use Permit No. 2068552. The referenced regulations and conditions have been determined as necessary to avoid adverse impact upon the health, safety and general welfare of persons residing

or working within the surrounding area. Therefore, the proposed Marijuana Production Facility will not be detrimental to the public health, safety and welfare.

c. The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code.

The proposed Marijuana Production Facility within existing suites A-E comprising of an operational area of 4,998 square feet within an existing 39,675 square foot industrial building. The 2.51-acre site is located at 8859 Balboa Avenue in the IL-3-1 zone of the Kearny Mesa Community Plan. The site was developed in 1969. The project proposes tenant improvements to the existing building to facilitate operations including the manufacturing, storing, and distributing of cannabis products to State of California licensed outlets. No cultivation or retail sales are proposed.

Marijuana Production Facilities are allowed in the IL-3-1 Zone of the Kearny Mesa Community Plan with a Conditional Use Permit. The proposed use requires compliance with San Diego Municipal Code (SDMC), Section 141.1004 and Chapter 4, Article 2, Division 15. Section 141.1004 requires a 1,000 foot separation, measured between property lines from, resource and population-based City parks, churches, child care centers, playgrounds, City libraries, minor-oriented facilities, residential care facilities, and schools. There is also a minimum distance requirement of 100 feet from a residential zone. Security requirements, expressed as conditions in the Permit, include interior and exterior lighting, security cameras, alarms and a security guard. The security guard must be licensed by the State of California and be present on the premises during business hours.

The proposed Marijuana Production Facility is consistent with all land development regulations relevant for the site and the use and no deviations are requested or required. Therefore, the proposed Marijuana Production Facility will comply with the regulations of the Land Development Code.

d. The proposed use is appropriate at the proposed location.

The proposed Marijuana Production Facility within existing suites A-E comprising of an operational area of 4,998 square feet within an existing 39,675 square foot industrial building. The 2.51-acre site is located at 8859 Balboa Avenue in the IL-3-1 zone of the Kearny Mesa Community Plan. The Light Industrial IL-3-1 zone is intended to provide for a wide range of light industrial, office, and commercial uses. The proposed Marijuana Production Facility, classified as light industrial services, is consistent with the community plan.

The proposed Marijuana Production Facility is consistent with all land development regulations relevant for the site and the use. No deviations are requested or required to approve the project as proposed. The proposed Marijuana Production Facility is a compatible use for this location with a Conditional Use Permit. Therefore, the proposed MPF is an appropriate use at the proposed location.

The above findings are supported by the minutes, maps and exhibits, all of which are incorporated herein by this reference.

BE IT FURTHER RESOLVED that, based on the findings hereinbefore adopted by the Hearing Officer, Conditional Use Permit No. 2068552 is hereby GRANTED by the Hearing Officer to the referenced Owner/Permittee, in the form, exhibits, terms and conditions as set forth in Permit No. 2068552, a copy of which is attached hereto and made a part hereof.

Hugo Castaneda
Development Project Manager
Development Services

Adopted on: August 15, 2018

IO#: 24007571

EXHIBIT C

3090

1 **J. GREGORY TURNER, Esq.**
2 SBN 204967
3 110 W C Street Suite 2010
4 San Diego, CA 92101
5 619-232-2311
6 619-232-2312 fax
7 greg@turnerlawsandiego.com

8 Attorney for Petitioner
9 **DENNISE GURFINKIEL**

10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN DIEGO, SOUTHERN DIVISION**

12 DENNISE GURFINKIEL,) Case No:
13 Petitioner,)
14 vs.)
15) **NOTICE OF LODGED DOCUMENTS**
16 SALAM RAZUKI,)
17 Respondent.) Date:
18) Time:
19) Dept.:

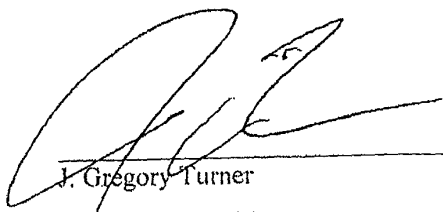
20 **TO: THE SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE**
21 **COUNTY OF SAN DIEGO, SOUTHERN DIVISION; AND TO THE RESPONDENT**
22 **OR HIS REPRESENTATIVE**

23 The petitioner, **DENNISE GURFINKIEL**, by and through her attorney J. Gregory Turner,
24 hereby lodges the attached materials in support of her petition:

- 25 1) Screen capture of cell phone display (hereinafter "screenshot(s)") of text messages sent by
26 respondent Salam Razuki to petitioner's real estate broker Edgardo Masanes.
- 27 2) Receipt from a vehicle inspection for petitioner's mother Rocio Ramirez's vehicle.
- 28 3) Screenshots of text messages sent by respondent Salam Razuki to petitioner Dennise
Gurfinkiel containing a screenshot of an e-mail sent by Salam Razuki.

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- 4) Screenshots of text messages sent by respondent Salam Razuki to petitioner Dennise Gurfinkiel throughout December 2016.
- 5) Screenshot of text messages sent by respondent Salam Razuki to petitioner's brother Joseph Gurfinkiel.
- 6) Screenshot of a text message sent by respondent Salam Razuki to petitioner's mother Rocio Ramirez.
- 7) Screenshots of call logs made to petitioner's mother Rocio Ramirez.
- 8) Screenshots of text messages sent by respondent Salam Razuki to petitioner's client Roberto Christlieb.
- 9) Screenshot of a text message sent by mechanic Fernando to petitioner Dennise Gurfinkiel.
- 10) Screenshots of call logs made to petitioner Dennise Gurfinkiel's cell phone.
- 11) Screenshot of e-mail sent by respondent Salam Razuki to petitioner Dennise Gurfinkiel.
- 12) Screenshot of e-mail sent by Iris Musick, Loan Mitigation Counselor at Del Toro Loan Servicing, Inc., a business servicing a lender with whom petitioner Dennise Gurfinkiel holds a mortgage.



J. Gregory Turner
Attorney for Petitioner

Salam to Ed Masanes

ATTACHMENT 1



60% 5:48 PM

← Salam Ruzuki ▾
6197196661

CALL MORE



I'm going to the district attorney tomorrow just to let you know

5:00 PM

Friday, October 21, 2016



Look like you're not taking me seriously that I am going to the district office today OK good luck

12:19 PM

Tried calling you vm full. Will call you later. Im on my way to my uncles burial.

12:55 PM

Saturday, October 22, 2016



???

2:11 PM

Tuesday, October 25, 2016



Fwd: I want you to know Ni-nus filed a criminal complaint today instead of me with the District Attorney and is meeting with an investigative

📎 Enter message



← Salam Ruzuki ▼
6197196661

CALL

MORE

S

Fwd::I want you to know Ni-
nus filed a criminal complaint
today instead of me with
the District Attorney and is
meeting with an investigative
reporter to put you

and Ed on the news.

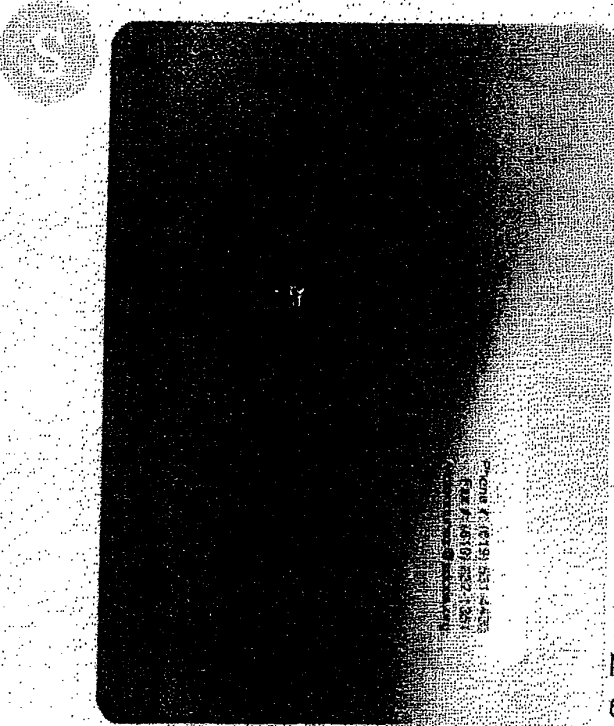
Fwd;;I will be filing next and
it will catch up to you very
soon. Have your attorney help
you with that now!

11-17 AM

Salam Ruzuki
6197196661

CALL MORE

I have a lot more I'm get them ready to the District Attorney any news 6:52 PM



MMS 6:54 PM

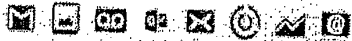
6:55 PM I got a call into her.

I'm sorry I'm not try to get you involve 7:00 PM

CUSTOMER PROFILE

Enter message





58% 5:51 PM

← Salam Ruzuki ▼
6197196661

CALL MORE

Saturday, November 26, 2016



I'm tired from bs
I'm filling Monday and making
a criminal case with the FBI
and the DA

9:17 AM

I hear Dennise is working on
a resolution. I spoke to her
yesterday. Shes hoping to
get this resolved by end of
next week. Also i hear you
guys recently meet and she
mentioned that to you as
well

I will relay your message to
her

9:58 AM



Ok I just want you to know I'm
done with her bs she's should
stay in jail all her life she's
nothing but a big fucking liar
and I promise you I will do
that

10:02 AM

Shes pretty stressed out



Enter message



← Salam Ruzuki ▼

CALL

MORE

6197196661

S

I know about that I'm just sending you this so you know what kind of shit I have against her and all this it's gonna come out on the news and on the district

attorney so I don't know why she's not taking me seriously I told her don't let me be your enemy I have a lot of shit on you

6:43 PM

I told her to talk to Haskins. This matter needs to be cleared up asap.

6:45 PM

Receipt to inspect Rocio Ramirez's vehicle
ATTACHMENT 2 (GurAnkiet's mom)



South Bay Volkswagen



3131 National City Boulevard • National City, CA 91950
 (619) 336-4020 • FAX (619) 477-6750
 SERVICE TOLL FREE 888-400-9072
 www.southbayvolkswagen.com

RECOMMENDED SERVICES

*B.A.R. #ARD 003463 V.W. DLR # 422-580 EPA# CAL000191549

OPERATION	OPERATION DESCRIPTION	MO/MI	TOTAL	OPERATION	OPERATION DESCRIPTION	MO/MI	TOTAL
01VWZ010	10000 MILE SERVICE	-MI	0.00				

SERVICE HISTORY

DATE	REPAIR ORDER	MILEAGE	ADVISOR	TECHNICIAN	TYPE	OPERATION	OPERATION DESCRIPTION

SALES PERSON NO. _____ SERVICE STATE REG # 3

SAVED PARTS: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO	VEHICLE NO. 3VW267AJ0GM	YEAR/MAKE/MODEL 16/VOLKSWAGEN/JETTA SEDAN/4DR SDN I	PRODUCTION DATE	STOCK NO.	LUBRICATION NO.	R.O. NO. 184189
FOR FROM CONSUMER OR ACCEPT THE FOLLOWING TERMS: AMERICAN EXPRESS DISCOVER	ROCTO SAN DIEGO, CA 92122	CUSTOMER NO. 51148	DELIVERY DATE	DELIVERY MILES	SELLING DEALER NO.	R.O. DATE 11/21/16
RESIDENCE PHONE	BUSINESS PHONE	TURBO	MAAC	AIR COND	P.S.	TRANS
CP @GMAIL.COM		Y	VWZZ	Y	Y	A
TERMS: STRICTLY CASH UNLESS ARRANGED IN WRITING	TIME RECEIVED 11:07am	DATE TIME PROMISED 11/21/16	PRIORITY	MILEAGE 9,732	ADVISOR NO. 50600	ADVISOR GASPAR ALONZO
APPOINTMENT <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CELL	PRELIMINARY ESTIMATE	USE	SIGNATURE		

NOTE TO CONSUMER: PLEASE READ IMPORTANT INFORMATION ON REVERSE SIDE

<p>ORIGINAL CUSTOMER ESTIMATE: TOTAL 0.00</p> <p>X</p> <p>1 W 01VWZ010 10000 MILE SERVICE CUSTOMER REQUESTS 10000 MILE FACTORY MAINTENANCE SERVICE CHANGE OIL AND FILTER, PERFORM MULTI POINT INSPECTION RESET TIRE PRESSURE, ROTATE TIRES, REFILL AD BLUE (TDI ENGI WHERE APPLICABLE TOP OFF COOLANT AND WASHER FLUID PROVIDE NEXT MAINTENANCE REMINDER LABEL ///VW CARE ///</p> <p>2 C 98VWZ CAMPAIGNS / RECALLS CUSTOMER REQUESTS COMPLETION OF CAMPAIGN #01B2 VEHICLE EMISSION</p> <p>3 C 98VWZZ CAMPAIGNS/RECALLS CUSTOMER REQUESTS COMPLETION OF SERVICE / RECALL CAMPAIGN# ECM SOFTWARE</p> <p>4 C 61VWZ01 EXT TRIM CONCERN CUSTOMER REQUEST PRICE TO INSTALL MISSING LEFT FRONT WHEEL CAP /</p> <p>ALL PARTS ARE NEW UNLESS OTHERWISE SPECIFIED</p>	<p>THANK YOU FOR BRINGING YOUR AUTOMOBILE TO South Bay Volkswagen FOR SERVICE. PLEASE NOTE THE FOLLOWING</p> <p>SERVICE DEPT. HOURS MON - FRI 7:30 AM TO 8:00 PM SATURDAY 8:00 AM TO 4:00 PM BY APPOINTMENT ONLY</p> <p>NO CARS RELEASED AFTER SERVICE DEPT. CLOSES WITHOUT PRIOR ARRANGEMENTS.</p> <p>PARTS DEPT. HOURS MON - FRI 7:30 AM TO 6:00 PM SATURDAY 8:00 AM TO 4:00 PM</p> <p>IF YOU SHOULD HAVE ANY QUESTION CONCERNING YOUR AUTOMOBILE WHILE IT'S HERE FOR SERVICE PLEASE CONTACT YOUR SERVICE CONSULTANT</p> <p>TERMS CASH OR THE FOLLOWING CREDIT CARDS MASTERCARD * VISA AMERICAN EXPRESS * DISCOVER</p>
---	--



3101 National City Boulevard • National City, CA 91950

(619) 336-4020 • FAX (619) 477-6750

SERVICE TOLL FREE 888-400-9072

www.southbayvolkswagen.com



RECOMMENDED SERVICES

*B.A.R.#ARD 003463 V.W.D.L.R.# 422-580 EPA# CAL000191549

OPERATION	OPERATION DESCRIPTION	MO/MI	TOTAL	OPERATION	OPERATION DESCRIPTION	MO/MI	TOTAL
01VW2010	10000 MILE SERVICE	MI	0.00				

SERVICE HISTORY

DATE	REPAIR ORDER	MILEAGE	ADVISOR	TECHNICIAN	TYPE	OPERATION	OPERATION DESCRIPTION

SALESPERSON NO.

S E R V I C E

STATE REG#

VEHICLE I.D. NO. 3VW267A J0GM	YEAR/MAKE/MODEL 16/VOLKSWAGEN/JETTA SEDAN/ADR SDN 1	PRODUCTION DATE	STOCK NO.	LICENSE NO. 18418	R.O. NO.
FOR YOUR CONVENIENCE WE ACCEPT THE FOLLOWING CREDIT CARDS: AMERICAN EXPRESS DISCOVER	CUSTOMER NO. ROCIO	DELIVERY DATE	DELIVERY MILES	SELLING DEALER NO.	R.O. DATE
TEAM: STRICTLY CASH UNLESS ARRANGEMENTS MADE	ADDRESS SAN DIEGO, CA 92122	COLOR 51148	CONTRACT NO.	EXPIRATION DATE	EXPIRATION MILES
TIME RECEIVED 11:07am	BUSINESS PHONE CP [REDACTED]@GMAIL.COM	TURBO Y	TRANS Y	ADVISOR NO. 9-732	ADVISOR GASPAR ALONZO
TIME PROMISED 03:18pm	PRIORITY	AIR COND. Y	TRANS Y	ADVISOR NO. 9-732	ADVISOR GASPAR ALONZO
APPOINTMENT <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		PRELIMINARY ESTIMATE		I HAVE READ AND UNDERSTAND AND AGREE TO ALL TERMS OF THE WARRANTY STATEMENT OF VOLKSWAGEN CORPORATION AND I AGREE TO THE TERMS OF THIS CONTRACT. I HAVE ACCEPTED THE OFFERED PRICE AND I AGREE TO THE NECESSARY REPAIRS. YOU WILL BE RESPONSIBLE FOR OBTAINING THE VEHICLE TO BE REPAIRED BY 5:00 PM ON THE DAY OF SERVICE AT THE DEALER. AN ADVISOR WILL BE WITH YOU THROUGHOUT THE SERVICE TO ASSIST YOU WITH THE SERVICE. THE VEHICLE WILL BE KEPT IN THE SERVICE AREA UNTIL THE WORK IS COMPLETED. IF THE VEHICLE IS NOT READY BY 5:00 PM, YOU WILL BE RESPONSIBLE FOR PICKING UP THE VEHICLE AT THE DEALER. THE VEHICLE WILL BE KEPT IN THE SERVICE AREA UNTIL THE WORK IS COMPLETED. STORAGE CHARGE OF \$20.00 PER DAY WILL BE CHARGED AFTER 12 HOURS AFTER SERVICE IS COMPLETED. I HEREBY ACKNOWLEDGE AND AGREE TO ALL STATEMENTS OBTAINED HEREIN. CUSTOMER ACKNOWLEDGMENT.	

NOTE TO CONSUMER, PLEASE READ IMPORTANT INFORMATION ON REVERSE SIDE.

- 5 **C 00VWZSX INSP SERVICE EXPRESS INSP**
CUSTOMER REQUESTS SERVICE EXPRESS MULTI POINT INSPECTION
- 6 **C 00VWZTP1 TIRE PRESSURE**
SET TIRE PRESSURE TO SPECIFICATIONS AND RECORD ON REPAIR ORDER

THANK YOU FOR BRINGING YOUR AUTOMOBILE TO South Bay Volkswagen FOR SERVICE. PLEASE NOTE THE FOLLOWING

SERVICE DEPT. HOURS
MON - FRI
7:30 AM TO 6:00 PM
SATURDAY
8:00 AM TO 4:00 PM
BY APPOINTMENT ONLY

NO CARS RELEASED AFTER SERVICE DEPT. CLOSES WITHOUT PRIOR ARRANGEMENTS.

PARTS DEPT. HOURS
MON - FRI
7:30 AM TO 6:00 PM
SATURDAY
8:00 AM TO 4:00 PM

IF YOU SHOULD HAVE ANY QUESTION CONCERNING YOUR AUTOMOBILE WHILE IT'S HERE FOR SERVICE PLEASE CONTACT YOUR SERVICE CONSULTANT

TERMS CASH OR THE FOLLOWING CREDIT CARDS
MASTERCARD • VISA
AMERICAN EXPRESS • DISCOVER

ALL PARTS ARE NEW UNLESS OTHERWISE SPECIFIED

ASS: 127231, American, Submodel For Business, Call or message (619) 414-0245

screenshots & Texts → Salam to Detaksi

ATTACHMENT 3

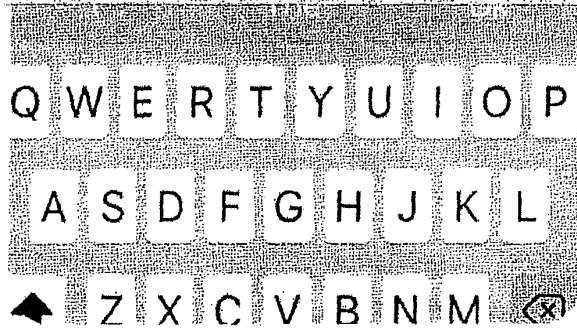
Sprint LTE

1:12 PM

65%



Salam Razuki



From: Juan R Perez > Hide

To: salamrazuki@yahoo.com >

Section 8 Concerns

Today at 9:58 AM

Hello Mr. Razuki,

Thank you for contacting my office with your Section 8 Program Concerns. Per our conversation, please reply to this email with the details of your concern so that we can investigate.

Regards,

Juan R. Perez

Department of the real estate is next



iMessage



screen shots of texts sent by Salam to
ATTACHMENT 4 Gurankiel through
out Dec. 2016

Sprint LTE

1:15 PM

64%



Salam Razuki

Thu, Dec 1, 11:53 AM

you just fucking stop calling the Tenad to collect the fucking rent I don't know what type of person you are

Per Claudia, deeds where not recorded as settlement was not signed.

You knew I needed hay signed.

OK let me show you I will fuck you over big fucking time this time I know what kind fucking bitch you are now

I know more shit than anybody on you and you're so fucking dumb you try to play this fucking game with me

I will reach out to your mom and your brother I will put you on TV you'll see you'll fucking




iMessage



12/1

●○○○○ Sprint LTE

1:15 PM

64% 



Salam Razuki

OK let me show you I will fuck you over big fucking time this time I know what kind fucking bitch you are now

I know more shit than anybody on you and you're so fucking dumb you try to play this fucking game with me

I will reach out to your mom and your brother I will put you on TV you'll see you'll fucking messing with the wrong person

I'm talking to jaffy give him declaration that front of me and gabby you tell your attorney you have money on 4 Ave and divid he's paid off

I swear this time my goal is putting you in jail forever and you'll see

12/11



iMessage



Sprint LTE

1:15 PM

64%



Salam Razuki

Thu, Dec 1, 4:56 PM

Good luck

The Mexican guy he threaten you that he will do something to you or to your brother but I promise you I'm not like them I will put you and your mom in jail you will see
Let's see how the money will get you out of the jail fucking greedy bitch

Fri, Dec 2, 9:56 AM

investigation with the housing department it's already file too good luck

Another investigation on your notary friend too good luck too

This is just the beginning

You tell me you don't want to mess with somebody have



iMessage



Sprint LTE

1:15 PM

64%



Salam Razuki

get you out of the jail fucking greedy bitch

Fri, Dec 2, 9:56 AM

investigation with the housing department it's already file too good luck

Another investigation on your notary friend too good luck too

This is just the beginning

You tell me you don't want to mess with somebody have money

Fri, Dec 2, 11:26 AM

Text Message
Today 11:25 AM



iMessage



Sprint LTE

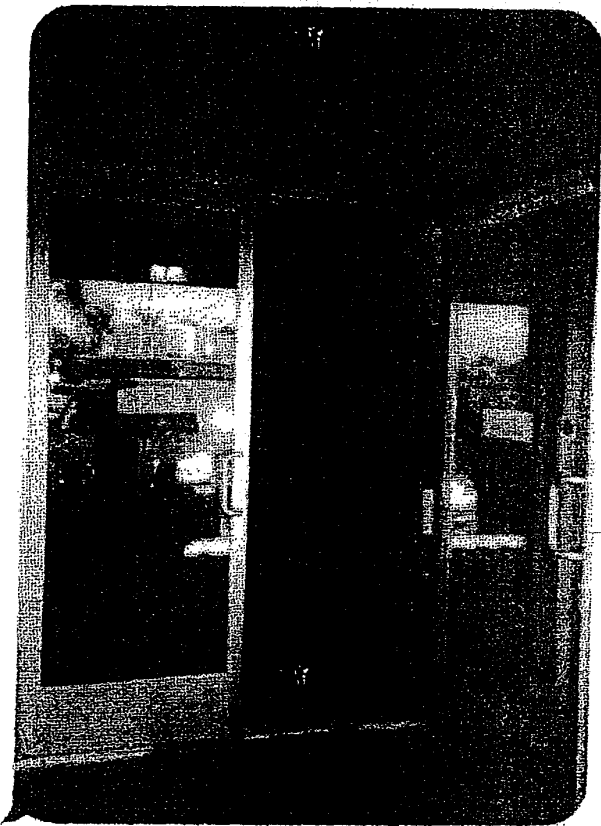
1:13 PM

64%



Salam Razuki

your mom out
Denise she push me



This is callent auto sales very nice and smart good luck for Rodrigo Marquis

That's what happen when people get to fucking greedy

Yesterday 12:48 PM



iMessage



12/2

Every time I'm trying to help you you go and fuck me over and you fuck your self more I told you let me talk to Ninos about the fucking settlement but you want and you fucked up everything on yourself OK I will show you this time if

What are you talking about

My attorney want to escrow per our conversation
I have not talked to anyone nor done anything behind you

OK let your fucking attorney deal with this fucking mess right now you a big fucking liar

Yesterday 8:18 PM





SR IQ

I will reach out to your mom
and your brother I will put you
on TV you'll see you'll fucking
messing with the wrong person

I'm talking to jaffy give him
declaration that front of me
and gabby you tell your
attorney you have money on 4
Ave and divid he's paid off

I swear this time my goal is
putting you in jail forever and
you'll see



iMessage



●●○○○ Sprint

2:27 PM

56%



Salam Razuki

Money is not everything what's really hurting me like you're dealing with me that there was nothing between us

Thank you anyways I get it I promise you you're not gonna hear nothing from me anymore not gonna text you not going to email you thank you again that's all I have to say

Tuesday 3:27 PM

Friars - December 14

Newton - December 21

Bramblewood - December 16

Sprint

2:28 PM

56%



Salam Razuki

Fri, Dec 9, 9:34 AM

Let me know if you need any help

No matter what i'm here for you

Fri, Dec 9, 3:07 PM

Are you ok

Sat, Dec 10, 8:05 AM

?????

Sat, Dec 10, 11:22 AM

Are you ok ???????

Sat, Dec 10, 3:57 PM

Just let me know you're OK I don't know why I have a feeling that something is not OK

?????

12/9 - 12/12

Mon, Dec 12, 12:20 PM



iMessage



Sprint

2:28 PM

56%



Salam Razuki

Mon, Dec 12, 12:20 PM

Hi call me please you have a sale day on Friars coming to how you can stop that ??

Mon, Dec 12, 4:52 PM

???

Fwd: Hi sam this is marna young at 2604 Newton D ave Dennis has texed me saying she wants the rent money she sent out letters saying she's is the owner n

of giving her any money the only way I can pay December rent is if you take the money out of my deposit I dont know what to do

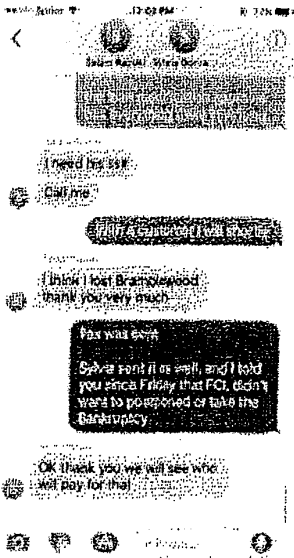
Ok fine keep ignore me that's the best way to solve it



Message



12/12



Screenshot Texts Razuki to Joseph Gurfinkel
ATTACHMENT 5 (OG's brother)



+1 (619) 719-6661

Brother Cell phone

Text Message
Today 11:30

Call me soon you have a minute

iMessage

Salam i don't want to get involve between you and my sister. I hope you both can resolve the issue peacefully and reasonably.

Delivered

OK thank you I just want to give you heads up that it's my only attention is right now it's to put her and your mom in jail I'm sorry I love your mom but Denise she push me so far that I cannot take it anymore sorry brother I try so hard with her but she's A greedy thief



iMessage



Salam to Rocío Ramirez
ATTACHMENT 6 (DG's mom)



+1 (619) 719-6661

Mensaje de texto
vie 2 de dic 11:25 a.m.

Hi



iMessage



call logs Salam to Rocio
ATTACHMENT 7 Ramirez

+61 9 4146 862

Australia

ayer ⓘ

(55) 3956 3906

desconocido

sábado ⓘ

Lic. Leonardo Evangelina

desconocida

sábado ⓘ

Norma Rodriguez (2)

celular

jueves ⓘ

+52 (081) 111 1111

México

jueves ⓘ

+1 (619) 867-1135

FaceTime de vídeo

jueves ⓘ

Ivan Peralta

celular

miércoles ⓘ

Verito

casa

miércoles ⓘ

Ayde Dorantes Uni-red

miércoles ⓘ

Todas

Perdidas

Editar

celular

+1 (619) 867-1135

FaceTime de video

jueves



+52 (081) 111 1111

México

jueves



+1 (619) 867-1135

FaceTime de video

jueves



Dennise (Hija) Gurfinkiel (3)

celular

jueves



Lucero (2)

trabajo

jueves



Ivan Peralta

celular

miércoles



Ivan Peralta

celular

miércoles



Leticia Espinoza

desconocida

miércoles



Verito

miércoles



Salam to Roberto Christies
ATTACHMENT 8 (DG's client)



← Salam ▼
+16197196661

CALL MORE

Sorry, at work
with Customers,
will call u in 1 hr

1:30 PM



Ok brother we
have to finish
this mess ASAP

1:33 PM



Don't waste your
time with them
I'm not going
forward with the
sale anymore

1:36 PM

Ok gotcha, will
call u as soon
as i get fee from
work

1:38 PM

📎 Enter message





← Salam ▾
+16197196661

CALL MORE

Ok gotcha, will call u as soon as i get fee from work

1:38 PM



I already filed a criminal and civil charges against Denise and the broker

1:46 PM

Ok got it, so as soon as im free we will talk and see how we all get out of this mess

1:47 PM



Enter message



screenshot of Text key Mechanic Fernando
ATTACHMENT 9 to 06

Sprint LTE 1:35 PM 57%



Fernando Chavez

Sunday, 12/20/16 1:35 AM











Yo mañana llevo el cheque mala con el District attorney, me voy a comunicar con el BRA, voy a registrar un mechanics lien a Olympia con el condado y voy a estar en comunicacion con Dug el Abogado de Salam, te estas burlando de mi y no le das la importancia que requiere, muy mal de tu parte!

I got the bad check w/ the DA Atty tomorrow. I'm going to communicate w/ the BRA, I'm going to register a mechanics lien to Olympia w/ the county and I'll be in communication w/ Doug the Salam lawyer, give making fun of me an not you is importance it requires, very bad on your part

Hola Fernando
 No es burla y no me han pagado.
 El dinero no estará listo hasta mañana a las 3:00 Pm y con gusto te lo entrego
 Con gusto te lo entrego a esa hora. Esos negocios no tienen que ver con Salam y/o su abogado

Hello Fernando, it's not mockery and I have not been paid. The money will not ready until 3:00 p.m. tomorrow and I will gladly give it to you. I'll gladly give it to you at that time. Those businesses have nothing to do w/ Salam and/or his lawyer.

Call logs made to OGS phone
ATTACHMENT 10

No Caller ID unknown	11:58 AM	
Juanita Adame work	11:57 AM	
No Caller ID unknown	11:48 AM	
No Caller ID unknown	11:46 AM	
Lucy Herrera home	11:19 AM	
(619) 507-7233 National City, CA	11:18 AM	
Joseph "Bro" Gurfinkiel mobile	11:16 AM	
TGLM Inc mobile	11:08 AM	
 Juanita Adame mobile	11:07 AM	

No Caller ID
unknown

Saturday ⓘ

No Caller ID
unknown

Saturday ⓘ

No Caller ID
unknown

Saturday ⓘ

No Caller ID
unknown

Saturday ⓘ

TGLM Inc
mobile

Saturday ⓘ

Salam Razuki
iPhone

Saturday ⓘ

Salam Razuki
iPhone

Saturday ⓘ

Dave "Big D" Ramos
mobile

Saturday ⓘ

Salam Razuki
iPhone

Saturday ⓘ

E-mail Salam to OB

ATTACHMENT 11



1 of 3

Done

From: Salam Razuki >



To: Dennise Gurfinkiel >

Hide

No Subject

December 10, 2016 at 5:13 PM

Are you okkkkkkkk

Sent from my iPhone

12/10



Del Toro Loan services to DG
ATTACHMENT 12

From: Iris Musick

To: Latonya Coleman >

Hide



Cc: Dennise Gurfinkiel >

Reinstatement figures on 6780 Friars Road #133 & 2602-2604 Newton Ave

Yesterday at 4:49 PM

Hi,

This is the account where the borrower is asking for reinstatement figures on both properties. Dennise Gurfinkiel indicated that the best contact number for her is 619-719-. Iris

Del Toro Loan Servicing, Inc. will be closed on Monday, December 26th for the holiday. The company will resume operations on Tuesday, December 27th.

Iris Musick Loan Mitigation Counselor

EXHIBIT D

3135

Business Search - Entity Detail

The California Business Search is updated daily and reflects work processed through Monday, September 3, 2018. Please refer to document **Processing Times** for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity. Not all images are available online.

201410510348 AMERICAN LENDING AND HOLDINGS, LLC

Registration Date:	04/11/2014
Jurisdiction:	CALIFORNIA
Entity Type:	DOMESTIC
Status:	ACTIVE
Agent for Service of Process:	NINUS MALAN 5065 LOGAN AVE STE 101 SAN DIEGO CA 92113
Entity Address:	5065 LOGAN AVE STE 101 SAN DIEGO CA 92113
Entity Mailing Address:	5065 LOGAN AVE STE 101 SAN DIEGO CA 92113
LLC Management	Managers

A Statement of Information is due EVERY EVEN-NUMBERED year beginning five months before and through the end of April.

Document Type	File Date	PDF
SI-COMPLETE	12/03/2015	
REGISTRATION	04/11/2014	

* Indicates the information is not contained in the California Secretary of State's database.

Note: If the agent for service of process is a corporation, the address of the agent may be requested by ordering a status report.

- For information on checking or reserving a name, refer to [Name Availability](#).
- If the image is not available online, for information on ordering a copy refer to [Information Requests](#).
- For information on ordering certificates, status reports, certified copies of documents and copies of documents not currently available in the Business Search or to request a more extensive search for records, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Frequently Asked Questions](#).

[Modify Search](#)

[New Search](#)

[Back to Search Results](#)

LLC-1

Articles of Organization of a Limited Liability Company (LLC)

To form a limited liability company in California, you can fill out this form, and submit for filing along with:

- A \$70 filing fee.
- A separate, non-refundable \$15 service fee also must be included, if you drop off the completed form.

Important! LLCs in California may have to pay a minimum \$800 yearly tax to the California Franchise Tax Board. For more information, go to https://www.ftb.ca.gov.

LLCs may not provide "professional services," as defined by California Corporations Code sections 13401(a) and 13401.3.

Note: Before submitting the completed form, you should consult with a private attorney for advice about your specific business needs.

FILED DU [Signature]
Secretary of State
State of California
APR 11 2014

IPC
This Space For Office Use Only

For questions about this form, go to www.sos.ca.gov/business/be/filing-tips.htm.

LLC Name (List the proposed LLC name exactly as it is to appear on the records of the California Secretary of State.)

1 American Lending and Holdings, LLC

Proposed LLC Name

The name must include: LLC, L.L.C., Limited Liability Company, Limited Liability Co., Ltd. Liability Co. or Ltd. Liability Company; and may not include: bank, trust, trustee, incorporated, inc., corporation, or corp., insurer, or insurance company. For general entity name requirements and restrictions, go to www.sos.ca.gov/business/be/name-availability.htm.

Purpose

- 2 The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

LLC Addresses

3 a. 7977 Broadway Lemon Grove CA 91945
Initial Street Address of Designated Office in CA - Do not list a P.O. Box City (no abbreviations) State Zip

b. Initial Mailing Address of LLC, if different from 3a City (no abbreviations) State Zip

Service of Process (List a California resident or a California registered corporate agent that agrees to be your initial agent to accept service of process in case your LLC is sued. You may list any adult who lives in California. You may not list an LLC as the agent. Do not list an address if the agent is a California registered corporate agent as the address for service of process is already on file.)

4 a. Ninus Malan

Agent's Name

b. 7977 Broadway Lemon Grove CA 91945
Agent's Street Address (if agent is not a corporation) - Do not list a P.O. Box City (no abbreviations) State Zip

Management (Check only one.)

- 5 The LLC will be managed by:
[] One Manager [X] More Than One Manager [] All Limited Liability Company Member(s)

This form must be signed by each organizer. If you need more space, attach extra pages that are 1-sided and on standard letter-sized paper (8 1/2" x 11"). All attachments are made part of these articles of organization.

[Signature]
Organizer - Sign here

Ninus Malan
Print your name here

Make check/money order payable to: Secretary of State
Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a \$5 certification fee.

By Mail
Secretary of State
Business Entities, P.O. Box 944228
Sacramento, CA 94244-2280

Drop-Off
Secretary of State
1500 11th Street, 3rd Floor
Sacramento, CA 95814



State of California Secretary of State

L

126

STATEMENT OF INFORMATION (Limited Liability Company)

Filing Fee \$20.00. If this is an amendment, see Instructions.

IMPORTANT - READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FILED Secretary of State State of California

DEC 03 2015

1. LIMITED LIABILITY COMPANY NAME

American Lending and Holdings, LLC

This Space For Filing Use Only

File Number and State or Place of Organization

2. SECRETARY OF STATE FILE NUMBER 201410510348

3. STATE OR PLACE OF ORGANIZATION (If formed outside of California)

No Change Statement

4. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no Statement of Information has been previously filed, this form must be completed in its entirety.

If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 15.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 5 and 7 cannot be P.O. Boxes.)

5. STREET ADDRESS OF PRINCIPAL OFFICE CITY STATE ZIP CODE 5065 Logan Ave, Suite 101 San Diego CA 92113

6. MAILING ADDRESS OF LLC, IF DIFFERENT THAN ITEM 5 CITY STATE ZIP CODE

7. STREET ADDRESS OF CALIFORNIA OFFICE CITY STATE ZIP CODE 5065 Logan Ave, Suite 101 San Diego CA 92113

Name and Complete Address of the Chief Executive Officer, If Any

8. NAME ADDRESS CITY STATE ZIP CODE Ninus Malan 5065 Logan Ave, Suite 101 San Diego CA 92113

Name and Complete Address of Any Manager or Managers, or If None Have Been Appointed or Elected, Provide the Name and Address of Each Member (Attach additional pages, if necessary.)

9. NAME ADDRESS CITY STATE ZIP CODE Ninus Malan 5065 Logan Ave, Suite 101 San Diego CA 92113

10. NAME ADDRESS CITY STATE ZIP CODE

11. NAME ADDRESS CITY STATE ZIP CODE

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address, a P.O. Box is not acceptable. If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 13 must be left blank.

12. NAME OF AGENT FOR SERVICE OF PROCESS Ninus Malan

13. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL CITY STATE ZIP CODE 5065 Logan Ave, Suite 101 San Diego CA 92113

Type of Business

14. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY Real Estate Lending and Investment Company

15. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

11/19/2015 DATE

Ninus Malan TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM

Manager TITLE

SIGNATURE

EXHIBIT E

FILED CIVIL BUSINESS OFFICE 4
Clerk of the Superior Court CENTRAL DIVISION
JUL 01 2016 2016 JUL -1 AM 9:44
CLERK-SUPERIOR COURT
SAN DIEGO COUNTY, CA

1 DOUGLAS JAFFE, ESQ. Bar No. 170354
2 LAW OFFICES OF DOUGLAS JAFFE
3 501 West Broadway, Suite 800
4 San Diego, California 92101
5 Telephone: (619) 400-4945
6 Facsimile: (619) 400-4947

Attorneys for Plaintiff

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 FOR THE COUNTY OF SAN DIEGO - CENTRAL

11 AMERICAN LENDING AND HOLDINGS,
12 LLC,

13 Plaintiff,

14 vs.

15 DENNISE GURFINKIEL individually and
16 d/b/a Starting Point Realty, and d/b/a SLS
17 Management Services; EDGARDO
18 MASANES, individually and d/b/a Starting
19 Point Realty; JOEY SORIANO individually
and d/b/a Starting Point Realty; and DOES 1
through 10, inclusive,

20 Defendants.

Case No.: 37-2016-00022168-CU-BC-CTL

COMPLAINT

- 1) BREACH OF CONTRACT
- 2) BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING
- 3) FRAUD
- 4) NEGLIGENT MISREPRESENTATION
- 5) BREACH OF FIDUCIARY DUTY
- 6) NEGLIGENCE

UNLIMITED CIVIL JURISDICTION

22
23 COMES NOW American Lending and Holdings, LLC ("Plaintiff" or "ALH") and alleges
24 as follows:
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GENERAL ALLEGATIONS

1. Plaintiff is informed and believes, and thereupon alleges, that Defendant Dennise Gurfinkiel, individually and d/b/a Starting Point Realty, and d/b/a SLS Management Services, ("Gurfinkiel") is an individual doing business within the County of San Diego, State of California.

2. Plaintiff is informed and believes, and thereupon alleges, that Defendant Edgardo Masanes, individually and d/b/a Starting Point Realty ("Masanes") is an individual doing business within the County of San Diego, State of California.

3. Plaintiff is informed and believes, and thereupon alleges, that Defendant Joey Soriano, individually and d/b/a Starting Point Realty ("Soriano") is an individual doing business within the County of San Diego, State of California.

4. The true names and capacities, whether individual, corporate, associate or otherwise, of Defendants Does 1 through 10 are unknown to Plaintiff who therefore sues said Defendants by such fictitious names. Plaintiff will amend this complaint to show their true names and capacities when they have been ascertained. Plaintiff alleges that each of the fictitiously named Defendants engaged in the actions and omissions hereinafter alleged and that each is fully liable for all the damages requested herein.

5. This Court has personal and subject matter jurisdiction over this action and venue is properly placed in this Court.

SUMMARY OF THE ACTION

6. Gurfinkiel represented that she, along with Joey Soriano, Edgardo Masanes, and Starting Point Realty, would: 1) Acquire real estate properties below market value; 2) Remodel and complete work on the real estate properties; 3) List and sell the properties; and 4) Produce a profit from the sale of the properties.

7. The properties at issue are: 1843 J Avenue, National City, CA 91950; 1415 Eckman Avenue, Chula Vista, CA 91911; 1077 Laguna Seca Loop, Chula Vista CA 91915; 14515 Arroyo Hondo, San Diego, CA 92127; 2912 Pine Grove Ct, Spring Valley CA 91978;

1 1137 Naranca Avenue, El Cajon CA 92021; 3029 Broadway, San Diego CA 92102; 13034 Old
2 Borona Rd, Lakeside CA 92040 and 2437 Camino de las Palmas, Lemon Grove CA 91945.

3 8. Defendants have failed to timely and properly perform their work and services.

4 9. Furthermore, ALH has discovered that Gurfinkiel and Soriano have not been
5 properly licensed, and Starting Point Realty has not been listed with the California Department
6 of Real Estate as affiliated with any person or entity which is properly licensed. The records of
7 the San Diego Clerk and Recorder indicate that Arlene Masanes filed a fictitious business
8 statement in 2012 regarding Starting Point Realty, although Arlene Masanes was not, and is not,
9 licensed according to the records of the California Department of Real Estate.

10 10. Defendants have engaged in a conspiracy to defraud money from ALH. Their
11 conduct was illegal. Defendants had and have an agreement to commit a wrongful act to harm
12 ALH. Defendants were and are aware that they planned to commit the wrongful acts to harm
13 ALH, and Defendants agreed and intended that the wrongful acts be committed to harm ALH.

14
15
16 **FIRST CAUSE OF ACTION**
17 **(Breach Of Contract)**

18 11. Plaintiff incorporates by this reference each of the previous paragraphs.

19 12. Defendants have materially breached their agreements with ALH.

20 13. ALH did all, or substantially all, of the significant things that the agreements
21 required them to do, or ALH was excused from doing those things.

22 14. All conditions required by the agreements for Defendants' performance have
23 occurred.

24 15. As a direct and proximate result of the foregoing, ALH has sustained damages in
25 an amount to be determined at trial, plus interest, costs and attorneys' fees.

1 SECOND CAUSE OF ACTION
2 (Breach Of Implied Covenant Of Good Faith And Fair Dealing)

3 16. Plaintiff incorporates by this reference each of the previous paragraphs.

4 17. In the agreements between the parties there were implied promises of good faith
5 and fair dealing.

6 18. The parties entered into the agreements.

7 19. ALH did all, or substantially all of the significant things that the agreements
8 required it to do or it was excused from having to do those things.

9 20. All conditions required for Defendants' performance occurred.

10 21. Defendants have unfairly interfered with ALH's right to receive the benefits of
11 the agreements.

12 22. ALH has been harmed by Defendants' conduct, and continues to be harmed by
13 Defendants' conduct

14 23. As a direct and proximate result of the foregoing, ALH has sustained damages in
15 an amount to be determined at trial, plus interest, costs and attorneys' fees.

16
17 THIRD CAUSE OF ACTION
18 (Fraud)

19 24. Plaintiff incorporates by this reference each of the previous paragraphs.

20 25. Defendants made material misrepresentations and concealed information in order
21 to induce ALH to enter into the agreements.

22 26. Defendants made representations of material fact which were in fact false.

23 27. When Defendants made the representations, Defendants knew they were false or
24 had no reasonable ground for believing the representations were true.

25 28. Defendants made the representations with the intent to defraud and induce ALH
26 to enter into the agreements. ALH acted in justifiable reliance upon the truth of the
27 representations.
28

1 29. Defendants concealed or suppressed material facts Defendants were duty bound to
2 disclose.

3 30. Defendants concealed or suppressed material facts by telling ALH other facts to
4 mislead ALH and prevent ALH from discovering the concealed or suppressed facts.

5 31. Defendants concealed or suppressed facts with the intent to defraud and induce
6 ALH to enter into the Agreement. At the time ALH entered into the agreements, ALH was
7 unaware of the concealed or suppressed facts and would not have taken the actions if it had
8 known the facts.

9 32. As a direct and proximate result of the foregoing, ALH has sustained damages in
10 an amount to be determined at trial, together with interest and costs.

11 33. In committing the aforementioned acts and omissions, Defendants are guilty of
12 fraud, oppression or malice, for which Defendants should be punished with the imposition of
13 punitive damages.

14
15 FIFTH CAUSE OF ACTION
16 (Negligent Misrepresentation)

17 34. Plaintiffs incorporate by this reference the foregoing paragraphs.

18 35. The misrepresentations made by Defendants as set forth in the facts herein were
19 made by Defendants without reasonable grounds for Defendants to believe the
20 misrepresentations were true.

21 36. ALH acted in justifiable reliance on the representations of Defendants.

22 37. As a direct and proximate result of the foregoing, ALH has sustained damages in
23 an amount to be determined at trial, together with interest and costs.

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SIXTH CAUSE OF ACTION
(Breach Of Fiduciary Duty)

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38. Plaintiff incorporates by this reference the foregoing paragraphs.

39. Defendants had fiduciary duties to ALH.

40. Defendants were duty bound to act with the utmost good faith for the benefit of ALH.

41. By reason of the foregoing, Defendants failed to act with the utmost good faith for the benefit of ALH.

42. As a direct and proximate result of the foregoing, ALH has sustained damages in an amount to be determined at trial, together with interest and costs.

43. In committing the aforementioned acts and omissions, Defendants are guilty of fraud, oppression or malice, for which Defendants should be punished with the imposition of punitive damages.

SEVENTH CAUSE OF ACTION
(Negligence)

44. Plaintiffs incorporate by this reference each of the previous paragraphs.

45. Defendants owed duties to ALH to act reasonably.

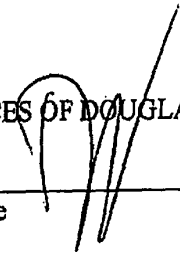
46. Defendants breached their duties to ALH.

47. As a direct and proximate result of the foregoing, ALH has sustained damages in an amount to be determined at trial, together with interest and costs.

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WHEREFORE, Plaintiff prays as follows:

- a) For damages in an amount to be determined at trial;
- b) For interest according to proof;
- c) For costs, disbursements and reasonable attorneys' fees as provided in any agreement between the parties, any statute or otherwise;
- d) For punitive damages;
- e) For injunctive relief; and
- f) For such other and further relief as the Court deems just and proper.

LAW OFFICES OF DOUGLAS JAFFE


Douglas Jaffe

EXHIBIT F

3147

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Douglas Jaffe, Esq. #170354 501 West Broadway, Suite 800 San Diego, CA 92101 TELEPHONE NO.: 619-400-4945 FAX NO. (Optional): 619-400-4947 ATTORNEY FOR (Name): Plaintiff		FOR COURT USE ONLY ELECTRONICALLY FILED Superior Court of California, County of San Diego 07/14/2016 at 03:31:00 PM Clerk of the Superior Court By Jacqueline J. Walters, Deputy Clerk
SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN DIEGO <input checked="" type="checkbox"/> CENTRAL DIVISION, HALL OF JUSTICE, 330 W. BROADWAY, SAN DIEGO, CA 92101 <input type="checkbox"/> EAST COUNTY DIVISION, 250 E. MAIN ST., EL CAJON, CA 92020 <input type="checkbox"/> NORTH COUNTY DIVISION, 325 S. MELROSE DR., SUITE 1000, VISTA, CA 92081 <input type="checkbox"/> SOUTH COUNTY DIVISION, 500 3RD AVE., CHULA VISTA, CA 91910		
PLAINTIFF(S) American Lending and Holdings, LLC	JUDGE Joel R. Wohlfell	
DEFENDANT(S) Dennise Gurfinkiel, et. al.	DEPT 73	
AMENDMENT TO COMPLAINT		CASE NUMBER 37-2016-00022168-CU-BC-CTL

Under Code Civ. Proc. § 474:
 FICTITIOUS NAME (Court order required once case is at issue)

Plaintiff(s), being ignorant of the true name of a defendant when the complaint in the above-named case was filed, and having designated defendant in the complaint by the fictitious name of
 Doe 1

and having discovered the true name of defendant to be

D'Kiel Group, LLC

amends the complaint by inserting such true name in place of such fictitious name wherever it appears in the complaint.

Date: 7/14/16

Signature

Under Code Civ. Proc. § 473:
 NAME - Add or Correct (Court order required)

Plaintiff(s), having designated defendant plaintiff in the complaint by the name of

and having discovered name to be incorrect and the correct name is defendant also uses the name of

amends the complaint by substituting adding such name(s) wherever the name of

appears in the complaint.

Date: _____

Signature

ORDER

The above amendment to the complaint is allowed.

Date: _____

Judge/Commissioner of the Superior Court

EXHIBIT G

Q Business Search - Entity Detail

The California Business Search is updated daily and reflects work processed through Tuesday, June 12, 2018. Please refer to document Processing Times for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity. Not all images are available online.

201633710126 SAN DIEGO PRIVATE INVESTMENTS, LLC

Registration Date:

Jurisdiction:

Entity Type:

Status:

Agent for Service of Process:

11/22/2016
CALIFORNIA
DOMESTIC
ACTIVE
SALAM RAZUKI
7977 BROADWAY
LEMON GROVE CA 91945
7977 BROADWAY
LEMON GROVE CA 91945
7977 BROADWAY
LEMON GROVE CA 91945
One Manager

Entity Address:

Entity Mailing Address:

LLC Management

A Statement of Information is due EVERY EVEN-NUMBERED year beginning five months before and through the end of November.

Document Type	File Date	PDF
SI-COMPLETE	12/12/2016	
REGISTRATION	11/22/2016	

* Indicates the information is not contained in the California Secretary of State's database.

Note: If the agent for service of process is a corporation, the address of the agent may be requested by ordering a status report.

- For information on checking or reserving a name, refer to **Name Availability**.
- If the image is not available online, for information on ordering a copy refer to **Information Requests**.
- For information on ordering certificates, status reports, certified copies of documents and copies of documents not currently available in the Business Search or to request a more extensive search for records, refer to **Information Requests**.

- **Help** with searching an entity name, refer to **Search Tips**.
- For descriptions of the various fields and status types, refer to **Frequently Asked Questions**.

Modify Search

New Search

Back to Search Results



**Secretary of State
Articles of Organization
Limited Liability Company (LLC)**

LLC-1

201633710126

IMPORTANT — Read Instructions before completing this form.

Filing Fee - \$70.00

Copy Fees - First plain copy free; Additional copies: First page \$1.00 & .50 for each attachment page; Certification Fee - \$5.00

Important! LLCs may have to pay an annual minimum \$800 tax to the California Franchise Tax Board. For more information, go to <https://www.ftb.ca.gov>.

IPC

This Space For Office Use Only

FILED
Secretary of State
State of California

NOV 22 2016

[Handwritten initials]

1. Limited Liability Company Name (See Instructions – Must contain an LLC ending such as LLC or L.L.C. "LLC" will be added, if not included.)

San Diego Private Investments, LLC

2. Business Addresses

a. Initial Street Address of Designated Office in California - Do not list a P.O. Box	City (no abbreviations)	State	Zip Code
7977 Broadway	Lemon Grove	CA	91945
b. Initial Mailing Address of LLC, if different than item 2a	City (no abbreviations)	State	Zip Code

3. Agent for Service of Process

Item 3a and 3b: If naming an individual, the agent must reside in California and Item 3a and 3b must be completed with the agent's name and complete California street address.

Item 3c: If naming a California Registered Corporate Agent, a current agent registration certificate must be on file with the California Secretary of State and Item 3c must be completed (leave Item 3a-3b blank).

a. California Agent's First Name (if agent is not a corporation)	Middle Name	Last Name	Suffix
Salam		Razuki	
b. Street Address (if agent is not a corporation) - Do not list a P.O. Box	City (no abbreviations)	State	Zip Code
7977 Broadway	Lemon Grove	CA	92123
c. California Registered Corporate Agent's Name (if agent is a corporation) – Do not complete Item 3a or 3b			

4. Management (Select only one box)

The LLC will be managed by:

One Manager More than One Manager All LLC Member(s)

5. Purpose Statement (Do not alter Purpose Statement)

The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

6. The information contained herein, including in any attachments, is true and correct.

[Signature]
Organizer sign here

Thomas C. Nelson
Print your name here



State of California Secretary of State

L

STATEMENT OF INFORMATION (Limited Liability Company)

47

Filing Fee \$20.00. If this is an amendment, see Instructions.

FILED Secretary of State State of California DEC 12 2016

IMPORTANT — READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

1. LIMITED LIABILITY COMPANY NAME

San Diego Private Investments, LLC

21/20/16 This Space For Filing Use Only

File Number and State or Place of Organization

2. SECRETARY OF STATE FILE NUMBER 201633710126

3. STATE OR PLACE OF ORGANIZATION (If formed outside of California)

No Change Statement

4. If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no Statement of Information has been previously filed, this form must be completed in its entirety.

☐ If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 15.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 5 and 7 cannot be P.O. Boxes.)

Table with 4 columns: Item Number, Address, City, State, ZIP Code. Rows include Principal Office, Mailing Address, and California Office, all at 7977 Broadway, Lemon Grove, CA 91945.

Name and Complete Address of the Chief Executive Officer, if Any

Table with 5 columns: Item Number, Name, Address, City, State, ZIP Code. Row for Salam Razuki at 7977 Broadway, Lemon Grove, CA 91945.

Name and Complete Address of Any Manager or Managers, or if None Have Been Appointed or Elected, Provide the Name and Address of Each Member (Attach additional pages, if necessary.)

Table with 5 columns: Item Number, Name, Address, City, State, ZIP Code. Row for Salam Razuki at 7977 Broadway, Lemon Grove, CA 91945.

Agent for Service of Process If the agent is an individual, the agent must reside in California and Item 13 must be completed with a California address, a P.O. Box is not acceptable... If the agent is a corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 13 must be left blank.

Table with 5 columns: Item Number, Name, Address, City, State, ZIP Code. Row for Salam Razuki at 7977 Broadway, Lemon Grove, CA 91945.

Type of Business

14. DESCRIBE THE TYPE OF BUSINESS OF THE LIMITED LIABILITY COMPANY Real Estate Lending and Investment Company

15. THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

12/9/2016 Salam Razuki Manager DATE TYPE OR PRINT NAME OF PERSON COMPLETING THE FORM TITLE SIGNATURE

EXHIBIT H

3154

2016 DEC 12 AM 8:37

CLERK-SUPERIOR COURT
SAN DIEGO COUNTY, CA

1 DOUGLAS JAFFE, ESQ. Bar No. 170354
2 LAW OFFICES OF DOUGLAS JAFFE
3 501 West Broadway, Suite 800
4 San Diego, California 92101
5 Telephone: (619) 400-4945
6 Facsimile: (619) 400-4947

Attorneys for Plaintiff

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN DIEGO - CENTRAL

10 SAN DIEGO PRIVATE INVESTEMENTS,
11 LLC,

12 Plaintiff,

13 vs.

14 D'KIEL GROUP, LLC; ALISON
15 MCCLOSKEY ESCROW COMPANY; DEL
16 TORO LOAN SERVICING, INC.;
17 SEQUOIAN INVESTMENTS, INC.;
DENNISE GURFINKIEL; and DOES 1-10,

18 Defendants.

Case No.: 37-2016-00043277-CU-OR-CTL

COMPLAINT

- 1) QUIET TITLE
- 2) WRONGFUL FORECLOSURE
- 3) FRAUDULENT CONVEYANCE
- 4) DECLARATORY RELIEF
- 5) BREACH OF FIDUCIARY DUTY

24 COMES NOW San Diego Private Investments, LLC ("SDPI" or "Plaintiff") and alleges
25 as follows:
26
27
28

GENERAL ALLEGATIONS

1
2 1. On information and belief, defendant D’Kiel Group, LLC is a limited liability
3 company doing business in the county of San Diego, California (“D’Kiel”).

4 2. On information and belief, defendant Alison McCloskey Escrow Company is a
5 corporation doing business in the county of San Diego, California (“McCloskey”).

6 3. On information and belief, defendant Del Toro Loan Servicing, Inc. is a
7 corporation doing business in the county of San Diego, California (“Del Toro”).

8 4. On information and belief, defendant Sequoian Investments, Inc. is a corporation
9 doing business in the county of San Diego, California (“Sequoian”).

10 5. On information and belief, defendant Dennise Gurfinkiel is an individual residing
11 in the county of San Diego, California (“Gurfinkiel”).

12 6. The true names and capacities, whether individual, corporate, associate or
13 otherwise, of defendants Does 1 through 10 are unknown to Plaintiff who therefore sues said
14 defendants by such fictitious names. Plaintiff will amend this complaint to show their true
15 names and capacities when they have been ascertained. Plaintiff alleges that each of the
16 fictitiously named defendants engaged in the actions and omissions hereinafter alleged and that
17 each is fully liable for all the damages requested herein.

18 7. This Court has personal and subject matter jurisdiction over this action and venue
19 is properly placed in this Court.

20
21 FIRST CAUSE OF ACTION
22 (Quiet Title)
23 (As Against All Defendants)

24 8. Plaintiff incorporates by this reference the foregoing paragraphs.

25 9. Plaintiff is the owner of the following properties:

- 26 (a) 2602-2604 Newton Avenue, San Diego, CA 92113 (the “Newton Property”);
27 (b) 1778 Bramblewood Court, Chula Vista, CA 91913 (the “Bramblewood
28 Property”); and

1 (c) 6780 Friars Road, #133, San Diego, CA 92108 (the "Friars Road
2 Property")(collectively the "Properties").

3 10. Grant deeds for the transfer of ownership of the Properties from D'Kiel to
4 Plaintiff have been deposited in escrow with McCloskey.

5 11. D'Kiel and McCloskey are wrongfully refusing to recognize and comply with
6 the escrow instructions and record the deeds of trust for the Properties.

7 12. Plaintiff is the owner of Properties and is entitled to possession of the Properties.

8 13. Defendants claim an interest in the Properties adverse to Plaintiff.

9 14. Plaintiff seeks a declaration that the title to the Properties is vested in Plaintiff.

10 15. Gurfinkiel fraudulently submitted documents to Defendants wrongfully indicating
11 that she had power and authority to act on behalf of D'Kiel, and fraudulently submitted
12 documents to Defendants indicating they were signed by Salam Razuki when they were not.

13 16. As a direct and proximate result of the foregoing, Plaintiff is entitled to an order
14 compelling Defendants to transfer legal title and possession of the Properties to Plaintiff; For a
15 declaration and determination that Plaintiff is the rightful holder of title to the Properties; For a
16 temporary restraining order and/or injunction; and For a judgment that Plaintiff is the rightful
17 holder of title to the Properties; together with damages in an amount to be determined at trial,
18 interest, costs and attorneys' fees.

19
20 SECOND CAUSE OF ACTION
21 (Wrongful Foreclosure)
22 (As Against D'Kiel, Del Toro, and Sequoian")

23 17. Plaintiff incorporates by this reference each of the previous paragraphs.

24 18. There is an ongoing illegal, fraudulent or willfully oppressive attempt to sell the
25 Properties when Defendants have no ability to sell the Properties.

26 19. Defendants have failed to comply with all legal requirements to conduct a
27 foreclosure sale of the Properties.

28

1 20. Defendants are liable for Plaintiff's damages as a direct and proximate result of
2 their illegal, fraudulent or willfully oppressive attempt to sell the Properties. *See, Munger v.*
3 *Moore* (1970) 11 Cal.App.3d.

4 21. By reason of the foregoing, Plaintiff sustained damages in an amount to be
5 determined at trial, plus interest, costs and attorneys' fees.

6 22. By reason of the foregoing, Plaintiff is entitled to damages, penalties, attorneys'
7 fees and punitive damages.

8 23. As a direct and proximate result of the foregoing, Plaintiff is entitled to a
9 temporary restraining order and/or injunction, and has sustained damages in an amount to be
10 determined at trial, plus interest, attorneys' fees and costs.

11
12 THIRD CAUSE OF ACTION
13 (Fraudulent Conveyance)
14 (As Against D'Kiel, Del Toro, and Sequoian")

15 24. Plaintiff incorporates by this reference each of the previous paragraphs.

16 25. Gurfinkiel fraudulently transferred her interest in the Properties to D'Kiel.

17 26. Gurfinkiel fraudulently submitted documents to Defendants wrongfully indicating
18 that she had power and authority to act on behalf of D'Kiel, and fraudulently submitted
19 documents to Defendants indicating they were signed by Salam Razuki when they were not.

20 27. Plaintiff is a creditor pursuant to Civil Code section 3439.01(c).

21 28. Gurfinkiel is a debtor pursuant to Civil Code section 3439.01(e).

22 29. When the above-referenced fraudulent transfers were made, Gurfinkiel had the
23 actual intent to hinder, delay or defraud Plaintiff.

24 30. The above-described transfers occurred without Gurfinkiel receiving a reasonably
25 equivalent value in exchange for the transfers.

26 31. Each of the Defendants participated in the above-referenced fraudulent transfers
27 with knowledge or intent to assist Gurfinkiel in hindering, delaying, or defrauding Plaintiff.

28

1 32. As a direct and proximate result of the above-described fraudulent conveyances,
2 Plaintiff was damaged in an amount according to proof at trial, plus interest and costs.

3 33. Based on the foregoing, Plaintiff seeks an order from this Court voiding and
4 setting aside the fraudulent transfer.

5 34. Pursuant to the Uniform Fraudulent Transfer Act, California Civil Code 3439 et.
6 seq., a creditor aggrieved by a fraudulent transfer made by a debtor is entitled, inter alia, to an
7 order from the trial court avoiding the fraudulent transfer, as well as injunctions against further
8 disposition by the debtor or a transferee of the asset transferred.

9 35. Wherefore, Plaintiff requests judgment its favor as set forth in its Prayer for
10 Relief.

11
12 FOURTH CAUSE OF ACTION
13 (Declaratory Relief)
14 (As Against All Defendants)

15 36. Plaintiff incorporates by this reference each of the previous paragraphs.

16 37. There is an actual controversy between the parties.

17 38. Plaintiff is entitled to a determination that Defendants have no legal right to
18 conduct a foreclosure sale regarding the Properties.

19 39. As a direct and proximate result of the foregoing, Plaintiff is entitled to a
20 temporary restraining order and/or injunction, and have sustained damages in an amount to be
21 determined at trial, plus interest, costs and attorney' fees.

22
23 FIFTH CAUSE OF ACTION
24 (Breach Of Fiduciary Duty)
25 (As Against McCloskey)

26 40. Plaintiff incorporates by this reference each of the previous paragraphs.

27 41. McCloskey agreed to act as the escrow officer for Plaintiff in the escrow for the
28 Properties known as Escrow No. 145644S-CG.

1 42. The escrow instruction signed by SDPI and D'Kiel authorizes and directs
2 McCloskey to record the deeds McCloskey is holding. That escrow instruction is dated
3 November 18, 2016. McCloskey had no explanation for why the deeds were not immediately
4 recorded pursuant to the escrow instruction, and McCloskey breached it fiduciary duties in this
5 matter by failing to immediately record the deeds.

6 43. D'Kiel has not alleged that SDPI has breached any agreement or term of the
7 existing agreed upon escrow. McCloskey is wrongfully favoring D'Kiel by refusing to record
8 the deeds. Demand has made for the deeds to be immediately recorded as set forth in the escrow
9 instruction. McCloskey has failed and refused to record the deeds regarding the Properties.

10 44. As a direct and proximate result of the foregoing, Plaintiff is entitled to a
11 temporary restraining order and/or injunction, and has sustained damages in an amount to be
12 determined at trial, plus interest, attorneys' fees and costs.

13
14 WHEREFORE, Plaintiff prays as follows:

- 15 a) For a temporary restraining order and/or injunction;
16 b) For damages according to proof;
17 c) For a civil penalty;
18 d) For punitive damages;
19 e) For interest according to proof;
20 f) For costs and reasonable attorneys' fees as provided in any agreement between the
21 parties, any statute or otherwise; and
22 g) For such other and further relief as the Court deems just and proper.

23
24 Dated: December 12, 2016

25 LAW OFFICES OF DOUGLAS JAFFE

26
27 _____
28 Douglas Jaffe

EXHIBIT I

3162

PLEASE COMPLETE THIS INFORMATION.

RECORDING REQUESTED BY:

N.M Investment corp

AND WHEN RECORDED MAIL TO:

N.M Investment corp
5065 Logan Ave #1
San Diego CA 92113

DOC# 2016-0719759



Dec 30, 2016 03:59 PM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$42.00

PCOR: N/A

PAGES: 4

THIS SPACE FOR RECORDER'S USE ONLY

Deed of Trust with assignment of rents

(Please fill in document title(s) on this line)

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(Additional recording fee applies)

WHEN RECORDED MAIL TO:

NM Investment Corp
5065 Logan Ave # 101
San Diego CA 92113

APN: 538-751-15-00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST WITH ASSIGNMENT OF RENTS
(SHORT FORM)

This DEED OF TRUST, made December 30, 2016, between San Diego Private Investments LLC, herein called TRUSTOR,
First American Title Insurance Company, a corporation, herein called TRUSTEE, and

NM Investment Corp, Client Trust Account, as the disclosed agent of an undisclosed principal herein called
BENEFICIARY, 5065 Logan Ave Unit 101, San Diego CA 92113

Trustor grants to Trustee in trust, with power of sale, that property in the City of San Diego; County of San Diego, State of
California, commonly known as 6780 Friars Rd Unit 133, San Diego CA 92108 and more particularly described as:

See attached Exhibit one

together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given
to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1)
payment of the sum of Sixty Eight Thousand Eight Hundred Thirty Five Dollars and Ninety Three Cents (\$68,835.93) with
interest thereon according to the terms of a promissory note of even date herewith made by Trustor, payable to order of
Beneficiary, and extensions or renewals thereof, (2) the performance of each agreement of Trustor incorporated by
reference or contained herein and (3) payment of additional sums and interest thereon which may hereafter be loaned to
Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this
Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes
each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and
provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in
subdivision B of the fictitious deed of trust recorded in San Diego County on August 18, 1964, in the book and at the page
of Official Records in the office of the county recorder of the county where said property is located, noted below opposite
the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumas	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	Los Angeles	T-3878	874	Sacramento	5039	124	Sonoma	2067	427
Calaveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Mono	69	302	Santa Barbara	2065	881	Ventura	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693
Inyo	165	672	Nevada	363	94	Shasta	800	633			
Kern	3756	690	Orange	7182	18	San Diego					

SERIES 5 Book 1964, Page 149774

(CONTINUED ON NEXT PAGE)

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B, (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

By: [Signature]
Salam Razuki - President
San Diego Private Investments LLC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which the certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On December 30, 2016, before me, Yancy Diandra Fuentes, a Notary Public in and for said State, personally appeared Salam Razuki, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity on behalf of which the person(s) acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing is true and correct.

WITNESS my hand and official seal

Signature: Yancy Diandra Fuentes
Expiration Date: July 31, 2020



(This area for official notarial seal)

(CONTINUED ON NEXT PAGE)

EXHIBIT ONE

A CONDOMINIUM COMPRISED OF:

PARCEL 1:

AN UNDIVIDED 1/193 INTEREST IN AND TO LOT 1 OF FRIARS ESTATES, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 6786, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, NOVEMBER 19, 1970.

EXCEPTING THEREFROM LIVING UNITS 101 TO 117, INCLUSIVE, 119 TO 124, INCLUSIVE, 126 TO 135, INCLUSIVE, 143 TO 149, INCLUSIVE, 151 TO 157, INCLUSIVE, 201 TO 273, INCLUSIVE, AND 301 TO 373, INCLUSIVE, AS SHOWN ON THAT CERTAIN CONDOMINIUM PLAN ENTITLED "THE FRANCISCAN" RECORDED AUGUST 3, 1978 AS FILE NO. 78-329080 OF OFFICIAL RECORDS, AND DEFINED IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS RECORDED AUGUST 3, 1978 AS FILE NO. 78-329081 OF OFFICIAL RECORDS AND ANY AMENDMENTS THERETO.

ALSO EXCEPTING THEREFROM THE EXCLUSIVE RIGHT TO USE ALL BALCONIES, TERRACES AND PARKING SPACES AS SHOWN ON SAID CONDOMINIUM PLAN.

PARCEL 2:

UNIT 133 AS SHOWN ON THAT CERTAIN CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE.

PARCEL 3:

THE EXCLUSIVE RIGHT TO USE THE CORRESPONDINGLY NUMBERED BALCONIES OR TERRACES APPURTENANT TO PARCEL 2 AS SET FORTH ON THAT CERTAIN CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE.

PARCEL 4:

THE EXCLUSIVE RIGHT TO USE PARKING SPACE P-159 AS SET FORTH ON THAT CERTAIN CONDOMINIUM PLAN REFERRED TO IN PARCEL 1 ABOVE.

EXHIBIT J

3167

PLEASE COMPLETE THIS INFORMATION.

RECORDING REQUESTED BY:

NM Investment Corp

AND WHEN RECORDED MAIL TO:

N M Investment corp

5065 Logan Ave #101

San Diego CA 92113

DOC# 2016-0719758



Dec 30, 2016 03:59 PM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$39.00

PCOR: N/A

PAGES: 3

THIS SPACE FOR RECORDER'S USE ONLY

Deed of trust with ASSIGNMENT & RENT

(Please fill in document title(s) on this line)

THIS PAGE ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION
(Additional recording fee applies)

WHEN RECORDED MAIL TO:

NM Investment Corp
5065 Logan Ave Suite 101
San Diego CA 92113

APN: 538-751-15-00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DEED OF TRUST WITH ASSIGNMENT OF RENTS
(SHORT FORM)

This DEED OF TRUST, made December 30th, 2016, between San Diego Private Investments LLC, herein called TRUSTOR,

First American Title Insurance Company, a corporation, herein called TRUSTEE, and

NM Investment Corp, 5065 Logan Ave Suite 101, San Diego CA 92113 herein called BENEFICIARY,

Trustor grants to Trustee in trust, with power of sale, that property in the City of San Diego, County of San Diego, State of California, commonly known as 2602;2604 Newton Ave, San Diego, CA 92113 and more particularly described as:

The following described real property in the County of San Diego, State of California:

The Southerly 96 feet of Lots 25 and 26 in Block 12 of Reed and Hubbells Addition, in the City of San Diego. County of San Diego, State of California, according to Map thereof no. 327, filed in the office of the County Recorder of San Diego County, June 30. 1886.

together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits for the purpose of securing (1) payment of the sum of Sixty Eight Thousand Eight Hundred Thirty Five Dollars and Ninety Three Cents (\$68,835.93) with interest thereon according to the terms of a promissory note of even date herewith made by Trustor, payable to order of Beneficiary, and extensions or renewals thereof, (2) the performance of each agreement of Trustor incorporated by reference or contained herein and (3) payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a promissory note or notes reciting that they are secured by this Deed of Trust.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A, and it is mutually agreed that each and all of the terms and provisions set forth in subdivision B of the fictitious deed of trust recorded in San Diego County on August 18, 1964, in the book and at the page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumas	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	Los Angeles	T-3878	874	Sacramento	5039	124	Sonoma	2067	427
Calaveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Monro	69	302	Santa Barbara	2065	881	Ventura	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693
Inyo	165	672	Nevada	363	94	Shasta	800	633			
Kern	3756	690	Orange	7182	18	San Diego					

SERIES 5 Book 1964, Page 149774

(CONTINUED ON NEXT PAGE)

1158 (1/94)
Page 1 of 4

3169

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B, (identical in all counties, and printed on pages 3 and 4 hereof) are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge therefor does not exceed the maximum allowed by law.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

By: [Signature]
Salam Razuki - President
San Diego Private Investments LLC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which the certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)

On December 30, 2016, before me, Yancy Diandra Fuentes, a Notary Public in and for said State, personally appeared Salam Razuki, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity on behalf of which the person(s) acted executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing is true and correct.

WITNESS my hand and official seal

Signature: [Signature]
Expiration Date: July 31, 2020



(This area for official notarial seal)

(CONTINUED ON NEXT PAGE)

EXHIBIT K

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DOUGLAS JAFFE, ESQ. Bar No. 170354
LAW OFFICES OF DOUGLAS JAFFE
501 West Broadway, Suite 800
San Diego, California 92101
Telephone: (619) 400-4945
Facsimile: (619) 400-4947

Attorneys for Plaintiff

FILED
Clerk of the Superior Court

JAN 12 2017

By: J. CERDA

JAN 12 2017

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO - CENTRAL

AMERICAN LENDING AND HOLDINGS, LLC,

Plaintiff,

vs.

DENNISE GURFINKIEL individually and d/b/a Starting Point Realty, and d/b/a SLS Management Services; EDGARDO MASANES, individually and d/b/a Starting Point Realty; JOEY SORIANO individually and d/b/a Starting Point Realty; D'KIEL GROUP, LLC; SANCHEZ IMPORTS AND EXPORTS, LLC; and DOES 4 through 10, inclusive,

Defendants.

Case No.: 37-2016-00022168-CU-BC-CTL

STIPULATION FOR ENTRY OF JUDGMENT AGAINST D'KIEL GROUP, LLC

Plaintiff American Lending & Holdings, LLC ("ALH") and Defendant D'Kiel Group, LLC ("D'Kiel") enter into the following Stipulation For Entry of Judgment (the "Stipulated Judgment") and agree that a judgment may be so entered:

1. Plaintiff American Lending & Holdings, LLC and Defendant D'Kiel Group, LLC are parties to this action. Ninus Malan is an authorized representative of ALH and Salam Razuki is an authorized representative of D'Kiel.

1 2. The parties wish to avoid the burden and expense of further litigation and
2 accordingly have determined to compromise and settle their differences in accordance with the
3 provisions of this Stipulated Judgment.

4 3. D’Kiel acknowledges and agrees that ALH had and continues to have a real
5 property interest in the real properties known as 2602 Newton Avenue, #4, San Diego, CA 92113
6 (the “Newton Avenue Property”); and 1778 Bramblewood Court, Chula Vista, CA 91913 (the
7 “Bramblewood Property”).

8 4. D’Kiel acknowledges and agrees that the Newton Avenue Property and the
9 Bramblewood Property were fraudulently transferred to D’Kiel from Defendant Denise
10 Gurfinkiel (“Gurfinkiel”), a member of D’Kiel. The parties acknowledge and agree that
11 Gurfinkiel’s actions and omissions in this action were taken without the knowledge of any other
12 member of D’Kiel.

13 5. D’Kiel acknowledges and agrees that the amount owed as damages in this action
14 by D’Kiel to ALH regarding the Newton Property is Two Hundred Eighty One Thousand Dollars
15 (\$281,000).

16 6. D’Kiel acknowledges and agrees that the amount owed as damages in this action
17 by D’Kiel to ALH regarding the Bramblewood Property is Three Hundred Ninety Four
18 Thousand Dollars (\$394,000).

19 7. The parties to this Stipulated Judgment hereby acknowledge and agree that
20 judgment shall be entered against Defendant D’Kiel Group, LLC and in favor of American
21 Lending and Holdings, LLC in the amount of Six Hundred Seventy Five Thousand Dollars
22 (\$675,000).

23 8. The full amount owed by Defendant D’Kiel Group, LLC in this action in the
24 amount of Six Hundred Seventy Five Thousand Dollars (\$675,000) is immediately due and
25 payable, and Plaintiff American Lending and Holdings, LLC shall be entitled to pursue any and
26 all remedies provided by law for the enforcement of this Stipulated Judgment. The amount of
27 this Stipulated Judgment shall bear interest at the prevailing legal rate from the date of entry of
28 this Stipulated Judgment until paid in full.

1 9. The parties to this Stipulated Judgment hereby acknowledge and agree that the
2 Court shall enter judgment pursuant to, without limitation, CCP section 664.6 which states, "If
3 parties to pending litigation stipulate, in a writing signed by the parties outside the presence of
4 the court or orally before the court, for settlement of the case, or part thereof, the court, upon
5 motion, may enter judgment pursuant to the terms of the settlement. If requested by the parties,
6 the court may retain jurisdiction over the parties to enforce the settlement until performance in
7 full of the terms of the settlement."

8 10. Plaintiff American Lending and Holdings, LLC shall be entitled to its reasonable
9 attorneys' fees and costs incurred in enforcing this Stipulated Judgment.

10 11. The clerk of the Court is ordered to immediately enter this Stipulated Judgment.

11
12 **IT IS SO STIPULATED.**

13
14 Dated: January 11, 2017

AMERICAN LENDING AND HOLDINGS, LLC

15
16 By: 

Ninus Malan

Managing Member

Title

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20 Dated: January 11, 2017

D'KIEL GROUP, LLC

21
22 By: 

Salim Nugroho

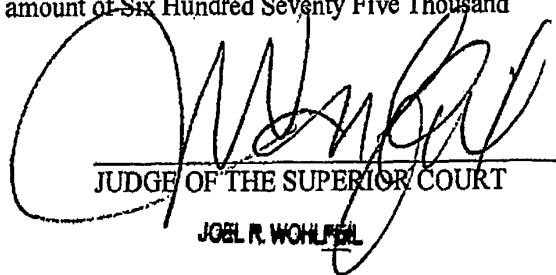
Managing Member

Title

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Pursuant to the stipulation of the parties hereto and their agreement to entry of this
Stipulated Judgment, and good cause appearing therefore, IT IS SO ORDERED, ADJUDGED
AND DECREED that Judgment is entered in favor of Plaintiff American Lending and Holdings,
LLC and against D'Kiel Group, LLC in the amount of Six Hundred Seventy Five Thousand
Dollars (\$675,000).

Dated: 1-12-17



JUDGE OF THE SUPERIOR COURT
JGEL R. WOHLFIEL

1 PROOF OF SERVICE

2 I am over the age of 18 years and not a party to or interested in the within entitled action.
3 My business address is 501 West Broadway, Suite 800, San Diego, California 92101.

4 On January 11, 2017, I served the foregoing

5 **STIPULATION OF ENTRY OF JUDGMENT**

6 by placing true copies in a sealed envelope, postage fully prepaid, with the United States Postal
7 Service, addressed as follows:

8 Danny McDonald, Esq.
9 4725 Mercury Street, Suite 210
San Diego, CA 92111

10 Edgardo Masanes
11 1328 N. Paradise Ridge Way
Chula Vista, CA 91915

12 Dennise Gurfinkiel
13 9175 Judicial Drive, #6419
14 San Diego, CA 92122

15 I am readily familiar with the firm's practice of collection and processing for mailing. It
16 is deposited with the U.S. Postal Service, postage prepaid on the same day in the ordinary course
17 of business.

18 I declare under penalty of perjury under the laws of the State of California that the
19 foregoing is true and correct. Executed on January 11, 2017 at San Diego, California.

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28
Douglas Jaffe

EXHIBIT L

3177

1 DAVID A. ORTIZ, ATTORNEY #167587
2 LESLIE A. SKORHEIM, ATTORNEY #293596
3 UNITED STATES DEPARTMENT OF JUSTICE
4 OFFICE OF THE UNITED STATES TRUSTEE
5 402 West Broadway, Suite 600
6 San Diego, CA 92101
7 (619) 557-5013

8 Attorneys for

9 TIFFANY L. CARROLL
10 ACTING UNITED STATES TRUSTEE

11 UNITED STATES BANKRUPTCY COURT
12 SOUTHERN DISTRICT OF CALIFORNIA

13 In re:

14 RODRIGO MARQUEZ,

15 Debtor.

16 Case No.: 16-07541-LT13

17 UNITED STATES TRUSTEE'S
18 MOTION FOR SANCTIONS
19 AGAINST GEORGE PANAGIOTOU
20 AND THE COSTA LAW GROUP
21 PURSUANT TO FEDERAL RULE OF
22 BANKRUPTCY PROCEDURE 9011;
23 REQUEST FOR REFERRAL TO THE
24 DISCIPLINARY COMMITTEE OF
25 THE UNITED STATES DISTRICT
26 COURT

27 Date: May 11, 2017
28 Time: 10:00 a.m.
29 Dept: Three (3)
30 Room: 129
31 Judge: Hon. Laura S. Taylor

32 INTRODUCTION

33 The Acting United States Trustee ("UST"), by and through counsel, files this
34 motion for sanctions against George Panagiotou and The Costa Law Group
35 pursuant to Federal Rule of Bankruptcy Procedure ("Rule") 9011 ("Motion"). The
36 basis of this Motion is that George Panagiotou ("Counsel") and The Costa Law
37

38 MARQUEZ 16-07541-LT13
39 UST'S MOTION FOR SANCTIONS

1 Group (the "Firm") violated Federal Rule of Bankruptcy Procedure ("Rule")
2 9011(b) and California Rules of Professional Conduct 3-200(B) and 5-200(B) by
3 filing a chapter 13 petition under the name of Rodrigo Marquez ("Mr. Marquez")
4 without his knowledge, consent, and/or authorization. See the Declaration of
5 Rodrigo Marquez ("Marquez Decl."), ¶¶ 11-12.
6

7
8 Filing the chapter 13 petition was frivolous, legally unreasonable, and
9 without evidentiary support. As a result, the UST requests the Court impose
10 appropriate sanctions upon Counsel and the Firm (jointly and severally), including
11 but not limited to: (1) a monetary civil penalty payable to the Court designed to
12 deter similar future conduct, (2) compensatory sanctions in the form of attorneys'
13 fees and costs, payable to the UST as the moving party, which are the direct result
14 of Counsel's violations of Rule 9011; (3) additional CLE requirements and ethical
15 training in the area of professional responsibility; (4) suspension of Counsel's
16 CM/ECF¹ filing privileges for a defined minimum period, until such time Counsel
17 has completed all CLE and CM/ECF recertification requirements imposed upon
18 Counsel by the Court; (5) require Counsel file a Disclosure of Compensation of
19 Attorney for Debtor (Form CSD 2030) in this case, as required by Rule 2016(b);
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25 (6) to the extent Counsel's CM/ECF filing privileges are restored, require Counsel

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27 ¹ CM/ECF is an acronym for Case Management/Electronic Case Files. It is a system being used
28 by the bankruptcy court of the Southern District of California to provide filers certified in this
district the option to electronically file case documents online. See
http://www.casb.uscourts.gov/html/cmecf/cmecf_test.html

1 to prospectively file a declaration in every bankruptcy case affirming that he
2 personally met with the petitioner, he verified the petitioner's identification, and
3 the petitioner signed the petition and/or the Declaration Re: Electronic Filing (CSD
4 Form 1801); (7) refer Counsel to the Disciplinary Committee of the United States
5 District Court for further proceedings, and (8) a finding that the chapter 13
6 bankruptcy case was filed without the knowledge and/or consent of Mr. Marquez.
7
8

9 **FACTS**

10 1. On December 14, 2016, a voluntary chapter 13 petition was filed
11 under the name of Mr. Marquez, initiating case number 16-07541-LT13
12 ("Petition"). *See generally* the Docket.²
13

14 2. The Petition falsely lists Mr. Marquez's residential living address as
15 6780 Friars Road, #133, San Diego, California 92108 (the "Property"). *See*
16 *Petition, Docket Entry #1.*³ The Petition further contains the statement that Mr.
17 Marquez received "a briefing from an approved credit counseling agency within
18 180 days before [he] filed this bankruptcy petition, but [he does] not have a
19 certificate of completion." *Id.* at 5.
20
21

22 3. The docket reflects that Counsel failed to file the "Disclosure of
23
24

25 ² *See* Docket of this case. The United States Trustee requests that the Court take judicial notice
26 of the Docket and pleadings filed in this case pursuant to Federal Rule of Evidence 201.

27 ³ The United States Trustee requests that the Court take judicial notice of the Petition for Relief,
28 docket item #1 (and the contents thereof), filed in this case pursuant to Federal Rule of Evidence
201.

1 Compensation of Attorney for Debtor” (CSD Form 2030) as required by Rule
2 2016(b) and 11 U.S.C. § 329 (hereinafter, “Rule 2016(b) Statement”). *See*
3 *generally* the Docket.⁴
4

5 4. Mr. Marquez states he was the victim of a fraud relating to the
6 purchase of the Property, perpetrated by Denise Gurfinkiel (“Ms. Gurfinkiel”).
7
8 Marquez Decl., ¶10.

9 5. Through a mutual acquaintance, Mr. Marquez was introduced to Ms.
10 Gurfinkiel to invest in real estate in San Diego. Based on this introduction, Mr.
11 Marquez invested in the Property around February of 2016 with the understanding
12 that he would receive a substantial profit by “flipping” the Property. Mr. Marquez
13 would provide the funds necessary to acquire the property; Ms. Gurfinkiel would
14 provide the expertise and services necessary to remodel and repair the property, as
15 well as arrange for its sale. Marquez Decl., ¶¶ 3-6.
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19 6. As part of his arrangement with Ms. Gurfinkiel, Mr. Marquez signed a
20 listing agreement with Starting Point Realty in March 2016. In or around
21 September or October of 2016, Mr. Marquez was informed by Ms. Gurfinkiel that
22 the Property had been sold for approximately \$255,000. Mr. Marquez received
23 three checks from Ms. Gurfinkiel, totaling \$35,703.29, which he believed to be the
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27 ⁴ *See* Docket of this case. The United States Trustee requests that the Court take judicial notice
28 of the Docket and the absence of a Rule 2016(b) Statement filed in this case pursuant to Federal
Rule of Evidence 201.

1 surplus sale proceeds from the sale of the Property. Marquez Decl., ¶¶ 7-8.

2 7. On or around January 10, 2017, Mr. Marquez learned of the above-
3 captioned bankruptcy filing through his Wells Fargo Theft Protection Account
4 (“WF Account”), which showed that a chapter 13 bankruptcy case was filed under
5 his name on December 14, 2016. Marquez Decl., ¶9.
6

7 8. The filing date of the Petition coincided with the date of a scheduled
8 foreclosure sale of the Property. Marquez Decl., ¶13. Mr. Marquez only learned
9 of the recorded Notice of Default and Notice of Trustee’s Sale after investigating
10 the status of the Property when he learned about the bankruptcy case through his
11 WF Account. *Id.*
12
13

14 9. The above-captioned bankruptcy case was filed by Counsel as
15 attorney for the debtor, allegedly Mr. Marquez. *See* Petition. Counsel
16 electronically filed the Petition with the Bankruptcy Court for the Southern District
17 of California, using Counsel’s CM/ECF log-in and password. *See* Petition, Docket
18 Entry #1; *see generally* the Docket.
19
20

21 10. The Petition contains an electronic “/s/” signature for both Counsel
22 and Mr. Marquez. *See* Petition for Relief, Docket Entry #1.
23

24 11. The docket reflects that a “Declaration Re: Electronic Filing of
25 Petition, Schedules, & Statements” (CSD Form 1801) (hereinafter, “Declaration
26 Re: Electronic Filing”) was never filed with the Court as required by Local
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1 Bankruptcy Rules for the Southern District of California (“LBR”) 1007-2 and
2 5005-4(c). *See generally* the Docket.

3
4 12. According to Mr. Marquez, he never discussed and/or met with any
5 attorney regarding filing for bankruptcy. He does not know and has never met
6 Counsel. He has never heard of or visited the offices of the Firm. He neither saw
7
8 nor signed the Petition or any other documents associated with the above-captioned
9 bankruptcy case, either before or after such documents were filed. Marquez Decl.,
10 ¶¶ 9-12.
11

12 13. The above-captioned chapter 13 bankruptcy case was subsequently
13 dismissed by the order entered on January 3, 2017 for failure to file schedules
14 and/or statements, certificate of credit counseling, declaration re: electronic filing,
15 and/or a chapter 13 plan.⁵ *See* Order Dismissing Case, Docket Entry #7.⁶
16
17

18 14. On or around January 13, 2017, after receiving the foregoing
19 information about this bankruptcy case, Mr. Marquez contacted the Office of the
20 United States Trustee to report the unauthorized bankruptcy filing. Marquez Decl.,
21 ¶10.
22

23
24 ⁵ The UST notes that Counsel also filed a bankruptcy case for Denise Gurfinkiel on December
25 13, 2016, case no. 16-07535-LA13. The United States Trustee requests that the Court take
26 judicial notice of the filing of that petition for relief, docket item #1 (and the contents thereof), in
27 case no. 16-07535-LA13, pursuant to Federal Rule of Evidence 201. That case was similarly a
“bare bones” case, and was likewise dismissed for failure to file schedules, statements and a
chapter 13 plan.

28 ⁶ The United States Trustee requests that the Court take judicial notice of the Order Dismissing
Case, docket item #7, filed in this case pursuant to Federal Rule of Evidence 201.

ARGUMENT

1. Notice of Basis for Sanction and Sanctionable Conduct

After notice and a reasonable opportunity to respond, the court may impose appropriate sanctions if it determines that Rule 9011(b) has been violated. FED. R. BANKR. P. 9011(c). Here, Counsel and the Firm have been properly and timely served the Motion and Notice of Hearing in accordance with Rule 7004. FED. R. BANKR. P. 9011(c)(1)(A); FED. R. BANKR. P. 7004.

A motion for sanctions must also describe the specific conduct alleged to violate subdivision (b). FED. R. BANKR. P. 9011(c)(1)(A). As discussed more fully below, Counsel and the Firm conducted no inquiry, or a grossly inadequate inquiry, prior to filing the chapter 13 Petition under Mr. Marquez's name. Mr. Marquez did not consent to and/or authorize the filing of the chapter 13 Petition and, in fact, never signed the Petition or any other document associated with the above-captioned bankruptcy case. Marquez Decl., ¶12. Counsel's conduct was in direct violation of Rule 9011(b).

The safe harbor provision of Rule 9011(c) is inapplicable here. Rule 9011(c) provides, "motion[s] for sanctions may not be filed with or presented to the court unless, within 21 days after service of the motion, ... the challenged paper ... is not withdrawn or appropriately corrected, *except that this limitation shall not apply if the conduct alleged is the filing of a petition ...*" FED. R. BANKR. P.

1 9011(c)(1)(A)(emphasis added); *see also* FED. R. BANKR. P. 9011 Advisory
2 Committee's notes to the 1997 amendments (the safe harbor provision does not
3 apply to the filing of the initial petition because the "filing of a petition has
4 immediate serious consequences, including the imposition of the automatic stay
5 under 362 of the Code, which may not be avoided by the subsequent withdrawal of
6 the petition."). Based on the language of Rule 9011(c), this Motion is procedurally
7 proper as the safe harbor rule does not apply to the filing of the initial petition. *See*
8 *Dressler v. Seely Co. (In re Silberkraus)*, 336 F. 3d 864, 868 (9th Cir. 2003).

11 **2. Violation of Rule 9011(b)**

12 Rule 9011(b), like its sister counterpart Federal Rule of Civil Procedure 11,⁷
13 imposes on attorneys "the obligation to insure that all submissions to a bankruptcy
14 court are truthful and for proper litigation purposes." *Miller v. Cardinale (In re*
15 *DeVile)*, 361 F.3d 539, 543 (9th Cir. 2004). Rule 9011(b) "incorporates a
16 reasonableness standard which focuses on whether a competent attorney admitted
17 to practice before the involved court could believe in like circumstances that his
18 actions were legally and factually justified." *Shalaby v. Mansdorfy (In re*
19 *Nakhuda)*, 544 B.R. 886, 899 (9th Cir. 2016).

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27 ⁷ Rule 9011 is the bankruptcy counterpart to Federal Rule of Civil Procedure 11. Case law
28 interpreting Civil Rule 11 is applicable to Rule 9011. *Marsch v. Marsch (In re Marsch)*, 36 F.3d
825, 829 (9th Cir.1994).

1 Under Ninth Circuit precedent, the reasonableness of an attorney's inquiry as
2 to facts contained in signed documents submitted to a court is based on an
3 objective standard. *Orton v. Hoffman (In re Kayne)*, 453 B.R. 372, 382 (9th Cir.
4 BAP 2011) (the trial court must measure the attorney's conduct "objectively
5 against a reasonableness standard, which consists of a competent attorney admitted
6 to practice before the involved court"); *see also Valley Nat'l Bank v. Needler (In re*
7 *Grantham Bros.)*, 922 F.2d 1438, 1441 (9th Cir.1991).

10 Of particular relevance to the case at bar are Rule 9011(b)(1) and (3), which
11 state:

13 (b) By presenting to the court (whether by signing, filing, submitting,
14 or later advocating) a petition, pleading, written motion, or other
15 paper, an attorney or unrepresented party is certifying that to the best
16 of the person's knowledge, information, and belief, formed after an
17 inquiry reasonable under the circumstances,—

18 (1) it is not being presented for any improper purpose, such as
19 to harass or to cause unnecessary delay or needless increase in
20 the cost of litigation;

21 ...

22 (3) the allegations and other factual contentions have
23 evidentiary support or, if specifically so identified, are likely to
24 have evidentiary support after a reasonable opportunity for
25 further investigation or discovery; and

26 FED. R. BANKR. P. 9011(b).

27 Rule 9011(b)(1) "provides for the imposition of sanctions when a filing is
28 frivolous, legally unreasonable, or without factual foundation, or is brought for an

1 improper purpose.” *In re Sandford*, 403 B.R. 831, 841 (Bankr. D. Nev. 2009)
2 (citing *Simpson v. Lear Astronics Corp.*, 77 F.3d 1170, 1177 (9th Cir.1996). In the
3 Ninth Circuit, the bankruptcy court “must consider both frivolousness and
4 improper purpose on a sliding scale, where the more compelling the showing as to
5 one element, the less decisive need be the showing as to the other.” *Dressler v. The*
6 *Seeley Co. (In re Silberkraus)*, 336 F.3d 864, 870 (9th Cir. 2003)(citing *Marsch v.*
7 *Marsch (In re Marsch)*, 36 F.3d 825, 830 (9th Cir.1994)). Likewise, under Rule
8 9011(b)(3), an attorney is certifying that to the best of his knowledge, information
9 and belief all “allegations and other factual contentions have evidentiary support.”
10 See *In re Brown*, 328 B.R. 556, 556 (Bankr.N.D.Cal. 2005); FED. R. BANKR. P.
11 9011(b)(3).

12 Here, Counsel’s conduct fails to meet the “objectively reasonable” standard
13 and is sanctionable under Rule 9011 for several reasons. First, the facts show that
14 Counsel conducted no inquiry, or a grossly inadequate inquiry, as to the identity of
15 Mr. Marquez before filing the Petition as Mr. Marquez never met Counsel, did not
16 know Counsel at the time, did not engage Counsel in any capacity, and had no
17 knowledge of the bankruptcy filing. Marquez Decl., ¶¶ 11-12. Consequently,
18 Counsel made no inquiry, or a grossly inadequate inquiry, into the identification of
19 the person on whose behalf he was filing the Petition.
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1 Second, pursuant to 11 U.S.C. §§ 109 and 521, a debtor is required to
2 receive credit counseling within 180 days before filing bankruptcy and must file a
3 certificate from the credit counseling agency contemporaneously with the Petition.
4
5 In the Petition, Counsel checked the box indicating that Mr. Marquez “received a
6 briefing from an approved credit counseling agency within 180 days before [he]
7 filed this bankruptcy petition, but [he does] not have a certificate of completion.”
8
9 See Petition, Docket Entry #1, pg. 5. However, this assertion is false and
10 unsupported by any evidence. Marquez Decl., ¶12. Mr. Marquez did not, and
11 could not, verify, affirm, or inform Counsel that he in fact received the required
12 credit counseling because, again, Mr. Marquez never met Counsel at the time this
13 representation was made by Counsel when the Petition was filed.
14
15

16 Based upon the foregoing, the filing of the Petition, and the assertions made
17 therein, were legally baseless and without evidentiary support. Thus, Counsel and
18 the Firm clearly violated Rule 9011(b)(1) and (3) by filing the chapter 13 petition
19 without any evidentiary support, for an improper purpose, and without conducting
20 a reasonable and competent inquiry.
21
22

23 Related to Rule 9011(b) is Rule 1008, which also requires that “[a]ll
24 petitions, lists, schedules, statements and amendments thereto shall be
25 verified....” FED. R. BANKR. P. 1008. In other words, debtors “must sign the
26 petition ... as a means of not only authorizing the filing of these documents,
27
28

1 but of verifying, under penalty of perjury, that they have reviewed the
2 information contained therein and that it is true and correct to the best of
3 their knowledge, information, and belief.” *In re Stomberg*, 487 B.R. 775,
4 807 (Bankr. S.D. Tex. 2013) (*citing In re Phillips*, 317 B.R. 518, 523-24
5 (8th Cir. BAP 2004)(upholding sanctions award where counsel violated
6 9011(b) by forging debtor's electronic signature on bankruptcy petition)).
7

8 But again, because Mr. Marquez never saw or signed the petition or any
9 other document related to above-captioned case, he could not (and did not)
10 verify the accuracy of the information contained therein. Marquez Decl.,
11

12 ¶12. Counsel’s filing a document with the Court that Counsel represented
13 as having been verified by the debtor (pursuant to Rule 1008), likewise
14 violates Rule 9011(b).
15

16
17 Since the document at issue was filed electronically with the Court,
18 additional rules regarding verification apply. Rule 5005(a)(2) allows a court, by
19 local rule, to permit documents to be filed, signed, and verified *electronically*.
20 FED. R. BANKR. P. 5005(a)(2) (emphasis added). Pursuant to LBR 1007-2,
21 documents requiring original signatures may be filed electronically as long as the
22 filer fully complies with LBR 5005. *See* LBR 1007-2. LBR 5005-4(a) provides
23 that a user’s CM/ECF login and password “serve as the signature for the purposes
24 of FRBP 9011, the Local Bankruptcy Rules, the Administrative Procedures, and
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1 any other purpose for which a signature is required in connection with proceedings
2 before the Court.” See LBR 5005-4(a).

3 Pursuant to LBR 5005-4(c), the “signature of the debtor ... authorizing the
4 electronic filing of the bankruptcy case must be accomplished by the electronic
5 filing of an executed Local Form CSD 1801 on the Petition Date.” See LBR 5005-
6 4(c). LBR 5005-8 also requires the Registered User to “maintain ... any document
7 that is filed using their login and password that contains an original signature, other
8 than that of the registered user... until 5 years after the case is closed...” See LBR
9 5005-8.
10
11

12 Since the Petition was filed electronically, Counsel also violated Rule
13 9011(b)(3) by filing the Petition without a Declaration re: Electronic Filing on
14 CSD Form 1801. Counsel used his CM/ECF log-in and password to electronically
15 file the petition. By doing so, Counsel certified to the Court that he made a
16 reasonable inquiry, and to the best of his knowledge, information and belief, the
17 factual contentions contained in the Petition were supported by evidence. He also
18 certified that he possessed the appropriate document (CSD Form 1801) bearing the
19 debtor’s original “wet” signature.
20
21

22 However, as noted above, Mr. Marquez never met Counsel, did not
23 authorize the bankruptcy filing, and never saw, let alone signed, the petition.
24 Marquez Decl., ¶¶ 11-12. A reasonable attorney would have ensured the debtor
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1 had an opportunity to review and verify the accuracy of statements made in the
2 petition. *See* FED. R. BANKR. P. 1008. A reasonable attorney would have ensured
3 that the petition was executed in accordance with the Rules and LBRs. Counsel
4 did neither.
5

6 Rather, Counsel presented the Petition to the Court before making an
7 adequate inquiry that it contained evidentiary support, i.e., he falsely certified that
8 he possessed the petition and/or other documents bearing Mr. Marquez's original
9 "wet" signature. This constitutes a violation of LBR 5005-4 and Rule 9011(b).
10 *See In re Kayne*, 453 B.R. at 382 (debtor's attorney may be sanctioned under FRBP
11 9011 for failing to conduct reasonable inquiry into facts underlying schedules and
12 statement of financial affairs); *In re Stomberg*, 487 B.R. 775 (Bankr. S.D. Tex.
13 2013) ("electronically filing a document that purports to have the debtor's
14 signature but which was not, in fact, signed by the debtor, is no different than
15 physically forging the debtor's signature on a paper document").
16
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19

20 Based on the foregoing, Counsel and the Firm violated Rule 9011(b) by
21 filing a frivolous, legally unreasonable, and unsupported chapter 13 petition under
22 the name of Mr. Marquez without his knowledge, consent, or authorization.
23
24

25 **3. Sanctions under Rule 9011(c)(2)**

26 While subdivision (b) of Rule 9011 provides the required standard,
27 subdivision (c) governs the nature of sanctions the bankruptcy court may impose.
28

1 *See* FED. R. BANKR. P. 9011(c). “A sanction imposed for violation of [Rule 9011]
2 ... shall be limited to what is sufficient to deter repetition of such conduct or
3 comparable conduct by others similarly situated.” FED. R. BANKR. P. 9011(c)(2).
4

5 The sanction “may consist of, or include, directives of a nonmonetary
6 nature, an order to pay a penalty into the court, or ... an order directing payment to
7 the movant of some or all of the reasonable attorneys’ fees and other expenses
8 incurred as a direct result of the violation.” *Id.* As discussed below, the UST
9 requests the court to impose monetary and non-monetary sanctions against Counsel
10 and the Firm for violating Rule 9011(b).
11
12

13 (a) *Monetary Sanctions*
14

15 An attorney who violates Rule 9011(b) may be sanctioned pursuant to Rule
16 9011(c), which includes, *inter alia*, the payment of a penalty into the court and/or
17 the payment of attorneys’ fees of the moving party that result from the violation of
18 the Rule. FED. R. BANKR. P. 9011(c)(2); *see also In re Kayne*, 453 B.R. at 386
19 (The bankruptcy court has “wide discretion in determining the amount of a
20 sanctions award”). The Ninth Circuit Court of Appeals has also held that
21 bankruptcy courts have broad and inherent authority to deny attorney fees if the
22 attorney fails to meet the Bankruptcy Code’s requirements as set forth in §§ 327,
23 329, 330, and 331. *Law Office of Nicholas A. Franke v. Tiffany, U.S. Trustee (In*
24 *re Lewis)*, 113 F.3d 1040, 1045 (9th Cir. 1997). “A bankruptcy court may examine
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1 the reasonableness of a debtor's attorney fees" and order disgorgement of
2 compensation that exceeds the reasonable value of services. *Hale v. United States*
3 *Trustee*, 509 F.3d 1139, 1147 (9th Cir. 2007); 11 U.S.C. §329(b).
4

5 Here, Counsel and the Firm filed the Petition with the Court and presented it
6 as factually supported. In doing so, Counsel and the Firm falsely attested that Mr.
7 Marquez both verified the accuracy of, and signed, the Petition when that was not
8 the case. Rather, the document was filed without conducting a reasonable and
9 competent inquiry into the identity of the individual in whose name the case was
10 filed and/or the factual circumstances surrounding the filing.
11
12

13 Given the serious nature of the conduct at issue, the monetary sanctions
14 requested by the UST are proportional to the violation and consistent with the
15 goals of the Rule -- to insure that all submissions to a bankruptcy court are truthful
16 and proper. Consequently, the UST requests the Court order monetary sanctions as
17 follows: (1) a civil penalty designed to deter similar future conduct, and (2)
18 compensatory sanctions in the form of attorneys' fees and costs, payable to UST as
19 the moving party, which are the direct result of Counsel's violations of Rule 9011.
20
21
22

23 (i) *Civil Penalty*
24

25 The UST requests the Court to impose a monetary civil penalty against
26 Counsel and the Firm (jointly and severally) in an amount of one thousand dollars
27 (\$1,000), plus the dollar value of any fees or compensation received by Counsel in
28

1 this case. A monetary civil penalty is permissible under Rule 9011(c) and should
2 be payable to the Court. *See* FED. R. BANKR. P. 9011(c)(2); *see also In re DeVille*,
3 361 F.3d at 551 (the Ninth Circuit Court of Appeals noted that Rule 9011(c)(2)
4 expressly contemplates “an order to pay a penalty into the court” as a form of
5 sanction and held that such penalty need not be awarded through criminal
6 contempt proceedings). The conduct at issue is significant and requires an equally
7 significant sanction necessary to deter repetition of Counsel’s conduct and prevent
8 Counsel and the Firm from profiting from their inappropriate and improper
9 conduct.
10
11
12

13 (ii) *Attorneys’ Fees Resulting from the Violation.*
14

15 The UST also requests that Counsel and the Firm pay reasonable attorneys’
16 fees and costs incurred by the Office of the United States Trustee which are the
17 direct result of Counsel and the Firm’s filing of the Petition for Relief in violation
18 of Rule 9011. *See* FED. R. BANKR. P. 9011(c)(2); *see also In re Kayne*, 453 B.R. at
19 386 (“Although the court may award all reasonable fees and costs claimed by
20 Trustee [under Rule 9011(c)(2)], it also has the discretion to set the sanction at a
21 lower amount where sufficient to get the offender’s attention and deter future
22 abuses”). As discussed above, the sanctionable conduct by Counsel and the Firm
23 more than adequately justifies a fee shifting sanction. A competent attorney
24 admitted before this Court would have inquired as to the identity of the debtor and
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1 ensured that the petition was properly executed in accordance with the Rules and
2 LBRs. Counsel did neither. As for the reasonableness of the amount of fees and
3 costs incurred, the UST is filing concurrently with this Motion, declarations in
4 support of this request.
5

6 (b) *Non-Monetary Sanctions*
7

8 Rule 9011(c)(2) also permits sanctions in the form of directives of a
9 nonmonetary nature. FED. R. BANKR. P. 9011(c)(2). As the Court deems
10 appropriate, the UST requests that the Court impose CLE/training requirements
11 upon Counsel. The facts of the case show Counsel failed to adequately perform his
12 professional duties as a licensed attorney. As such, Counsel should be required to
13 complete at least ten (10) hours, or as the Court deems appropriate, of ethical
14 training in the area of professional responsibility.
15
16

17 The facts further show that Counsel failed to follow the requirements for
18 electronic filing of documents and bankruptcy cases, as set forth in the LBRs.
19 Therefore, the UST also requests that the Court suspend Counsel's CM/ECF filing
20 privileges until such time as Counsel provides evidence of completion the CLE
21 requirements noted above as well as any additional educational requirements
22 imposed by the Court to obtain recertification to file using CM/ECF. This
23 nonmonetary directive should require Counsel to complete additional CM/ECF
24 training regarding the obligations of Counsel when electronically filing documents
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1 and/or bankruptcy cases.

2 To assist the Court and UST with monitoring Counsel's compliance with the
3 CLE/training requirements to be imposed by the Court, the UST submits that
4 Counsel should file within a time prescribed by the Court, a declaration outlining
5 which courses Counsel has identified that comply with the CLE/training
6 requirements of the Court's order. The UST further submits that upon completion
7 of said courses, Counsel be required to file verified proof of said completion.
8
9

10 Second, in addition to the training noted above, the Court should order
11 Counsel to file a Rule 2016(b) Statement in this case and fully disclose the amount
12 of compensation received. *See* FED. R. BANKR. P. 2016(b); 11 U.S.C. § 329.
13

14 Without such disclosure, it cannot be determined what compensation was received
15 by Counsel and the Firm; this information is necessary to assist the Court with
16 arriving at the appropriate deterrent sanction. As noted above, Counsel and the
17 Firm should not profit from inappropriate and improper conduct.
18
19

20 Third, as required by the LBRs, a Declaration Re: Electronic Filing must be
21 filed for every bankruptcy case that is electronically filed through CM/ECF. *See*
22 LBR 5005-4(c). This declaration is important as it declares, under penalty of
23 perjury, that the petitioner consents to the filing and that all the information
24 electronically filed is true and correct. Here, Counsel failed to file a Declaration
25 Re: Electronic Filing. Consequently, and to the extent Counsel's CM/ECF filing
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1 privileges are restored, the UST requests that the Court order Counsel to
2 prospectively file a declaration in every case affirming that: (1) he personally met
3 with the petitioner, (2) he verified the petitioner's identification, and (3) the
4 petitioner signed the petition and/or the Declaration re: Electronic Filing.
5

6 Lastly, the UST requests that the Court refer Counsel and the Firm to the
7
8 Disciplinary Committee of the United States District Court for the Southern
9 District of California. *See In re Schivo*, 461 B.R. 765, 781-82 (Bankr. D. Nev.
10 2011) (as sanctions for violating Rule 9011(b), the bankruptcy court referred the
11 matter to the State Bar of Nevada to determine if further disciplinary proceedings
12 were warranted). Civil Local Rule 83.4 of the United States District Court for the
13 Southern District of California incorporates the California Rules of Professional
14 Conduct as the standards of conduct for both the District Court and this Court. *See*
15 Civil Local Rule 83.4.⁸ Civil Local Rules 83.5(a), (c), and (e) provide that when
16 an attorney engages in conduct which may warrant discipline or other sanctions,
17 this Court can refer said conduct to the Disciplinary Committee. The Disciplinary
18 Committee can then determine (through its adjudicative process) whether
19 additional sanctions are warranted, such as requiring supplemental ethics training
20 or temporary suspension until counsel completes any such training, or any other
21 relief that the Committee may deem appropriate.
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28 ⁸ LBR 1001-5 adopts both Civil Local Rules 83.4 and 83.5 as rules of the Bankruptcy Court.

1 The UST submits that the conduct undertaken by Counsel in this case
2 warrants referral to the Disciplinary Committee. California Rule of Professional
3 Conduct 3-200(B) provides that an attorney shall not accept or continue
4 employment if he knows or should know that the objective of such employment is
5 “to present a claim or defense in litigation that is not warranted under existing
6 law...” CAL. R. PROF. 3-200(B). Furthermore, California Rule of Professional
7 Conduct 5-200(B) prohibits an attorney from misleading the judge, judicial officer,
8 or jury “by an artifice or false statement of fact or law.” CAL. R. PROF. 5-200(B).

9 Without the consent, knowledge, or authorization of Mr. Marquez, the filing
10 of the above-captioned chapter 13 petition was not warranted under existing law or
11 fact. Counsel and the Firm further misled the bankruptcy court by filing the
12 petition with Mr. Marquez’s electronic signature when Mr. Marquez neither saw
13 nor signed the petition. Therefore, Counsel and the Firm should be referred to the
14 Disciplinary Committee for additional disciplinary proceedings as set forth above.

15 In addition to the monetary and non-monetary sanctions requested above, the
16 UST also requests the Court to make a finding that the above-captioned chapter 13
17 bankruptcy case was filed without the knowledge and/or consent of Mr. Marquez.
18 Mr. Marquez was harmed as to both his credit score and reputation. A finding that
19 this case was filed without his knowledge and/or consent will assist Mr. Marquez
20 in reviving his credit with the various credit agencies, restoring his reputation, and

1 alleviating any emotional distress the bankruptcy filing may have caused.

2 **CONCLUSION**

3 For all of the above reasons, the UST respectfully requests that the Court
4 sanction Counsel and the Firm, jointly and severally, pursuant to Rule 9011 for
5 filing the above-captioned chapter 13 case without conducting a reasonable and
6 competent inquiry. Filing the chapter 13 Petition was frivolous, legally
7 unreasonable, and without evidentiary support. As it deems appropriate, the UST
8 requests that the Court impose any, or all, of the foregoing sanctions against
9 Counsel and the Firm: (1) a monetary civil penalty payable to the Court designed
10 to deter similar future conduct, (2) compensatory sanctions in the form of
11 attorneys' fees and costs, payable to the UST as the moving party, which are the
12 direct result of Counsel's violations of Rule 9011; (3) additional CLE requirements
13 and ethical training in the area of professional responsibility; (4) suspension of
14 Counsel's CM/ECF filing privileges for defined minimum period of time, requiring
15 completion of CLE and other educational requirements for recertification said
16 CM/ECF privileges; (5) compel the filing of the Disclosure of Compensation of
17 Attorney for Debtor (Form CSD 2030) as required by Rule 2016(b); (6) require
18 Counsel to file a declaration in every bankruptcy case filed by Counsel and/or the
19 Firm affirming that he personally met with the petitioner, he verified the petitioners
20 identification, and the petitioner signed the petition and/or the Declaration Re:
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1 Electronic Filing (CSD Form 1801); (7) referral to the Disciplinary Committee of
2 the United States District Court for further proceedings, and (8) a finding that the
3 chapter 13 bankruptcy case was filed without the knowledge and/or consent of Mr.
4 Marquez.
5

6 Respectfully submitted,
7

8 TIFFANY L. CARROLL
9 ACTING UNITED STATES TRUSTEE

10 Dated: April 4, 2017


11 
12 By: s/ David A. Ortiz
13 David A. Ortiz, Esq.
14 Attorney for the
15 Acting United States Trustee
16
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EXHIBIT M

3201

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Recorded Requested By
First American Title
San Diego

DOC# 2017-0224563



May 18, 2017 03:54 PM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$15.00

PCOR: YES

PAGES: 1

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Name San Diego Private Investments, LLC
Street Address Attn: Salam Razuki
7977 Broadway
City Lemon Grove, CA 91945
State
Zip

ORDER NO. 53414579
ESCROW NO. 146530S-W-CG

RECORDERS USE ONLY

GRANT DEED

TAX PARCEL NO. 586-120-11-00

The undersigned grantor declares that the documentary transfer tax is \$0.00 wholly owned and is change
X computed on the full value of the interest of the property conveyed, or is
computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

The land, tenements or realty is located in
unincorporated area X city San Diego and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
American Lending and Holdings, LLC, a California Limited Liability Company

hereby GRANT(S) to
San Diego Private Investments, LLC, a California Limited Liability Company

The following described real property in the City of San Diego, County of San Diego, State of California:
LOT 1292 OF HERITAGE ADDITION UNIT NO. 9, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO,
STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 4913, FILED IN THE OFFICE OF THE COUNTY
RECORDER OF SAN DIEGO COUNTY, FEBRUARY 9, 1962.

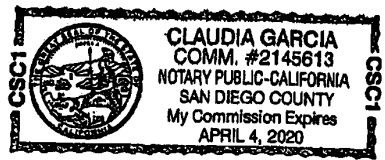
Dated 04/06/2017

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA,)
COUNTY OF SAN DIEGO)
On April 06, 2017 before me,
Claudia Garcia, Notary Public
personally appeared Ninus Malan

American Lending and Holdings, LLC, a
California Limited Liability Company
By: Ninus Malan
Ninus Malan, Managing Member

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~its/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.
Signature Claudia Garcia, Notary Public

(Notary Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW: IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE.

Name Street Address City & State

EXHIBIT N

3203

14

Recorded Requested By
First American Title
San Diego

DOC# 2017-0224555



May 18, 2017 03:54 PM

OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$15.00
PCOR: YES
PAGES: 1

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Name San Diego Private Investments, LLC
Street Address Attn: Salam Razuki
7977 Broadway
City Lemon Grove, CA 91945
State
Zip

ORDER NO. 53414579
ESCROW NO. 146530S-P-CG

RECORDERS USE ONLY

GRANT DEED

TAX PARCEL NO. 168-600-20-00

The undersigned grantor declares that the documentary transfer tax is \$0.00 Wholly owned name change and is X computed on the full value of the interest of the property conveyed, or is _____ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

The land, tenements or realty is located in _____ unincorporated area X city La Mesa and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
American Lending and Holdings, LLC, a California Limited Liability Company

hereby GRANT(S) to
San Diego Private Investments, LLC, a California Limited Liability Company

The following described real property in the City of La Mesa, County of San Diego, State of California:
SUB LOT 20 OF LA MESA TOWNHOUSE, IN THE CITY OF LA MESA, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 5519, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAID SAN DIEGO COUNTY ON JANUARY 25, 1965.

Dated 04/06/2017

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA,)
COUNTY OF SAN DIEGO)

On April 06, 2017 before me,
Claudia Garcia, Notary Public
personally appeared Ninus Malan

American Lending and Holdings, LLC, a
California Limited Liability Company

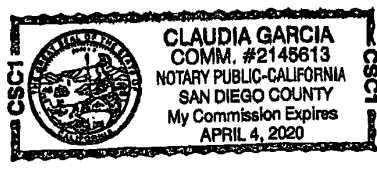
By: [Signature]
Ninus Malan, Managing Member

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~its/his/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature], Notary Public



(Notary Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW: IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE.

Name Street Address City & State

EXHIBIT O

3205

17
RI Recorded Requested By
First American Title
San Diego

DOC# 2017-0224558



AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Name
Street Address
City State Zip
San Diego Private Investments, LLC
Attn: Salam Razuki
7977 Broadway
Lemon Grove, CA 91945

May 18, 2017 03:54 PM
OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$24.00
PCOR: YES
PAGES: 4

ORDER NO. 5341457-9
ESCROW NO. 146530S-R-CG

RECORDERS USE ONLY

GRANT DEED

TAX PARCEL NO. 185-273-11-00

The undersigned grantor declares that the documentary transfer tax is \$0.00 *wholly owned name change* and is X computed on the full value of the interest of the property conveyed, or is _____ computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

The land, tenements or realty is located in _____ unincorporated area X city Valley Center and _____

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
American Lending and Holdings, LLC, a California Limited Liability Company

hereby GRANT(S) to
San Diego Private Investments, LLC, a California Limited Liability Company

The following described real property in the City of Valley Center, County of San Diego, State of California:
PARCEL A: PARCEL 1, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA AS SHOWN AT PAGE 12269 OF PARCEL MPS, FILED IN THE OFFICER OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 12, 1982. AS MORE COMPLETELY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Dated 04/06/2017

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA,)
COUNTY OF SAN DIEGO)
On April 06, 2017 before me,
Claudia Garcia, Notary Public
personally appeared Ninus Malan

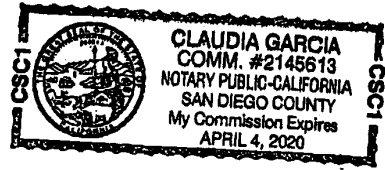
American Lending and Holdings, LLC, a
California Limited Liability Company
By: Ninus Malan
Ninus Malan, Managing Member

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) ~~is~~ subscribed to the within instrument and acknowledged to me that ~~is~~ they executed the same in ~~his~~ their authorized capacity(ies), and that by ~~his~~ their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Claudia Garcia, Notary Public



(Notary Seal)

MAIL TAX STATEMENTS TO PARTY SHOWN BELOW: IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE.

Name Street Address City & State

EXHIBIT "A"

PARCEL J: (APN: 185-273-11-00)

Exhibit A

PARCEL 1 OF PARCEL MAP NO. 12269, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 12, 1982 AS INSTRUMENT NO. 82-249865 OF OFFICIAL RECORDS.

PARCEL J1:

AN EASEMENT FOR WATER PIPE LINES, PUBLIC UTILITY AND INGRESS AND EGRESS FOR ROAD PURPOSES OVER, UNDER, ALONG AND ACROSS A STRIP OF LAND 40.00 FEET IN WIDTH LYING WITHIN THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 11 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF, THE CENTER LINE OF SAID 40.00 FOOT STRIP BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTH 7.00 FEET OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 11, WITH THE WEST LINE OF SAID NORTHWEST QUARTER OF NORTHEAST QUARTER; THENCE ALONG THE SOUTH LINE OF THE NORTH 7.00 FEET OF THE NORTHWEST QUARTER OF SAID SECTION 11, NORTH 88° 11' 15" WEST, 694.70 FEET; THENCE SOUTH 01° 48' 45" WEST, 188.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 01° 48' 45" WEST, 60.95 FEET TO THE BEGINNING OF A TANGENT 400.00 FOOT RADIUS CURVE, CONCAVE WESTERLY; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 18° 00' 00", A DISTANCE OF 125.66 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 19° 46' 45" WEST, 229.85 FEET TO THE BEGINNING OF A TANGENT 400.00 FOOT RADIUS CURVE, CONCAVE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 19° 40' 00" A DISTANCE OF 137.30 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 00° 08' 45" WEST, 272.32 FEET TO THE BEGINNING OF A TANGENT 500.00 FOOT RADIUS CURVE, CONCAVE WESTERLY; THENCE SOUTHERLY ALONG SAID CURVE THROUGH AN ANGLE OF 14° 00' 00" A DISTANCE OF 122.17 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 14° 08' 45" WEST, 710.28 FEET TO THE BEGINNING OF A TANGENT 1000.00 FOOT RADIUS CURVE, CONCAVE NORTHWESTERLY; THENCE SOUTHWESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 06° 20' 00" A DISTANCE OF 110.54 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 20° 28' 45" WEST, 507.95 FEET; THENCE SOUTH 22° 28' 45" WEST, 376.84 FEET, MORE OR LESS, TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 11.

THE SIDE LINE OF SAID 40.00 FOOT STRIP ARE TO BE PROLONGED SO AS TO TERMINATE ON THE SOUTH AT THE SOUTH LINE OF SAID NORTHWEST QUARTER. ALSO THAT PORTION OF THE SOUTH 40.00 FEET OF

THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11, LYING WESTERLY OF THE WESTERLY SIDE LINE OF THE ABOVE 40.00 FOOT DESCRIBED STRIP OF LAND.

PARCEL J2:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES, OVER, UNDER, ALONG A STRIP OF LAND 40.00 FEET WIDE WITHIN THE NORTH HALF OF THE NORTH HALF OF SECTION 11, TOWNSHIP 11 SOUTH, RANGE 2 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF, LYING SOUTHERLY AND EASTERLY OF THE FOLLOWING DESCRIBED LINE.

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF LILAC ROAD (R. S. 940) WITH THE NORTHERLY LINE OF THE NORTHEAST QUARTER OF SAID SECTION 11; THENCE NORTH 89° 20' 51" WEST, 1139.41 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 11; THENCE ALONG THE NORTHERLY LINE OF THE NORTHWEST QUARTER OF SAID SECTION 11, NORTH 88° 11' 31" WEST, 471.63 FEET TO THE NORTHEAST CORNER OF THAT LAND GRANTED TO VALLEY CENTER MUNICIPAL WATER DISTRICT, RECORDED MAY 22, 1974 AS INSTRUMENT NO. 74-134095 OF OFFICIAL RECORDS; THENCE ALONG THE EASTERLY LINE OF SAID LAND AND ITS SOUTHERLY PROLONGATION SOUTH 01° 48' 29" WEST, 202.53 FEET; THENCE SOUTH 89° 29' 20" WEST, 209.30 FEET TO AN ANGLE POINT IN THE NORTHERLY LINE OF THAT 30.00 FOOT EASEMENT GRANTED TO VALLEY CENTER MUNICIPAL WATER DISTRICT, RECORDED MAY 22, 1974 AS INSTRUMENT NO. 74-134096 OF OFFICIAL RECORDS; THENCE ALONG THE NORTHERLY LINE OF SAID EASEMENT, SOUTH 89° 29' 20" WEST, 64.36 FEET TO THE BEGINNING OF A TANGENT 707.00 FOOT RADIUS CURVE, CONCAVE SOUTHERLY; THENCE WESTERLY ALONG SAID CURVE THROUGH AN ANGLE OF 22° 35' 00" A DISTANCE OF 278.67 FEET; THENCE TANGENT TO SAID CURVE, SOUTH 66° 54' 20" WEST, 329.47 FEET; THENCE SOUTH 65° 40' 50" WEST, 49.19 FEET TO THE EASTERLY LINE OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 11. THE SOUTHERLY LINE OF SAID 40.00 FOOT STRIP IS TO BE PROLONGED OR SHORTENED SO AS TO TERMINATE ON THE EASTERLY LINE OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 11.

EXCEPTING THEREFROM THAT PORTION LYING WITHIN LILAC ROAD (R. S. 940) AND WESTERLY OF THE WESTERLY LINE OF THE ABOVE DESCRIBED PARCEL J1.

PARCEL J3:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES, OVER, UNDER, ALONG AND ACROSS THE NORTHERLY 40.00 FEET OF PARCEL 4, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA AS SHOWN AT PAGE 5724 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 24, 1977.

PARCEL J4:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES, OVER, UNDER, ALONG AND ACROSS THE EASTERLY 30.00 FEET OF PARCEL 4, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 5724 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, MARCH 24, 1977.

PARCEL J5:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES, OVER, UNDER, ALONG AND ACROSS THE WESTERLY 30.00 FEET OF PARCELS 3 AND 4, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 9548, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JANUARY 3, 1980.

PARCEL J6:

AN EASEMENT AND RIGHT OF WAY FOR ROAD AND PUBLIC UTILITY PURPOSES OVER, UNDER, ALONG AND ACROSS THE WESTERLY 30.00 FEET OF PARCEL 2 IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AS SHOWN AT PAGE 12269 OF PARCEL MAPS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO, AUGUST 12, 1982.

EXHIBIT P

3210

DOC# 2017-0271404



Jun 16, 2017 09:58 AM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$21.00

PCOR: YES

PAGES: 3

RECORDING REQUESTED BY:

Foundation Escrow North County

Lawyers Title

Mail tax statements to /

When Recorded Mail Document To:

Wafa Katto
1581 Dumar Avenue
El Cajon, CA 92019

Escrow No.: N10314-AS

Title No.:

APN: 538-340-26-00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

The undersigned grantor(s) declare(s)

- computed on full value of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale,
- The property is located in the City of San Diego

Documentary Transfer Tax B/D - NO CONSIDERATION GIFT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Wafa Katto, a Single Woman

hereby GRANT(S) to

Wafa Katto, a Single Woman, and Ninus Malan, an unmarried man, as Joint Tenants

the following described real property:

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

Lots 43 and 44 in Block 240 of San Diego Land and Town Company's Addition, in the City of San Diego, County of San Diego, State of California, according to map thereof No. 379 filed in the office of the County Recorder of San Diego County, October 30, 1886.

Dated:

Wafa Katto

This document filed for record by LAWYERS TITLE as an accommodation only. It has not been examined as to its execution or as to its effect upon title.

APN: 538-340-26-00

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

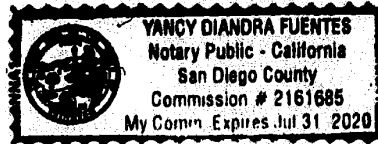
State of California
County of San Diego
On June 14, 2017 before me,
Yancy Diandra Fuentes, Notary Public,
personally appeared Wafa Katto

_____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Yancy Fuentes (Seal)



This document filed for record by LAWYERS TITLE
as an accommodation only. It has not been
examined as to its execution or as to its effect
upon title.

3212

GOVERNMENT CODE 27361.7

I CERTIFY UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:

Name of the Notary: *Yancy Diandra Fuentes*

Commission Number: *2161685* Date Commission Expires: *7-31-2020*

County where Bond is filed: *San Diego*

Vendor/Manufacturer No: *N/A*

Place of Execution: *San Diego* Date: *6-14-2017*

Signature: _____
AmBurr
Lawyers Title San Diego

EXHIBIT Q

3214

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 Gina M. Austin (SBN 246833)
E-mail: *gaustin@austinlegalgroup.com*
2 Tamara M. Leetham (SBN 234419)
E-mail: *tamara@austinlegalgroup.com*
3 AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
4 San Diego, CA 92110
Phone: (619) 924-9600
5 Facsimile: (619) 881-0045
6 Attorneys for Defendants
San Diego United Holdings Group, LLC, Ninus Malan
7 And Balboa Ave Cooperative

8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF SAN DIEGO- CENTRAL DIVISION**

11
12 MONTGOMERY FIELD BUSINESS
CONDOMINIUMS ASSOCIATION, a
13 California Nonprofit Mutual Benefit
Corporation,

14 Plaintiff,

15 vs.

16 BALBOA AVE COOPERATIVE, a
California corporation; SAN DIEGO
17 UNITED HOLDINGS GROUPS, LLC, a
California limited liability company;
18 NINUS MALAN, an individual; RAZUKI
INVESTMENTS, LLC, a California
19 limited liability company; SALAM
RAZUKI, an individual; and DOES 1
20 through 25, inclusive;

21 Defendants.
22

CASE NO. 37-2017-00019384-CU-CO-CTL

Assigned to Judge: Honorable Ronald L. Styn

**DECLARATION OF SALAM RAZUKI IN
SUPPORT OF DEFENDANTS BALBOA
AVE COOPERATIVE, SAN DIEGO
UNITED HOLDINGS GROUP, LLC, AND
NINUS MALAN'S OPPOSITION TO
PLAINTIFF'S MOTION FOR
PRELIMINARY INJUNCTION**

[IMAGED FILE]

DATE: September 8, 2017
TIME: 11:00 a.m.
DEPT: C-62

23 I, Salam Razuki, declare:

24 1. I am over the age of 18 and am a party to this action. I have personal knowledge
25 of the facts stated in this declaration. If called as a witness, I would testify competently thereto. I
26 provide this supplemental declaration in support of defendants San Diego United Holdings
27 Group, LLC, Balboa Ave Cooperative, and Ninus Malan's opposition to plaintiff Montgomery
28

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 Field Business Condominiums Association's ("Association" or "Plaintiff") request for preliminary
2 injunction ("Plaintiff's Motion").

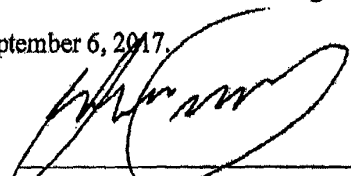
3 2. I am the former owner of 8863 Balboa Ave Unit E, San Diego CA 92123 and
4 because of my ownership, a former member of the Montgomery Field Business Condominiums
5 Association (the "Association").

6 3. In 2016, I met with Peter Michelet and he told me that he was the Association
7 Secretary and had been since 2010. He also stated that the only other board members were Daniel
8 Burakowski and Glenn Strand. He said that no one else wanted to be on the board because Mr.
9 Burakowski operated everything by himself. When I inquired about Ed Quinn's role with the
10 Association, he said Mr. Quinn was only an owner and the reason why he was always present at
11 meetings was because they were often held at his office because it was the nicest.

12 4. In early 2017, I met with Ed Quinn in his office and he told me that he had never
13 been the Association's Secretary or an officer; and that there was never anything in writing
14 indicating that he was the Secretary or an officer of the Association. He indicated that his office
15 was used for Association meetings.

16 5. I showed Mr. Quinn the 2015 Amendment to the Association's CC&Rs that
17 contained his signature and he stated that it was his signature, but he did not know why Mr.
18 Burakowski asked him to sign it. He said he was bothered by the fact that Mr. Burakowski had
19 him sign it when he was never on the Board of Directors or the Association's Secretary.

20 I declare under penalty of perjury under California state law that the foregoing is true and
21 correct. Executed in San Diego, California, on September 6, 2017.

22
23
24 
Salam Razuki

25
26
27
28

EXHIBIT R

3217

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 COUNTY OF SAN DIEGO, CENTRAL DIVISION

3 ORIGINAL

4 NINUS MALAN,)

) Case No.

5 Plaintiff,)

) 37-2016-00006980

) CU-BC-CTL

6 v.)

7 HANK SYBRANDY; GARY KENT;)

SOLYMAR REAL ESTATE; KELLER)

8 WILLIAMS LA JOLLA; and)

DOES 1 through 50, inclusive,)

9)
10 Defendants.)
-----)

11 DEPOSITION OF SALAM RAZUKI

12 San Diego, California

13 Monday, March 26, 2018

14 VOLUME II

15 Reported by:

16 ANELA SHERADIN, CSR NO. 9128

17 JOB NO. 2854718

18 PAGES 329 - 400

19 Page 329

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO, CENTRAL DIVISION

NINUS MALAN,)
) Case No.
Plaintiff,) 37-2016-00006980
) CU-BC-CTL
v.)
)
HANK SYBRANDY; GARY KENT;)
SOLYMAR REAL ESTATE; KELLER)
WILLIAMS LA JOLLA; and)
DOES 1 through 50, inclusive,)
)
)
Defendants.)
_____)

Deposition of SALAM RAZUKI, VOLUME II, taken
on behalf of Defendants, at 110 West A Street, Suite
625, San Diego, California, beginning at 10:00 a.m. and
ending at 11:52 p.m. on Monday, March 26, 2018, before
ANELA SHERADIN, Certified Shorthand Reporter No. 9128.

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APPEARANCES:

For Plaintiff:

BY: DOUGLAS JAFFE, ESQ.
501 West Broadway, Suite 800
San Diego, California 92101
619.400-4945
douglasjaffe@aol.com

For Defendants Keller Williams La Jolla and Gary Kent:

BARTSCH LAW GROUP
BY: DUANE L. BARTSCH, ESQ.
317 Rosecrans Avenue
Manhattan Beach, California 90266
310.939.0937
duane@bhlawfirm.us

For Defendants Hank Sybrandy and Solymar Real Estate:

LAW OFFICES OF ROBERT E. MUIR
BY: ROBERT E. MUIR, ESQ.
110 West A Street, Suite 625
San Diego, California 92101-3703
619.231.6500
rm@muirlaw.com

Also Present:

NINUS MALAN

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INDEX

WITNESS EXAMINATION
SALAM RAZUKI
VOLUME II

BY MR. BARTSCH 333, 384, 392

BY MR. MUIR 381, 385

EXHIBITS

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1 San Diego, California, Monday, March 26, 2018

2 10:00 a.m.

3 ooOOoo

4 SALAM RAZUKI,

5 having been first administered an oath, was examined and
6 testified as follows:

7 FURTHER EXAMINATION

8

9 BY MR. BARTSCH:

10 Q Mr. Razuki, thank you for coming here today. I
11 have a new trial subpoena I want to give you. I gave
12 you one last time but that court date got continued.

13 MR. BARTSCH: So we are going to call this 12?

14 THE REPORTER: Yes.

15 (Exhibit 12 was marked for identification

16 by the court reporter and is attached hereto.)

17 BY MR. BARTSCH:

18 Q So this is a copy. I keep the original.

19 And I previously gave you a witness fee and an
20 on-call letter. If you choose to sign it, that's great.

21 I am going to ask about 12 questions that the
22 Court authorized me to ask and then I have a couple of
23 other topics to talk about, so let's get started.

24 I have given a copy of the transcript to your
25 counsel that I am going to be reading from for the

Page 333

1 A It could be my assistant, it could be in the
2 computer, it could be at escrow, it could be at the
3 broker, it could be at an attorney. It could be
4 anywhere when transaction happened, sir.

5 Q Page 187, line 10 -- well, this is kind of the
6 exact same question. So I am going to read the whole
7 thing because it's all one long question with
8 objections.

9 "So just so I am clear, your joint represented
10 party, Ninus Malan, is suing my client for, like, I
11 don't know, 500,000 -- 1,500,000 because he claims that
12 he did so much business with you and now he doesn't do
13 business with you anymore."

14 Let me stop there. You do currently do
15 business with Ninus Malan; right?

16 MR. JAFFE; objection vague as to do business.

17 BY MR. BARTSCH:

18 Q Ninus Malan currently represents you in real
19 estate transactions; is that correct?

20 A No, this is not correct, sir. When you say
21 represent to me or a real estate transaction, that's not
22 correct.

23 Q I am going to step a little out of order here.
24 Let's take a look at a LoopNet listing. You -- well,
25 let's ask something else. You are engaged in a

Page 344

1 marijuana dispensary with Ninus Malan; is that correct?

2 MR. JAFFE: Objection; vague as to engaged.

3 THE WITNESS: This is incorrect, too, when you
4 say engaged with marijuana business. So I hope, I hope,
5 next time, just to be very, very clear how you say
6 engage with marijuana business, I am not a drug dealer
7 or anything like that.

8 BY MR. BARTSCH:

9 Q Well, you are currently involved in a lawsuit
10 in San Diego County with a Bradford Harcourt who is
11 suing both you and Ninus Malan for a -- Bradford
12 Harcourt claims you took over his marijuana dispensary
13 without paying him. So are you involved in any business
14 with Ninus Malan?

15 MR. JAFFE: Objection; vague and ambiguous as
16 to involved.

17 You can answer.

18 THE WITNESS: Yes, I -- I hope, if you can be
19 very clear on the question and tell me exactly what you
20 mean by that, yes, I had -- I have a lawsuit right now
21 pending and with these people.

22 I purchased a property from them. I think
23 Ninus, he is the person that I sell him that property.
24 But I say engaged with business with Mr. Malan? That's
25 incorrect, sir.

Page 345

1 BY MR. BARTSCH:

2 Q And I have read the Complaint of the lawsuit
3 you are talking about and I have looked at the public
4 records. You had transferred the conditional use permit
5 to Ninus Malan, didn't you, for the use of the marijuana
6 dispensary?

7 MR. JAFFE: Objection. It calls for a legal
8 conclusion regarding transfers of conditional use
9 permits.

10 THE WITNESS: Yeah, that's -- that's incorrect,
11 too. There is a document and we went through an escrow.
12 And I hope you went through all the paperwork when
13 escrow was open and when I was a seller and Ninus Malan
14 was a buyer and it was completely two different escrows
15 and I did not transfer any conditional use permit to
16 Mr. Malan.

17 MR. JAFFE: Were those companies or you both
18 individually?

19 THE WITNESS: No, that was companies. It
20 wasn't me individually or anything like that.

21 BY MR. BARTSCH:

22 Q And do you know that Ninus Malan took a listing
23 for -- do you know that Ninus Malan took a listing in
24 the last several months for your Euclid Plaza property
25 for \$7.495 million?

Page 346

1 they have been talking about listing the property, so
2 it's not surprise me that the property, it's on the
3 market.

4 Q So when you say the company, who would that be?

5 A Razuki Investments, LLC.

6 Q And who is Razuki Investments, LLC? Isn't that
7 you?

8 A That --

9 MR. JAFFE: Objection. It's vague.

10 BY MR. BARTSCH:

11 Q Who makes up Razuki Investments, LLC?

12 A Say again.

13 Q Who makes up Razuki Investments, LLC?

14 A Who --

15 MR. JAFFE: Objection; vague.

16 THE WITNESS: Who makes it?

17 BY MR. BARTSCH:

18 Q Who are the members?

19 A It's me and my brother.

20 Q Just the two of you?

21 A Yes.

22 Q And would you be upset to learn that your
23 brother had retained Ninus Malan to list the Euclid
24 Plaza property?

25 A As I said, without even going back and see if

Page 349

1 A Say again.

2 Q Do you know that Ninus Malan also lists as a
3 branch office one of his real estate addresses or,
4 excuse me, do you know that Ninus Malan lists as a
5 branch office an office space that is one of the
6 properties you own?

7 A Which property, sir?

8 Q Logan Avenue. I am not certain of the address.

9 A Logan Avenue, the only thing I have with one of
10 the corporation belong to Mr. Malan, it's the Mexican
11 taco shop.

12 Q And are you aware that that address is also
13 used as -- from the BRE, Bureau of Real Estate website
14 as a -- what's it called? I forgot the name -- as a
15 branch office?

16 A I don't know.

17 Q So let's take a look at this. And I don't have
18 any copies of this, so we will have to use this as
19 the -- we will have to use this as the official
20 document. I think this is 14.

21 (Exhibit 14 was marked for identification
22 by the court reporter and is attached hereto.)

23 BY MR. BARTSCH:

24 Q Take a look at this, please. This appears to
25 be a Grant Deed dated March 20th, 2017. One of your

Page 353

1 companies is San Diego United Holdings Group, LLC;
2 correct?

3 A Correct.

4 Q And the Grant Deed is to be sent to Ninus
5 Malan. If you can take a look at that, please.

6 MR. JAFFE: Let's take a break.

7 MR. BARTSCH: Hold it. Why are we taking a
8 break?

9 MR. MUIR: He didn't ask for a break.

10 MR. BARTSCH: Typically you don't take a break
11 when there's a question pending.

12 MR. JAFFE: Was there a question?

13 MR. BARTSCH: Yes.

14 Q Why did you have the Grant Deed sent to Ninus
15 Malan in 2017?

16 A It say here that it was sent to 7977 Broadway
17 Avenue, sir. I don't know why you say that is sent to
18 Ninus Malan.

19 Q Look at the bottom.

20 MR. JAFFE: That's his answer. Let's take a
21 break.

22 (Recess.)

23 BY MR. BARTSCH:

24 Q All right. So you have had a chance to speak
25 with your attorney. We are back on the record. Why was

Page 354

1 that document to be sent to Ninus Malan?

2 A Well, this is -- this is saying here United
3 Holding Group, LLC and I thought it's San Diego Private
4 Investment, because I have San Diego Private Investment;
5 so by mistake I thought you were talking about San Diego
6 Private Investment, not San Diego United because I own
7 San Diego Private Investment.

8 So let me -- let me correct my answer and say I
9 thought that you say San Diego Private Investment. My
10 apology. I just try to be fast and just not pay any
11 attention because I --

12 Q So you are stating that this has nothing to do
13 with you; is that correct?

14 A San Diego United Holding Group, LLC, I don't
15 have nothing to do with that.

16 Q And that address, 7977 Broadway Avenue, Lemon
17 Grove, California, that's the address that shows up all
18 over your various companies. That has nothing to do
19 with you?

20 MR. JAFFE: Objection; argumentative.

21 THE WITNESS: Okay. Okay. I am sorry. What
22 are you say?

23 BY MR. BARTSCH:

24 Q That 7977 Lemon Grove property address, that's
25 a property address you own; correct?

Page 355

1 signed on Salam Razuki as a member on behalf of Razuki
2 Investments, LLC.

3 Q Yes.

4 A That's how she notarized my signature. That
5 mean Salam Razuki or Razuki Investments, LLC. That's
6 only involvement that I have here in the bottom, Razuki
7 Investments and Salam Razuki.

8 Q Right. I don't understand the point. The
9 point is this document is being sent to Ninus Malan.
10 May I see it again?

11 A Sure.

12 Q You are saying that San Diego United Holdings
13 Group, LLC is a company that you have no business with;
14 is that correct?

15 A That's correct, sir.

16 MR. JAFFE: Objection; vague as to no business
17 with. There's a sale transaction that's represented by
18 that document.

19 THE WITNESS: Correct, Mr. Jaffe. But let me
20 make it clear. Razuki Investments, LLC, when I sold
21 that property, there was a conditional use permit
22 attached to that property; and when I sell the property,
23 that CUP would go with the properties.

24 Does that make it clear? So that's the
25 involvement that I have only as me, Salam Razuki, or

Page 357

1 Razuki Investments, LLC.

2 I don't have any interest, as I say, in any
3 San Diego United Holding. So if you will try to ask me
4 a question that I don't understand it or whatever to
5 make me say that I have anything to do with San Diego
6 United Holding, I am saying I don't have a direct
7 interest in San Diego United Holding.

8 BY MR. BARTSCH:

9 Q So you signed that transfer from -- excuse me.
10 You signed the transfer from Razuki Investments, LLC to
11 San Diego United Holdings Group, LLC?

12 A This is not correct, sir.

13 Q It's notarized and signed by you. It's
14 notarized by your employee.

15 A Correct, sir. But don't try to -- to make me
16 answer a question that I don't understand. When I
17 signed this Grant Deed, the Grant Deed is under Razuki
18 Investments, LLC, not to San Diego.

19 So that Grant Deed, when I purchased that
20 property under Razuki Investments, I sign it, I notarize
21 it -- without even having here San Diego United or
22 anything on it and I signed the Grant Deed as Razuki
23 Investments own the property and me as Salam Razuki or
24 whatever. Whatever entity he want that property to be
25 grant deeded to, that's what he create.

Page 358

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Q Who is he?

A Ninus Malan. He is the one that -- he have an interest on San Diego United Holding.

Q So you are transferring a Grant Deed to Ninus Malan?

A It's not personally to Ninus Malan, to the entities that Ninus Malan have an interest in.

Q Other than Ninus Malan, who else has an interest in San Diego United Holdings Group, LLC?

MR. JAFFE: Objection; vague.

THE WITNESS: No, I don't -- I don't know.

BY MR. BARTSCH:

Q And you testified that you transferred the Grant Deed and a conditional use permit on this Grant Deed; is that correct?

MR. JAFFE: Objection. It calls for a legal conclusion.

But you can answer.

THE WITNESS: Yeah. Well, from my understanding, I transferred the Grant Deed on the property and the CUP that's attached to that property.

BY MR. BARTSCH:

Q And what consideration did Ninus Malan pay you for that transfer?

A Well, there is an escrow paper. It show there

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I, SALAM RAZUKI, do hereby declare under penalty of perjury that I have read the foregoing transcript; that I have made such corrections as noted herein, in ink, initialed by me, or attached hereto; that my testimony as contained herein, as corrected, is true and correct.

EXECUTED this ____ day of _____,
2018, at _____, _____.
(City) (State)

SALAM RAZUKI
VOLUME II

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I, the undersigned, a Certified Shorthand Reporter of the State of California, do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that any witnesses in the foregoing proceedings, prior to testifying, were duly sworn; that a record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my direction; that the foregoing transcript is a true record of the testimony given.

Further, that if the foregoing pertains to the original transcript of a deposition in a Federal Case, before completion of the proceedings, review of the transcript [X] was [] was not requested.

I further certify I am neither financially interested in the action nor a relative or employee of any attorney or party to this action.

IN WITNESS WHEREOF, I have this date subscribed my name.

Dated: 04/09/2018



ANELA SHERADIN

CSR NO. 9128

EXHIBIT S

3235

1 DOUGLAS JAFFE, ESQ. Bar No. 170354
2 LAW OFFICES OF DOUGLAS JAFFE
3 501 West Broadway, Suite 800
4 San Diego, California 92101
5 Telephone: (619) 400-4945
6 Facsimile: (619) 400-4947

7 Attorneys for Plaintiff

FILED
CLERK'S BUSINESS OFFICE 9
CENTRAL DIVISION
2018 JUN 13 11:57
CLERK-SUPERIOR COURT
SAN DIEGO COUNTY, CA

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 FOR THE COUNTY OF SAN DIEGO - CENTRAL

10 SAN DIEGO PRIVATE INVESTMENTS,
11 LLC,

12 Plaintiff,

13 vs.

14 ALLISON-MCCLOSKEY ESCROW
15 COMPANY; and DOES 1-10, inclusive,

16 Defendants.
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Case No.: 37-2018-00029303-CU-BT-CTL

COMPLAINT

- 1) BREACH OF FIDUCIARY DUTY
- 2) NEGLIGENCE
- 3) BREACH OF CONTRACT

24 COMES NOW San Diego Private Investments, LLC ("SDPI" or "Plaintiff") and alleges
25 as follows:
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GENERAL ALLEGATIONS

1. On information and belief, defendant Allison-McCloskey Escrow Company is a corporation doing business in the county of San Diego, California ("McCloskey").

2. The true names and capacities, whether individual, corporate, associate or otherwise, of defendants Does 1 through 10 are unknown to Plaintiff who therefore sues said defendants by such fictitious names. Plaintiff will amend this complaint to show their true names and capacities when they have been ascertained. Plaintiff alleges that each of the fictitiously named defendants engaged in the actions and omissions hereinafter alleged and that each is fully liable for all the damages requested herein.

3. This Court has personal and subject matter jurisdiction over this action and venue is properly placed in this Court.

FIRST CAUSE OF ACTION
(Breach Of Fiduciary Duty)

4. Plaintiff incorporates by this reference each of the previous paragraphs.

5. McCloskey agreed to act as the escrow holder for Plaintiff in the escrow for the property at 1778 Bramblewood Court, Chula Vista, CA 91913 known as Escrow No. 145644S-CG.

6. The escrow instruction signed by SDPI and D'Kiel Group, LLC ("D'Kiel") authorized and directed McCloskey to record the deeds McCloskey was holding. That escrow instruction is dated November 18, 2016. McCloskey has no explanation for why the deeds were not immediately recorded pursuant to the escrow instruction, and McCloskey breached its fiduciary duties in this matter by failing to immediately record the deeds.

7. As a direct and proximate result of McCloskey's failure to record the deeds, the Bramblewood property was sold without the consent of SDPI and without compensation to SDPI.

1 18. As a direct and proximate result of McCloskey's failure to record the deeds, the
2 Bramblewood property was sold without the consent of SDPI and without compensation to
3 SDPI.

4 19. D'Kiel did not allege that SDPI has breached any agreement or term of the
5 existing agreed upon escrow. McCloskey wrongfully favored D'Kiel by refusing to record the
6 deeds.

7 20. Demand was made McCloskey by SDPI for the deeds to be immediately recorded
8 as set forth in the escrow instruction. McCloskey wrongfully failed and refused to record the
9 deeds.

10 21. McCloskey had a duty to reasonably and properly perform its escrow work.

11 22. McCloskey had a duty to exercise reasonable skill and diligence in this matter.

12 23. McCloskey failed to reasonably and properly perform its escrow work.

13 24. McCloskey failed to exercise reasonable skill and diligence in this matter.

14 25. McCloskey breached its duties to SDPI.

15 26. As a direct and proximate result of the foregoing, Plaintiff has sustained damages
16 in an amount to be determined at trial, plus interest, attorneys' fees and costs.

17
18 **THIRD CAUSE OF ACTION**
19 **(Breach of Contract)**

20 27. Plaintiff incorporates by this reference each of the previous paragraphs.

21 28. SDPI and McCloskey entered into an escrow agreement.

22 29. McCloskey materially breached the escrow agreement.

23 30. SDPI did all, or substantially all, of the significant things that the escrow
24 agreement required it to do or it was excused from having to do those things.

25 31. All conditions required for McCloskey's performance occurred.

26 32. As a direct and proximate result of the foregoing, Plaintiff has sustained damages
27 in an amount to be determined at trial, plus interest, attorneys' fees and costs.

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WHEREFORE, Plaintiff prays as follows:

- a) For damages according to proof;
- b) For interest according to proof;
- c) For costs and reasonable attorneys' fees as provided in any agreement between the parties, any statute or otherwise;
- d) For punitive damages; and
- e) For such other and further relief as the Court deems just and proper.

Dated: June 4, 2018

LAW OFFICES OF DOUGLAS JAFFE

Douglas Jaffe

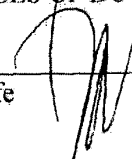


EXHIBIT T

3241

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6 Attorneys for Cross-complainant
San Diego United Holdings Group, LLC
7

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

06/27/2018 at 04:33:00 PM

Clerk of the Superior Court
By Erika Engel, Deputy Clerk

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF SAN DIEGO- CENTRAL DIVISION**
10

11 AVAIL SHIPPING, INC., a California
12 corporation,

13 Plaintiff,

14 vs.

15 RAZUKI INVESTMENTS, L.L.C., a
California limited liability company,
16 SALAM RAZUKI, an individual, NINUS
MALAN, an individual, MARVIN
17 RAZUKI, an individual, AMERICAN
LENDING AND HOLDINGS, LLC a
18 California limited liability company, SAN
DIEGO PRIVATE INVESTMENTS, LLC
19 a California limited liability company; SH
WESTPOINT GROUP, LLC, a California
20 limited liability company, SAN DIEGO
UNITED HOLDINGS GROUP, LLC, a
21 California limited liability company; and
DOES 1 through 100, inclusive;

22 Defendants.
23

24 SAN DIEGO UNITED HOLDINGS
GROUP, LLC, a California limited liability
company;

25 Cross-complainant,

26 vs.

27 RAZUKI INVESTMENTS, LLC, a
28 California limited liability company;

CASE NO. 37-2018-00022710-CU-FR-CTL

**SAN DIEGO UNITED HOLDING
GROUP'S VERIFIED CROSS-
COMPLAINT FOR:**

**(1) QUIET TITLE;
(2) DECLARATORY RELIEF**

[IMAGED FILE]

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 SALAM RAZUKI, an individual; All
2 persons unknown, claiming any legal or
3 equitable right, title, estate, lien or interest
4 in the properties described in the Cross-
5 complaint adverse to Cross-complainant's
6 title thereto; and ROES 1-15, inclusive.

7 Cross-defendants.

8 Cross-complainant San Diego United Holdings Group, LLC alleges as follows:

9 **PARTIES**

10 1. Cross-complainant San Diego United Holdings Group, LLC ("Cross-complainant"
11 or "SDUHG") is, and at all times relevant to this action was, a California limited liability
12 company with its principal place of business in San Diego County, California.

13 2. Cross-defendant Razuki Investments, LLC is, and at all times relevant to this
14 action was, a California limited liability company with its principal place of business in San
15 Diego County, California.

16 3. Cross-defendant Salam Razuki is, and at all times relevant to this action was, an
17 individual residing in San Diego County, California.

18 4. Collectively Razuki Investments and Salam Razuki ("Cross-defendants").

19 5. SDUHG owns a 100% interest in real property located at 8861 Balboa Ave, Suite
20 B, San Diego, California 92123 (APN 369-150-13-23) ("8861 Balboa").

21 6. SDUHG owns a 100% interest in real property located at 8863 Balboa Ave, Suite
22 E, San Diego, California 92123 (APN 369-150-13-15) ("8863 Balboa").

23 7. 8861 Balboa and 8863 Balboa are collectively referred to as the "Properties." A
24 complete legal description of the Properties is attached as Exhibit A and incorporated by
25 reference.

26 8. Cross-complainant does not know the true names of Cross-defendants All Persons
27 Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien, or Interest in the
28 Properties Described in the Cross-complaint adverse to Cross-complainant's title or any cloud on
Cross-complainant's title thereto and ROES 1-15 inclusive, and therefore sues them by those
fictitious names. Cross-complainant will amend this Cross-complaint to allege their true names

1 and capacities when ascertained. Cross-complainant is informed and believes, and thereon
2 alleges that at all relevant times mentioned in this Cross-complaint, each of the fictitiously named
3 Cross-defendants are responsible in some manner for the injuries and damages to Cross-
4 complainant so alleged and that such injuries and damages were proximately caused by Cross-
5 defendants, and each of them. Cross-complainant is informed and believes that each of the ROE
6 defendants claims, or may claim, some interest in the real properties described in this Cross-
7 complaint.

8 9. Cross-complainant is informed and believes and thereon alleges that at all times
9 herein mentioned, each of the Cross-defendants were the agents, employees, servants and/or the
10 joint-venturers of the remaining Cross-defendants, and each of them, and in doing the things
11 alleged herein below, were acting within the course and scope of such agency, employment
12 and/or joint venture.

13 **JURISDICTION**

14 10. The transaction and events which are the subject matter of this Cross-complaint all
15 occurred in San Diego County, California.

16 11. 8861 Balboa and 8863 Balboa are located in San Diego County, California.

17 **STATEMENT OF FACTS**

18 12. In or about July 2015, the City of San Diego ("City") Planning Commission
19 approved a Conditional Use Permit for a medical marijuana consumer cooperative ("MMCC
20 CUP") at 8863 Balboa. At that time, 8863 Balboa was owned by a California limited liability
21 company named Leading Edge Real Estate.

22 13. On July 29, 2015, the MMCC CUP was recorded with the San Diego County
23 Recorded as a covenant running with the land as to 8863 Balboa.

24 14. Cross-complainant is informed and believes that between July 29, 2015 and
25 August 2016, a California limited liability company named High Sierra Equity ("High Sierra")
26 acquired title to 8863 Balboa and 8861 Balboa was owned by a trust named The Melograno Trust.

27 15. Cross-complainant is informed and believes that by August 2016, The Melograno
28 Trust and High Sierra simultaneously offered 8861 and 8863 Balboa for sale and that Cross-

1 defendants learned the Properties were for sale.

2 16. Cross-complainant is informed and believes that on or about August 22, 2016,
3 Razuki Investments offered to purchase 8863 Balboa from High Sierra for \$375,000 and 8861
4 Balboa from The Melograno Trust for \$375,000. No steps had been taken to open the marijuana
5 dispensary at 8863 Balboa e.g. no tenant improvements had been done and no steps had been
6 taken to have a certificate of occupancy issued by the City.

7 17. Cross-complainant is further informed and believes that Cross-defendants learned
8 the Properties were part of commercial homeowners' association named Montgomery Field
9 Business Condominiums Association ("HOA") and that the HOA adamantly opposed the MMCC
10 and had threatened to sue the property owner and the MMCC operator when it opened.

11 18. On or about October 4, 2016, Razuki Investments purchased 8861 and 8863
12 Balboa for \$750,000. Cross-complainant is informed and believes that Razuki Investments
13 and/or Salam Razuki borrowed money to acquire the Properties and that Razuki Investments
14 and/or Salam Razuki borrowed money from TGP Opportunity Fund I, LLC and that TGP
15 Opportunity Fund I, LLC secured the note through a Deed of Trust.

16 19. On or about October 4, 2016, a Deed of Trust was recorded in the Properties'
17 chain of title; Razuki Investments as Trustor granted a Deed of Trust for the benefit of a limited
18 liability company named TGP Opportunity Fund I, LLC and named a California corporation
19 named FCI Lender Services, Inc. as the trustee ("TGP Deed of Trust").

20 20. Between October 4, 2016 and March 20, 2017, Cross-defendants made no attempt
21 to open the MMCC and did nothing to improve the Properties. Cross-complainant is informed
22 and believes that Cross-defendants decided they did not want to battle the HOA and did not want
23 to pay for and manage the tenant improvements and conditions required by the MMCC CUP.

24 21. On or about March 20, 2017, Cross-complainant purchased 8861 Balboa and 8863
25 Balboa from Razuki Investments for \$750,000. Cross-complainant purchased the Properties
26 subject to the TGP Deed of Trust, in the amount of \$475,000 at closing, and knew that it would
27 be imminently required to borrow money to pay off the TGP Mortgage to allow for a
28 reconveyance of the TGP Deed of Trust.

1 22. On or about March 20, 2017, a Deed of Trust was recorded in the Properties' chain
2 of title; Cross-complainant as Trustor granted a Deed of Trust for the benefit of Razuki
3 Investments and named a California corporation named Allison-McCloskey Escrow Company as
4 the trustee ("Razuki Deed of Trust").

5 23. On or about May 11, 2017, to pay off the TGP Deed of Trust and to relieve Razuki
6 Investments of its obligation on the TGP Note and TGP Deed of Trust, Cross-complainant
7 borrowed money, as evidenced by a note and a Deed of Trust.

8 24. On May 15, 2017, a Substitution of Trustee and Deed of Reconveyance for the
9 Razuki Deed of Trust ("Razuki Deed of Reconveyance") was recorded with the San Diego
10 County recorder. The Razuki Deed of Reconveyance reconveyed to person or persons legally
11 entitled the estate held under the Razuki Deed of Trust. At the time the Razuki Deed of
12 Reconveyance was recorded, Cross-complainant and TGP became the "persons" legally entitled
13 to all estate, title, and interest in the Properties.

14 25. On or about May 15, 2017, a Deed of Trust was recorded in the Properties' chain
15 of title; San Diego United Holdings Group, LLC as Trustor of the Properties granted a Deed of
16 Trust for the benefit of Michael J. Hall and Linda D. Hall, Trustees of the Hall Family Trust dated
17 June 14, 1989 and named a California corporation named Statewide Reconveyance Group, Inc.
18 dba Statewide Foreclosure Services as the trustee ("Hall Deed of Trust").

19 26. On or about May 31, 2017, a Deed of Reconveyance for the TGP Deed of Trust
20 ("TGP Deed of Reconveyance") was recorded with the San Diego County recorder. The TGP
21 Deed of Reconveyance reconveyed to person or persons legally entitled the estate, title and
22 interest held by the TGP Deed of Trust with respect to the Properties. At the time the TGP Deed
23 of Reconveyance was recorded, Cross-complainant and the Hall Family Trust became the
24 "persons" legally entitled to all estate, title, and interest in the Properties.

25 27. In or about May 2017, the MMCC opened at 8863 Balboa. SDUHG paid all
26 expenses related to the MMCC CUP and through the date of this Cross-complaint has paid all
27 expenses related to the Properties including property taxes, HOA fees and assessments, the
28 mortgage, and CUP related expenses.

1 28. In or about June 2018, Cross-complainant learned that Cross-defendants had
2 informed a third party that one or both had some interest in the Properties. Cross-complainant
3 became extremely concerned by this statement and this Cross-complaint ensued.

4 29. Cross-defendants cannot show proper receipt, possession, transfer, negotiations,
5 assignment or ownership of the Properties, the Note or Deed of Trust, resulting in no interest or
6 claim to the Properties.

7 30. Cross-complainant has perfected title and therefore Cross-defendants cannot
8 establish that they legally or properly hold any interest in the Properties.

9 **FIRST CAUSE OF ACTION**

10 **QUIET TITLE**

11 **(Against All Cross-defendants)**

12 31. Cross-complainant re-alleges and incorporates by reference all preceding
13 paragraphs as though fully set forth herein.

14 32. Cross-complainant is the fee owner of the Properties and Cross-complainant's title
15 to the Properties is derived from its March 22, 2017 purchase from Razuki Investments for
16 \$750,000, which is secured by a note and the Hall Deed of Trust.

17 33. All Cross-defendants named herein claim an interest and estate in the property
18 adverse to Cross-complainant in that Cross-defendants assert they are an owner or have an
19 interest in the Properties by a debt instrument.

20 34. Cross-defendants claims are without any right whatsoever and Cross-defendants
21 have no right, estate, title, lien or interest in or to the Properties or any part of the Properties.

22 35. Cross-defendants claims, and each of them, claim some estate, right, title, lien or
23 interest in or to the Properties adverse to Cross-complainant's title and these claims constitute a
24 cloud on Cross-complainant's title to the Properties.

25 36. Cross-complainant requests a determination of its fee simple title as of the date it
26 purchased the Properties from Razuki Investments.

27 ///

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AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

1 **SECOND CAUSE OF ACTION**

2 **DECLARATORY RELIEF**

3 **(Against All Cross-defendants)**

4 37. Cross-complainant re-alleges and incorporates by reference all preceding
5 paragraphs as though fully set forth herein.

6 38. An actual controversy has arisen and now exists between Cross-complainant and
7 Cross-defendants regarding their respective rights and duties to include Cross-complainants
8 purchase of the Properties and the Razuki Deed of Reconveyance.

9 39. Cross-complainant contends that Cross-defendants, and each of them, do not have
10 any right or title to the Properties and cannot prove to the court that they have a valid interest.
11 Cross-complainant further contends it is not indebted to Cross-defendants for any debt related to
12 the Properties, whether secured or unsecured.

13 40. Cross-complainant is informed and believes that Cross-defendants dispute Cross-
14 complainant's contention and instead contend that they have an interest in the Properties and that
15 Cross-complainant owes Cross-defendants money, whether secured or unsecured, related to the
16 Properties.

17 41. Cross-complainant requests a judicial determination of the rights, obligations and
18 interest of the parties with respect to the Properties, and such determination is necessary and
19 appropriate at this time, and under the circumstances, so that all parties may ascertain and know
20 their rights, obligations and interest with respect to the Properties.

21 42. Cross-complainant requests a determination that the its purchase, the Hall Deed of
22 Trust and the Razuki Deed of Reconveyance are valid and that Cross-defendants have no rights
23 under, at a minimum, the Razuki Deed of Trust. Cross-complainant also requests a determination
24 that it is not indebted to Cross-defendants for any debt related to the Properties, whether secured
25 or unsecured.

26 43. Cross-complainant requests all adverse claims to the Properties be determined by a
27 decree of this Court.

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AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

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4. For any other and further relief the Court deems proper.

Dated: June 26, 2018

AUSTIN LEGAL GROUP, APC

Tamara M. Leatham

By: Gina M. Austin/Tamara M. Leatham
Attorneys for Cross-complainant San Diego
United Holdings Group, LLC

AUSTIN LEGAL GROUP, APC
3990 Old Town Ave, Ste A-112
San Diego, CA 92110

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VERIFICATION

I am the manager and sole member for Cross-complainant in this action. I have read the foregoing Cross-complaint for Quiet Title and Declaratory Relief and know its contents. The matters stated in the Cross-complaint are true based on my own knowledge, except as to those matters stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury under California state law that the foregoing is true and correct. Executed June 26, 2018 in San Diego, California.

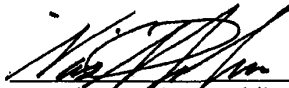

San Diego United Holdings Group, LLC
By: Ninus Malan
Its: Sole member and manager

Exhibit A

EXHIBIT A

Legal Description

8863 Balboa Ave, Suite E, San Diego 92123

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium comprised of:

Parcel 1:

An undivided 1/46th interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 of the City of San Diego Industrial Park Unit No. 2, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 4113, Filed in the Office of the County recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as File/Page No. 81-242888 of official records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit No. 8863E as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space Nos. E-32 and E-31.

APN: 369-150-13-23

EXHIBIT A

Legal Description

8861 Balboa Ave, Suite B, San Diego 92123

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium comprised of:

Parcel 1:

An undivided 1/46th interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 of the City of San Diego Industrial Park Unit No. 2, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 4113, Filed in the Office of the County recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as File/Page No. 81-242888 of official records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit No. 8861B as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space Nos. B-48, B-47 and Airplane Parking Space No. (None).

APN: 369-150-13-15

EXHIBIT U

3255

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

SALAM RAZUKI, an
individual,

Plaintiff,

vs.

NINUS MALAN, an individual;
MONARCH MANAGEMENT
CONSULTING, INC., a
California corporation;
SAN DIEGO UNITED HOLDING
GROUP, LLC, a California
limited liability company;
MIRA ESTE PROPERTIES, LLC,
a California limited
liability company; ROSELLE
PROPERTIES, LLC, a
California limited
liability company; and
DOES 1-100, inclusive,

Defendants.

Hon. Eddie C. Sturgeon

CASE NO. 37-2018-
00034229-CU-BC-CTL

Hearing

TRANSCRIPT OF PROCEEDINGS

August 14, 2018

8:28 a.m.

330 West Broadway, Dept. 67

San Diego, California

REPORTED BY:

Leyla S. Jones

CSR No. 12750

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1 SAN DIEGO, CALIFORNIA;
2 TUESDAY, AUGUST 14, 2018; 8:28 A.M.

3
4 THE COURT: Everybody come down on Razuki.
5 It's probably the whole courtroom, so come on down.
6 Okay. We do have a whole courtroom. How exciting
7 is this. All right. Let's go on the record. This
8 hearing will take no more than ten minutes. You'll
9 see why. But first of all, let's get the name of
10 the case. So this is -- is it Razuki? Who
11 represents Razuki?

12 MR. ELIA: I do, Your Honor.

13 THE COURT: Am I pronouncing it correctly?

14 MR. ELIA: Yes, you are.

15 THE COURT: Versus -- and is it Malan?

16 MS. LEETHAM: Malan. Malan, Your Honor.

17 THE COURT: Thank you. Let's get that.

18 So let's have -- I want to know who
19 everybody else represents. So go slow so I can put
20 faces with names. Let's go.

21 MR. JOSEPH: Good morning, Your Honor.
22 James Joseph on behalf of the plaintiff, Salam
23 Razuki.

24 THE COURT: Razuki.

25 MS. GRIFFIN: Maura Griffin on behalf of
26 Plaintiff, Salam Razuki.

27 THE COURT: Razuki.

28 MR. ZIMMITTI: Good morning, Your Honor.

1 Salvatore Zimmitti on behalf of SoCal Building
2 Ventures, LLC, and San Diego Building Ventures, LLC.

3 THE COURT: Have you intervened or is that
4 still a decision to be made by the Court?

5 MR. ZIMMITTI: Yeah, we have intervened,
6 Your Honor.

7 THE COURT: So you're in the lawsuit?

8 MR. ZIMMITTI: We're in the lawsuit.

9 THE COURT: SoCal's in?

10 MR. ZIMMITTI: Correct.

11 MR. ELIA: Steve Elia on behalf of the
12 plaintiff, Salam Razuki.

13 MR. GRISWOLD: Richardson Griswold for
14 Receiver, Michael Essary.

15 MR. WATTS: Daniel Watts for Defendant
16 Ninus Malan.

17 THE COURT: Malan.

18 MS. LEETHAM: Tamara Leetham for Ninus
19 Malan. Mr. Malan is present before the Court.

20 THE COURT: I always appreciate parties
21 here. It's very important. I like people to know
22 who, get a sense of who I am.

23 So hold on. Malan, Malan.

24 MS. AUSTIN: Gina Austin on behalf of Ninus
25 Malan.

26 THE COURT: Malan.

27 MR. GORIA: Charles Goria on behalf of
28 Chris Hakim, Mira Este Properties, and Roselle

1 Properties.

2 MS. LEETHAM: And a point of clarification,
3 Your Honor, just so the record is clear, San Diego
4 Building is not a party to this lawsuit, although
5 Mr. Zimmitti does represent them transactionally.

6 MR. ZIMMITTI: That's incorrect,
7 Your Honor. We did intervene with both of the
8 plaintiffs in the intervening case.

9 THE COURT: I'll sort that out.

10 Who represents Balboa? I see Balboa is a
11 defendant.

12 MS. LEETHAM: I do, Your Honor, but we have
13 not appeared yet, because we just have been served.
14 So we're here only for Ninus Malan. I can specially
15 appear for Balboa and San Diego United.

16 THE COURT: Thank you. We'll come back to
17 you. We'll talk about that.

18 And who represents California Cannabis
19 Group?

20 MS. LEETHAM: I do too, as well,
21 Your Honor.

22 THE COURT: Okay. Let me keep going. I
23 think I get a pattern here. Devilish Delights?

24 MS. LEETHAM: I mean, theoretically, that
25 would either be myself or Mr. Gorla. I don't think
26 we've made a determination on that entity yet,
27 although it's related.

28 THE COURT: And then is it Mira Este -- am

1 I pronouncing that correctly?

2 MR. GORIA: Yes, Your Honor.

3 THE COURT: -- Properties? Who represents
4 them?

5 MR. GORIA: I'm appearing for them,
6 Your Honor.

7 THE COURT: Who represents Roselle Prop --
8 Roselle -- am I pronouncing that -- Properties?

9 MR. GORIA: Correct. Yes, Your Honor. I'm
10 also appearing for them.

11 THE COURT: That's that lawsuit. Okay.
12 And then who represents Flip Management?

13 MS. LEETHAM: Again, that's somebody at
14 this table. I can specially appear on behalf of
15 Flip this morning.

16 THE COURT: Here's -- first of all, someone
17 said, "Judge, this is a rehearing." There will be
18 no rehearing today. It's not going to happen.
19 Here's what I want to get settled first, and I say
20 this so respectfully.

21 I want everybody, everybody -- and that
22 includes the people that haven't appeared. I'd like
23 you to make formal appearances. I'd like to do this
24 case Monday at 1:30. We'll take all afternoon with
25 it. But hold on. No. Go ahead you can write that
26 down. I said, "Hold on."

27 What I don't want to happen is for me to
28 spend all my time -- and I say this so respectfully,

1 Counsel. Most of you know me. I don't want to
2 spend all my time on this and then walk in and
3 somebody filed a motion.

4 And you know what motion I'm talking about,
5 don't you? You've gone through two judges already.
6 So if somebody wants to file it, file it now. And
7 boom, I'll send it to another judge in a heartbeat.
8 But otherwise, you're stuck, because I may make an
9 order today. So I guess -- no, I'm not going to
10 make an order today because there's parties that
11 haven't appeared. So I want everybody to appear.

12 Can we do this informally? Can we have an
13 agreement -- I'm talking to this side of the
14 table -- now that you'll work out the appearances so
15 I don't have to worry about a 176?

16 MS. LEETHAM: Your Honor, we will not
17 exercise a peremptory challenge. And yes, we will
18 work those out.

19 MR. GORIA: That's fine.

20 THE COURT: Then would you all feel
21 comfortable if I make an order today?

22 MS. LEETHAM: As long as it's in my favor.

23 THE COURT: Well said. It will be a pretty
24 broad order. I'm not going to make any order as to
25 the receivership. We're going to have a full two-
26 to three-hour hearing on that, Counsel. I will tell
27 you that. I have a few questions today.

28 So can I assume there's going to be no 176

1 by anybody in the courtroom and all of the
2 defendants and plaintiffs? Is that a fair
3 statement?

4 MR. ELIA: Yes, Your Honor. And it's our
5 position that each side has already exercised one.

6 THE COURT: Yeah, but that's each side.
7 You got -- there are other defendants, right?

8 MR. ELIA: There are, Your Honor, but
9 they're -- they have to be -- the law is that they
10 have to be substantially adverse, and we believe
11 that they're sharing attorneys. And if they're
12 not -- so --

13 THE COURT: That's one opinion.

14 MS. LEETHAM: I actually think I might
15 agree with him on that point, and we do not intend
16 on exercising --

17 THE COURT: Okay. So let's go.

18 MS. LEETHAM: -- challenge.

19 THE COURT: Here we go. Here's what we're
20 going to do: Full hearing this Monday. Just real
21 quick, I have about five or six questions that I'm
22 going to ask everybody here. And if you just say,
23 "Judge, I don't want to go there. You'll hear this
24 on -- on Monday" --

25 Real quick. Receiver, I've been -- I have
26 read a lot of this. Somebody says there was
27 \$170,000 in your account, true or false?

28 MR. GRISWOLD: Yes, true.

1 THE COURT: Did you pay the mortgage
2 payments?

3 MR. GRISWOLD: No.

4 THE COURT: With 170K and the mortgage
5 payments were about 50 grand? Did I read that
6 right?

7 MR. GRISWOLD: I think the mortgage
8 payments that were communicated by counsel for
9 Mr. Hakim were approximately 30,000.

10 THE COURT: Why weren't they paid?

11 MR. GRISWOLD: Well, in the interim report,
12 the receivers laid out the accounting of what was
13 paid.

14 THE COURT: Okay. So did that go to the
15 licensing? Is that where it went?

16 MS. LEETHAM: They paid insiders,
17 Your Honor, almost \$100,000 the day we gave ex parte
18 notice.

19 THE COURT: And here we go. Here we go.

20 MS. LEETHAM: I --

21 THE COURT: We'll get to it. I just --
22 these are broad questions. Thank you. Stop right
23 there.

24 MS. LEETHAM: Okay.

25 THE COURT: I see there's a disagreement.

26 MR. GRISWOLD: Yes.

27 THE COURT: Number 2, can I assume that
28 when Judge Strauss made his order, he made an order

1 to have a final order prepared, yes or no?

2 MR. ZIMMITTI: Yes.

3 MS. LEETHAM: No. Our position is that's
4 an order on the receivership, that the order we were
5 preparing is on how to do the accounting piece of
6 it.

7 THE COURT: Again, I haven't -- I didn't
8 see a thing. If -- did Judge Strauss order a final
9 order on the vacating of the receivership order?
10 Did he order that.

11 MS. LEETHAM: Yes, he did order it. Yes,
12 Your Honor.

13 MR. GORIA: I have a --

14 MR. ELIA: Your Honor --

15 THE COURT: Okay. Answer my question.

16 MR. ELIA: Disputed.

17 THE COURT: You'll be able to argue that.
18 Synergy. Is Synergy here? Anyone represent
19 Synergy? Nobody?

20 MS. AUSTIN: No, Your Honor.

21 THE COURT: Mr. -- who prepared Mr. -- is
22 it Hakim? Who prepared that declaration?

23 MR. GORIA: I did, Your Honor.

24 THE COURT: Counsel, you indicated that on
25 8/3 \$200,000 was collected? It was. That's in the
26 declaration.

27 MR. GORIA: Okay. Yes --

28 THE COURT: From --

1 MR. GORIA: -- from Synergy.

2 THE COURT: Yeah. Where's that money?

3 MR. GORIA: It's in Synergy's account.

4 There's a blocked account that requires the
5 signatures of both Synergy and Mira Este and it's in
6 that account.

7 THE COURT: Okay. You'll see what I'm
8 going to order. Okay?

9 Then real quick, let me just see if I can
10 figure this out. And these are just yes-or-no
11 questions.

12 Does anyone here own 100 percent of
13 Mira Este Properties, LLC? Obviously not. I know
14 the answer to my own question.

15 But is there anyone outside of the parties
16 here that has an interest in Mira Este Properties,
17 LLC? Do you understand the question?

18 MS. LEETHAM: Yes, Your Honor. RM Holdings
19 is not a party to this litigation. It would be,
20 according to Plaintiff's theory, the entity to which
21 ownership is entitled.

22 THE COURT: And I understand exactly what
23 you said, Counsel. Would that same argument apply
24 to Roselle Properties?

25 MS. LEETHAM: Yes, Your Honor.

26 THE COURT: Would that same property -- is
27 Balboa in or out?

28 MS. LEETHAM: Balboa is in. It's the

1 operator. It's the consumer cooperative.

2 THE COURT: Okay. And then Sunrise
3 Property, in or out?

4 MS. LEETHAM: They're not in the
5 litigation, and they should be.

6 THE COURT: We got work to do. Okay. Then
7 who -- who's Attorney Ford (phonetic)?

8 MR. JOSEPH: He's not here, Your Honor.
9 We're the same firm.

10 THE COURT: Let's talk about SoCal, just
11 for a moment. You put in 2.8 million in this
12 project, right?

13 MR. JOSEPH: Actually, it was 2.73.

14 MS. LEETHAM: Disputed.

15 THE COURT: Fair enough. Okay. Counsel
16 used some very strong language. When you accuse an
17 attorney of stealing, that's strong language,
18 Counsel?

19 MR. JOSEPH: It is, Your Honor.

20 THE COURT: Okay. That -- I just -- who
21 are you accusing? Okay. Don't say a word. I'm
22 just telling you, when I read this, I get real
23 serious. That's -- I'll stop right there. Strong
24 language. I read it.

25 Okay. SoCal, you say that you have
26 \$410,000 worth of equipment that's being held
27 hostage by Mira Mesa -- at the Mira Mesa facility,
28 right?

1 MR. JOSEPH: That's correct, Your Honor.

2 THE COURT: Tell me who you think -- who's
3 holding it on this side of the table?

4 MR. JOSEPH: I think it's defendants. I'm
5 not sure of their associations with each other.
6 They're -- you know, as far as we're concerned,
7 they're all working in concert. Actually, they have
8 done us a favor, Your Honor, and they have actually
9 posted pictures of our equipment in their
10 declaration.

11 THE COURT: Thank you. Stop right there.
12 And I don't want mean to be rude. I just --

13 MR. JOSEPH: That's fine, Your Honor. I'm
14 happy to answer your questions.

15 THE COURT: I appreciate that.

16 Does anyone dispute that they own that
17 property?

18 MS. LEETHAM: I think we're just trying to
19 figure it out, Your Honor. What happened is the
20 police were called, and we agreed on a stand-down,
21 essentially, to figure out title.

22 THE COURT: All right. Anybody else --

23 You've answered all my questions. Thank
24 you very much. I'm prepared to make an order, and
25 I'm making an order right now on everybody. So,
26 therefore, when I make a judicial order, this is --
27 there will be no 176. It's done. Do you all want
28 to take a minute and think about it, that you're

1 going to be stuck with me? Okay. Here's my court
2 order:

3 Mr. Griswold, I want you here. I don't
4 know what I'm going to do. I'll be quite honest.
5 I'm going to look at this case fresh, and I'm going
6 to make a determination whether there were --
7 Monday, 1:30, whether there will be a receiver or
8 not. That's going to be the goal. And you're going
9 to have all afternoon. We'll flesh it out
10 thoroughly. Okay? Here's the order right now for
11 all parties:

12 I don't want any money exchanged, none.
13 All bank accounts are frozen, and I mean frozen even
14 for an electric bill for the next six, seven days.
15 No property will be sold, none.

16 Two, I read something that they're trying
17 to sell -- when I said "property," I also mean real
18 property. I don't want any real property sold.
19 That's under the -- of this Court. So that would be
20 S -- Mira Mesa, Roselle, Balboa.

21 Am I right there? Do I have -- am not
22 saying --

23 MS. AUSTIN: Mira Este.

24 (Crosstalk.)

25 THE REPORTER: I'm sorry. I didn't --

26 MS. LEETHAM: As a point of clarification,
27 are you ordering the dispensary to shut down?

28 THE COURT: No, I'm not. Absolutely not.

1 But I don't any money flowing any way for the next
2 six days. I'm sure that can happen.

3 MS. LEETHAM: And I only say that because
4 the dispensary keeps very detailed logs of its -- so
5 they can continue to run and manage --

6 THE COURT: I hope they make money.

7 MS. LEETHAM: Me too.

8 THE COURT: I think we all do.

9 MR. GORIA: Just on that point, Your Honor,
10 are you talking about no exchange of money other
11 than in the regular course of business or nothing?

12 THE COURT: I want nothing. I don't even
13 want an electric bill paid. Nothing. In six days,
14 the world won't end, until I can find out.

15 Counsel, speak. You give me that look.

16 MS. AUSTIN: I'm sorry, Your Honor.
17 Because the dispensary runs on a limited amount of
18 product in store for safety reasons, and so they
19 regularly purchase product to put it in the store to
20 sell. Over a weekend, that's a lot of -- could be
21 a lot of product.

22 THE COURT: Give me an idea.

23 MS. AUSTIN: Hundred thousand dollars.

24 THE COURT: Jeez. Seriously?

25 MS. AUSTIN: Yes, Your Honor.

26 THE COURT: I'm new to the business,
27 Counsel. They sell \$100,000 worth --

28 MS. AUSTIN: They could. It's a weekend,

1 so you never know on a weekend.

2 THE COURT: Seriously? I may change my
3 order a little bit. They need product, this side of
4 the table.

5 MS. LEETHAM: Well, and that's the problem
6 with the dispensary is keeping some cohesiveness to
7 it. It's been up. It's been down.

8 THE COURT: Okay. Where does the hundred
9 thousand dollars come from?

10 MS. LEETHAM: The dispensary. It's all
11 internal. So it's at this point, I think, starting
12 to sustain itself now that we have the new operators
13 in. So it's coming internally. It's accounted for
14 too.

15 MS. AUSTIN: It would be money they
16 received from sales that would go back towards
17 product. We could cap it -- I'd have to verify with
18 our client, but I'm sure we could cap it a little
19 bit lower if we had to.

20 THE COURT: Give me a suggestion.

21 MS. LEETHAM: I'd be more than happy to
22 provide accounting for the limited number of days.

23 THE COURT: I know, but I want to set a
24 cap. See what she says. Give me a number.

25 MS. LEETHAM: 80,000.

26 THE COURT: Done. And, Counsel, so they
27 can have \$80,000 for the next eight days.

28 Obviously, the business is booming, I sense, here.

1 MS. AUSTIN: It's expensive product,
2 Your Honor.

3 THE COURT: Okay. If you say so. I'll
4 learn a lot.

5 MR. GORIA: So, Your Honor, just so I'm
6 clear on that, because it's going to apply also to
7 Mira Este, which is operational now. The 80,000,
8 that's the amount that can be spent in the regular
9 course of business?

10 THE COURT: For product.

11 MS. LEETHAM: For Balboa only. I mean, the
12 businesses have to be discretely managed. They
13 can't be meshed together the way the accounting has
14 it. They're licensed and accountable by location,
15 if that makes sense.

16 THE COURT: It does. So this 80,000 is for
17 Balboa?

18 MS. LEETHAM: For the dispensary.

19 THE COURT: Okay. Is that --

20 MS. LEETHAM: And that's Balboa.

21 THE COURT: Are there any other
22 dispensaries?

23 MS. LEETHAM: There's not. There's
24 manufacturing.

25 MR. GORIA: Mira Este, which, as we put in
26 our declaration, generated 200,000 in a week. So
27 we're going to need some kind of similar arrangement
28 for replenishment of product.

1 THE COURT: 80,000 enough?

2 MR. GORIA: I believe so.

3 THE COURT: Give me an accounting, both of
4 you. Okay?

5 MS. AUSTIN: Yes, Your Honor.

6 THE COURT: So this will be for six days
7 only, and then we'll really get into it on Monday.
8 Everybody can be here Monday at 1:30?

9 MR. ELIA: Yes, Your Honor.

10 MR. GRISWOLD: Yes, Your Honor.

11 THE COURT: Okay.

12 MS. LEETHAM: Can --

13 THE COURT: That's a court order. I'm
14 putting it in the minute order right now. There
15 will be no final order. You're all in front of me.
16 You heard it. You're charged with it.

17 Counsel, go ahead.

18 MS. LEETHAM: Sorry.

19 THE COURT: You don't have to be sorry.

20 MS. LEETHAM: I'm just chomping at the bit
21 here.

22 THE COURT: Go.

23 MS. LEETHAM: Because we have multiple
24 entities that haven't appeared and there's volumes
25 of paper, I -- can we submit supplemental briefing,
26 and when would you want it? because I -- there's a
27 lot of information I need to respond to.

28 THE COURT: Well, that's -- here's the good

1 news: We've got plenty of time. Ready?

2 Anybody that wants to file anything, have
3 it done by Monday -- no, no, no, not by Monday -- by
4 Friday at noon. I will read it all this weekend,
5 anybody who wants to file any supplement. Though,
6 this isn't enough? Seriously? No. Happy to do it,
7 and we'll get through this. I promise you that. So
8 everybody's going to be here?

9 MR. ELIA: Yes, Your Honor.

10 MR. GRISWOLD: Yes, Your Honor.

11 MS. LEETHAM: Yes, Your Honor.

12 THE COURT: I want everybody here, and
13 we've got the whole afternoon.

14 MR. ELIA: Thank you, Your Honor.

15 THE COURT: We can sort it out.

16 MS. LEETHAM: Thank you, Your Honor.

17 THE COURT: Hold on. I've got an
18 appointment. We will start at 2 o'clock, 2:00 to
19 5:00. Okay. Now, if somebody has to make an
20 appearance, hopefully, you'll make it by being a
21 little bit late. Thank you for your patience with
22 this Court.

23 (The proceedings concluded at 8:44 a.m.)

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* * *

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1 STATE OF CALIFORNIA)
2 COUNTY OF SAN DIEGO)

3

4 I, Leyla S. Jones, a Certified Shorthand
5 Reporter, do hereby certify:

6 That prior to being examined, the witness
7 in the foregoing proceedings was by me duly sworn to
8 testify to the truth, the whole truth, and nothing
9 but the truth;

10 That said proceedings were taken before me
11 at the time and place therein set forth and were
12 taken down by me in shorthand and thereafter
13 transcribed into typewriting under my direction and
14 supervision;

15 I further certify that I am neither counsel
16 for, nor related to, any party to said proceedings,
17 nor in any way interested in the outcome thereof.

18 In witness whereof, I have hereunto
19 subscribed my name.

20

21 Dated: August 17, 2018

22

23 Leyla S. Jones
24 Leyla S. Jones
CSR No. 12750

25

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27

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EXHIBIT V

3277

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO, CENTRAL DIVISION

SALAM RAZUKI, an
individual,

Plaintiff,

vs.

NINUS MALAN, an individual;
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SAN DIEGO UNITED HOLDING
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limited liability company;
MIRA ESTE PROPERTIES, LLC,
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PROPERTIES, LLC, a
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liability company; and
DOES 1-100, inclusive,

Defendants.

Hon. Eddie C. Sturgeon

CASE NO. 37-2018-
00034229-CU-BC-CTL

Hearing

TRANSCRIPT OF PROCEEDINGS

August 20, 2018

2:03 p.m.

330 West Broadway, Dept. 67

San Diego, California

REPORTED BY:

Leyla S. Jones

CSR No. 12750

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26 Balboa Avenue Cooperative, Devilish Delights,
27 and Flip Management, LLC:

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17 Also present: Michael Essary
18 Ninus Malan
19 Chris Berman
20 Daniel Spillane
21 Michael Hickman
22 Doug Jaffe
23 Sylvia Gonzales
24 Chris Hakim
25 Salam Razuki

26
27
28

1 SAN DIEGO, CALIFORNIA;
2 MONDAY, AUGUST 20, 2018; 2:03 P.M.

3
4 THE COURT: Okay. Let's do some work.
5 First, I read all of it. I read it, so I kind of
6 know who every party is. Most of you were --
7 there's a lot of LLCs. People are here and there's,
8 like, ten of them. There's LLCs here or there.

9 So what I'd like to do first, so I can kind
10 of get everybody's name and who you represent,
11 because there's a lot of parties here, and then I'm
12 going to ask to make sure one of the -- so here we
13 go.

14 Thank you for bringing a court reporter.
15 Very important on a case like this. Let's just
16 start at that end of the table, then I'll go across,
17 and then we'll go to the back.

18 MR. LACHANT: Aaron Lachant from Nelson
19 Hardiman for SoCal Building Ventures and San Diego
20 Building Ventures.

21 MR. ZIMMITTI: Good afternoon, Your Honor.
22 Salvatore Zimmitti for Plaintiffs in intervention,
23 SoCal Building Ventures and San Diego Building
24 Ventures, LLCs.

25 THE COURT: There's two.

26 MR. JOSEPH: Good afternoon, Your Honor.
27 James Joseph on behalf of the plaintiff Salam
28 Razuki.

1 THE COURT: One second. Thank you.

2 MS. GRIFFIN: Maura Griffin on behalf of
3 Plaintiff Salam Razuki.

4 THE COURT: Razuki. Got it.

5 MR. ELIA: Steven Elia on behalf of
6 Plaintiff Salam Razuki, who's present in the
7 courtroom.

8 THE COURT: Yeah. We're going to go
9 through everybody in the courtroom so I know who
10 everybody is.

11 MR. WATTS: Daniel Watts for Defendant
12 Ninus Malan.

13 THE COURT: Malan.

14 MS. LEETHAM: Tamara Leetham and Gina
15 Austin for Ninus Malan, who's present before the
16 Court, as well as -- I have a lot of them,
17 Your Honor. San --

18 THE COURT: Okay. Hold on.

19 MS. LEETHAM: I have a lot of the entities.
20 San Diego United Holdings Group.

21 THE COURT: SD United. Go.

22 MS. LEETHAM: California Cannabis.

23 THE COURT: Cannabis.

24 MS. LEETHAM: Balboa Avenue -- Ave
25 Cooperative.

26 THE COURT: Say that one again.

27 MS. LEETHAM: Balboa Ave Cooperative.

28 THE COURT: I know who that is.

1 MS. LEETHAM: Devilish Delights.
2 THE COURT: I know who that is.
3 MS. LEETHAM: Flip Management.
4 THE COURT: I know who that is.
5 MS. LEETHAM: Just double-check here.
6 THE COURT: We've still got more.
7 MS. LEETHAM: I think Mr. Gorja has some.
8 THE COURT: Oh, you represent --
9 MR. GORJA: I represent a few, Your Honor,
10 yes. Charles Gorja for Chris Hakim, who's present
11 in court.
12 THE COURT: Thank you.
13 MR. GORJA: And Monarch Management
14 Consulting, Inc., for which Mr. Hakim is the
15 president.
16 THE COURT: Got it.
17 MR. GORJA: Mira Este Properties, LLC, of
18 which he's the managing member, and Roselle
19 Properties, LLC, which he's also the managing
20 member.
21 THE COURT: There we go. Thank you.
22 I got a call Thursday or Friday from
23 Judge Taylor, a case of S&H -- that group is
24 suing -- hold on. I have it here. Is suing
25 Mr. Malan, correct?
26 MR. WATTS: Suing American Lending and
27 Holding.
28 MR. ELIA: And also Mr. Malan.

1 THE COURT: Yeah, those two. And that is
2 on a residence someplace down south, correct?

3 MR. ELIA: Correct.

4 THE COURT: And that is for a TRO to stop a
5 foreclosure, correct?

6 MR. ELIA: Yes, Your Honor.

7 THE COURT: Okay. Let's just make sure --
8 let's start with this. Let's start on the main
9 case.

10 MS. LEETHAM: Your Honor?

11 THE COURT: Yes, ma'am.

12 MS. LEETHAM: Just to make a clear record,
13 there's also a low number matter you have in a third
14 case --

15 THE COURT: Didn't know -- okay.

16 MS. LEETHAM: -- a related case.

17 THE COURT: Thank you.

18 MS. LEETHAM: There's a hearing tomorrow
19 morning. I have the case number if you would like
20 it.

21 THE COURT: I would.

22 MS. LEETHAM: It's 37-2018-00022710. Do
23 you want the letters?

24 THE COURT: Just tell me the case name.

25 MS. LEETHAM: It's Avail Shipping vs.
26 Razuki Investments, et al. On June 27th, I actually
27 filed a cross-complaint for quiet title on the
28 Balboa Avenue Properties.

1 THE COURT: Is that case pending?

2 MS. LEETHAM: We have an ex parte tomorrow
3 morning.

4 THE COURT: But is it pending?

5 MS. LEETHAM: Yes, Your Honor.

6 THE COURT: And has everybody been served?

7 MS. LEETHAM: You would have to ask the
8 plaintiff. I'm the cross-complainant, so yes.

9 THE COURT: We'll find out. Does anyone
10 represent -- is it Avail Shipping? I think I read
11 something about that.

12 MS. LEETHAM: The law firm is Hickman &
13 Robinson.

14 THE COURT: And I assume they're not here.

15 MS. LEETHAM: They are not. They have the
16 papers and they called me today.

17 THE COURT: You know what? I'll be here at
18 8:30 tomorrow morning.

19 All right. I want to know who everybody is
20 in the courtroom. So let's start on this side. If
21 you're the public, you're welcome. But if you're an
22 entity -- oh, no. We have to finish. Keep going.

23 MR. ESSARY: Good afternoon, Your Honor.
24 Michael Essary, receiver.

25 THE COURT: Okay.

26 MR. GRISWOLD: Good afternoon, Your Honor.
27 Richardson Griswold, counsel for receiver.

28 THE COURT: I don't want to know who the

1 public is. But if I have litigants here, I would
2 like to know who they are, and if they could stand.

3 MR. BERMAN: Chris Berman from SoCal
4 Building Ventures.

5 THE COURT: SoCal.

6 MR. SPILLANE: Dan Spillane, SoCal.

7 THE COURT: SoCal.

8 MR. HICKMAN: Good afternoon, Your Honor.
9 Michael Hickman, not related to the other Hickman
10 she just mentioned. I'm here, although we're not a
11 party, on behalf of RM Property Holdings.

12 THE COURT: I know who that is. Thank you.

13 MR. JAFFE: Doug Jaffe, Your Honor. I'm an
14 attorney on the Avail Shipping case that you're
15 dealing with tomorrow.

16 THE COURT: Welcome.

17 MS. GONZALES: Sylvia Gonzales, broker
18 compliance officer for Mr. Razuki.

19 THE COURT: And that's Mr. -- and, ma'am --
20 okay. That's Mr. -- and who are you again?

21 MS. GONZALES: I'm a broker and I've been
22 helping him out with property management.

23 THE COURT: Got it. And what --

24 Did you get her name, Ms. Reporter?

25 THE REPORTER: Yes.

26 THE COURT: Thank you. Okay.

27 MR. HAKIM: Hi. I'm Chris Hakim, here for
28 Mira Este Properties and Roselle.

1 THE COURT: Welcome.

2 MR. MALAN: Ninus Malan, Your Honor.

3 THE COURT: Thank you. And you're the
4 public?

5 MR. RAZUKI: You could say that.

6 THE COURT: Have a seat.

7 MR. RAZUKI: Thank you.

8 THE COURT: I appreciate it. Here we go.
9 That's Mr. Hakim -- I mean, that's Mr. Razuki,
10 right?

11 MR. RAZUKI: Salam Razuki, yes, Your Honor.

12 THE COURT: Okay. Let's talk about 170.6s
13 first. So the case of -- who's S&H? Is S&H here?

14 MR. ELIA: Yes, Your Honor. I'm counsel
15 for S&H.

16 THE COURT: Okay. That case has been
17 transferred down. You both got notice, hopefully.
18 Did you know that this case was being -- that that
19 case was coming from Judge Taylor's department to my
20 department?

21 MR. ELIA: Yes.

22 THE COURT: And then who represents Mr. --

23 MR. WATTS: Ninus Malan and American
24 Holdings -- American Lending and Holding.

25 THE COURT: Any challenges to the current
26 Court?

27 MR. WATTS: No, Your Honor.

28 MR. ELIA: No, Your Honor.

1 THE COURT: Welcome. Let's talk about now
2 how I'm going to treat this hearing. Obviously, I
3 have read many variations of what happened in
4 department -- Judge Medel's department and Judge
5 Strauss' department, whether it's been rescinded,
6 whether it hasn't.

7 My thought process is this -- because I
8 don't want to get into an argument, was there a
9 valid order. No. I don't want to do that. We're
10 starting fresh today. Today. So I don't want to
11 rehash old history. There may be a couple of points
12 you want to bring up in old history, but I'm not --
13 we're not going to do that. I don't have that much
14 time. Okay? So that would be the first thing I
15 think we should do.

16 For the parties, I like it when you come to
17 court. I'm going to make a decision today that's
18 going to impact all of you, and I think it's a good
19 idea having who the judge is -- you know, who's this
20 person in the black robe that's going to make a very
21 important decision that may have a great effect on
22 your lives.

23 So I always invite you to do that, because
24 you get a sense of who I am, what I am, and I'll try
25 to give you my thought process as I go along. Okay.
26 So welcome, and I really mean that. You ought to
27 come to every hearing that you can, based on
28 everything that I've read, because there is a lot to

1 cover today.

2 Okay. Shall we start with this: Your --
3 who's the moving party that wants a TRO?

4 That ain't you, is it?

5 MR. ELIA: Good morning, Your Honor. We
6 wanted -- we requested our receiver and a TRO.

7 THE COURT: Yeah. Who's the moving party?

8 MR. ELIA: Mr. Razuki is.

9 THE COURT: Then whoever it is, let's go.

10 MR. ELIA: I'll start. May I sit,
11 Your Honor?

12 THE COURT: You may.

13 MR. ELIA: Okay. Your Honor, there's a ton
14 of information on this case. So what I'd like to do
15 is just kind of give you a -- background
16 information, because I think that will help you not
17 only in this case, but also in the foreclosure case.

18 THE COURT: We're going to do that second.
19 I just want to focus -- understand. Different
20 hearing. Go.

21 MR. ELIA: And Mr. Razuki met Mr. Malan
22 sometime in 2014. Mr. Razuki is a -- owned
23 substantial assets. He's got many shopping centers,
24 gas stations, real estate. Suffice it to say, he's
25 a wealthy individual. His net worth is anywhere
26 from 15 to \$20 million.

27 He met Mr. Malan, who is a real estate
28 agent, sometime in 2014. And Mr. Malan went to work

1 for him and assisted him in managing properties and
2 things of that nature.

3 Now, in -- you'll see, Your Honor, you've
4 got a stack of paperwork in front of you. We've
5 submitted a tremendous amount of paperwork
6 evidencing Mr. Razuki's contributions. And you'll
7 see that Mr. Malan -- there's not one document that
8 evidences any cash that he put in himself.

9 Now, we're requesting the receiver because
10 my client has a property interest in the
11 three dispense -- the two dispensaries that are
12 operating now and the one that isn't operating.

13 In the Balboa location, my client has put
14 in \$920,000 in cash and obtained financing for
15 2.2 million. We have a declaration from Mr. Salas
16 (phonetic), who's a hard money lender, that says,
17 For the last 15 years, I've known Mr. Razuki and the
18 only reason I funded this loan is because of
19 Mr. Razuki's credit.

20 And I just want to note for the record that
21 Mr. Hakim, who's also here, has acknowledged that he
22 doesn't have a property interest in the Balboa
23 operations.

24 As far as the Mira Este location, my
25 client, Mr. Razuki, put in \$750,000 in cash -- and
26 we produced documents -- and also obtained financing
27 from the loan company, along with Mr. Hakim, for
28 \$3.3 million.

1 My client not only pledged three properties
2 to secure that note, but also an LLC that he owns
3 called San Diego Private Investments Group, which
4 owns 22 properties and there's a value of about
5 \$8 million.

6 So my client has secured this loan by --
7 with 25 properties. Mr. Hakim has secured it with
8 one property. And Mr. Malan has given no collateral
9 whatsoever.

10 THE COURT: Let's talk about the -- may I
11 interrupt for a second?

12 MR. ELIA: Yes.

13 THE COURT: Let's talk about the three
14 properties for a bit. Let's talk about grant deeds.
15 Okay?

16 MR. ELIA: Okay.

17 THE COURT: Who is the grant deed owner on
18 9212 Mira Este Court?

19 MR. ELIA: I believe that's Mira Este, LLC.

20 THE COURT: And who's -- that's the way I
21 look at it. Who's part of that LLC?

22 MR. ELIA: Mr. Hakim owns 50 percent.
23 Mr. Malan, on paper, owns the remaining -- other
24 50 percent, which we contend we own 75 percent of
25 that 50 percent.

26 THE COURT: So are there legal documents
27 that support that?

28 MR. ELIA: Yes, Your Honor. There's a

1 fully executed eight-page settlement agreement with
2 two pages of recitals that --

3 THE COURT: Oh, I've read that. I got the
4 settlement agreement. I want to know if there is a
5 separate document that shows that the LLC owns that
6 property -- no, who the owners of the LLC are, not
7 the settlement document.

8 Is there a separate LLC document that
9 actually says who the owners are?

10 MR. ELIA: It's my understanding that the
11 operating agreement would have Mr. Malan as a
12 50 percent owner and Mr. Hakim as the other
13 50 percent owner.

14 THE COURT: So then let's just look at that
15 for a moment. So then the analysis is, as far as so
16 far legally, on the grant deed is MEP, correct?

17 MR. ELIA: Correct.

18 THE COURT: The owners of MEP are Mr. Hakim
19 and Mr. Malan, correct?

20 MR. ELIA: Only on paper, Your Honor, on
21 the operating agreement.

22 THE COURT: Only on paper?

23 MR. ELIA: Right.

24 THE COURT: Okay. Paper -- sometimes paper
25 means a lot, Counsel. But then we have this other
26 agreement, right?

27 MR. ELIA: Correct.

28 THE COURT: Called the settlement

1 agreement, where somebody's going to put some
2 property into this other entity, correct?

3 MR. ELIA: RM.

4 THE COURT: Let me just ask one question.
5 Did anybody put any property into RM?

6 MR. ELIA: No.

7 THE COURT: I know the answer, Counsel.

8 MR. ELIA: The answer is no.

9 THE COURT: Yeah. So here -- people are
10 claiming ownership into an entity. Well, Judge --
11 did we do it?

12 No, we didn't do anything.

13 Okay. I got questions on both sides, but I
14 just want to make sure I understand the facts.

15 Okay. Real quick -- so that takes care of
16 Mira Mesa [sic].

17 Who's the owner of Roselle?

18 MR. ELIA: Roselle, similarly, is --
19 Mr. Hakim owns 50 percent.

20 THE COURT: All right.

21 MR. ELIA: And the owner would be Roselle,
22 I believe, the LLC.

23 THE COURT: Correct. It's Roselle
24 Properties, LLC.

25 MR. ELIA: That's the one, yeah.

26 THE COURT: And if you look at title, or
27 however you want to say it, under the LLC, parties
28 in the LLC are?

1 MR. ELIA: I believe title is vested in the
2 LLC, and I think the operating agreement says that
3 Mr. Malan is 50 percent owner and Mr. Hakim is the
4 other 50 percent owner.

5 THE COURT: Correct again, based on what
6 I've read. Does your client assert any interest
7 into Roselle?

8 MR. ELIA: Yes, Your Honor. He asserts
9 75 percent interest in Mr. Malan's 50 percent
10 interest.

11 THE COURT: And again, that would be under
12 the settlement agreement, correct?

13 MR. ELIA: Yes, Your Honor, and all the
14 funding evidences that as well. And under the --

15 THE COURT: We'll get to that in just a
16 minute. You -- and then -- and then who owns
17 Balboa?

18 MR. ELIA: Balboa is SD United Holdings.
19 Mr. Malan is -- on the operating agreement owns
20 100 percent of that, and title is vested in that
21 LLC. We contend that we own 75 percent of that.

22 THE COURT: And again, I assume that
23 analysis is done under the settlement agreement to
24 get to that 75 percent, correct?

25 MR. ELIA: Correct, and the oral agreement
26 that is evidenced by the settlement agreement.

27 THE COURT: Let me interrupt one more time.
28 Do we have anyone representing Far West

1 Management, LLC, here?

2 MS. AUSTIN: No, Your Honor.

3 THE COURT: Okay. Do we have anyone from
4 Golden State Greens here?

5 MR. ELIA: No, Your Honor.

6 THE COURT: All right. Sorry for
7 interrupting. Go ahead, Counsel.

8 MR. ELIA: I wanted to back up, Your Honor.
9 As far as RM, my client did put \$24,000 in -- into
10 the account, so there was some capitalization of RM.
11 And there's an e-mail from the attorney that we have
12 that drafted -- or formed the LLC that asked
13 Mr. Gorla's firm sometime in -- I believe it was
14 March, requested that they put in the assets.

15 And they came back and said, Well, we're in
16 the middle of doing, you know, the agreements with
17 SoCal and we think that might hurt it, so we don't
18 want to do it now.

19 So I just wanted to say that.

20 THE COURT: Well, wasn't your client also
21 going to put in some property, Counsel?

22 MR. ELIA: Yes.

23 THE COURT: Did he do that?

24 MR. ELIA: No.

25 THE COURT: Got it. Go.

26 MR. ELIA: Sometime in -- well, let's get
27 to the -- let me just go over briefly the settlement
28 agreement and why I think it's important,

1 Your Honor.

2 THE COURT: There you go.

3 MR. ELIA: Okay. I think -- Your Honor, we
4 think that this settlement agreement -- we think we
5 win on this because we think it sets forth the
6 intent. And it's got two pages of recitals that
7 describe in intricate detail what the partnership
8 assets are, and those are the SD United that owns
9 Balboa. It's the Mira Este property. It's -- and
10 it's also the Roselle property.

11 So it's got two full pages of recitals, and
12 Section 1.2 is the most important. It says Razuki
13 and Malan have an understanding. It says that
14 regardless of which party --

15 THE REPORTER: Can you slow down a little
16 bit when you read, please.

17 MR. ELIA: Sorry. I do that in a lot of
18 hearings. I apologize.

19 THE COURT: Uh-huh.

20 MR. ELIA: It says Razuki and Malan have an
21 understanding such that regardless of which party or
22 entity holds title and ownership to the partnership
23 assets, Razuki is entitled to a 75 percent interest
24 in the capital, profits, and losses of each
25 partnership asset, and Malan is entitled to
26 25 percent interest. And no party is entitled to
27 receive any profits whatsoever until and unless the
28 parties have first been repaid their investment in

1 full, hereinafter, the partnership assets -- that's
2 a defined term. It refers to the -- all the parties
3 that are in dispute today.

4 Now, Your Honor, they contend that these
5 recitals are incorporated into the agreement in a
6 different section. The signatories to this
7 agreement are two people, Mr. Razuki and Mr. Malan.
8 They contend that my client doesn't have a property
9 interest, that he shouldn't be here, that he doesn't
10 have rights.

11 Well, there's, again, only two individuals.
12 RM is not an actual party to this agreement, so
13 we've sued to enforce this agreement. And we think
14 we win on this, but let's set it aside for argument
15 purposes and let's say this is void.

16 Even if this is void, it sets forth and is
17 evidence of the oral partnership agreement that they
18 had, which is further evidenced by the millions and
19 millions of dollars that my client put in, while
20 Mr. Malan put in virtually no money at all.

21 Sometime in -- I believe it was May,
22 Your Honor, my client started to get suspicious of
23 what was going on with the dispensaries. He was
24 being told they weren't really making any money. So
25 he contacted SoCal, had a meeting with SoCal, and
26 that was the first time that SoCal learned that my
27 client had a 75 percent interest.

28 So SoCal sent a letter dated May 24th to

1 Mr. Malan and Mr. Hakim, and they said, Hey, what
2 the heck's going on? We have somebody that says he
3 owns 75 percent of this and it was not disclosed.
4 Please produce all the paperwork that shows who the
5 true ownership is. And they didn't.

6 So what happened was -- everything was
7 fine. SoCal started operating in October until
8 June -- or I believe it was July 10th that they
9 locked them out. So for ten months, there was no
10 complaint whatsoever about SoCal, that they smoked
11 weed or that they did this or that they had a felon
12 working for them. No complaints whatsoever. It's
13 when SoCal stopped paying because of what was going
14 on that they were locked out.

15 THE COURT: What did they pay?

16 MR. ELIA: I'm sorry?

17 THE COURT: What did they pay?

18 MR. ELIA: I believe it was --

19 MR. ZIMMITTI: Your Honor --

20 MR. ELIA: -- \$50,000 just on the Balboa
21 property, Your Honor.

22 THE COURT: Who said "Your Honor"?

23 MR. ZIMMITTI: Your Honor, Salvatore
24 Zimmitti for SoCal. Your Honor, we -- if I may just
25 sort of jump in on sort of the SoCal piece of this.
26 We do support Mr. Razuki's request for a receiver.
27 Basically, you know, there's a lot going on here,
28 and I appreciate the complexity the Court has to

1 face.

2 THE COURT: That's okay.

3 MR. ZIMMITTI: From SoCal's point of view,
4 I think I can sort of just take a high level
5 approach of how we fit into things.

6 THE COURT: Can you hold on that --

7 MR. ZIMMITTI: Sure.

8 THE COURT: -- and let him finish?

9 Two questions. Did you make a monthly
10 payment for consulting fees?

11 MR. ZIMMITTI: We made -- we made monthly
12 payments under the agreements. As far as I know, we
13 made all the required payments. You know, your
14 monthly guarantee --

15 THE COURT: It's a very specific question.
16 Maybe you can do a little research.

17 MR. ZIMMITTI: Okay.

18 THE COURT: I want to know if you made
19 specific payments monthly for consulting fees that
20 went to an LLC -- that's what I read, correct -- or
21 did it not?

22 Number 2, did you pay management fees above
23 and beyond -- besides SoCal, who to and how much
24 monthly?

25 If you could kind of research that if you
26 could while he works. You got two attorneys there.
27 One can do that and the other one can listen. Fair
28 enough?

1 Do you have any idea what I'm talking
2 about, Counsel, when I say that?

3 MR. ZIMMITTI: Your Honor --

4 THE COURT: If you don't, it's okay.

5 MR. ZIMMITTI: Well, I -- there's a lot
6 of -- a lot of money being paid. I have a -- I have
7 a register of what we paid, and I have --

8 THE COURT: I'm looking at a fee of \$50,000
9 a month. Does that ring a bell?

10 MR. ZIMMITTI: Yes.

11 THE COURT: Does \$60,000 ring a bell?

12 MR. ZIMMITTI: I'll get you all the numbers
13 you'd like, Your Honor.

14 THE COURT: And I want to know what they
15 did to earn that fee.

16 I digress. Go, Counsel.

17 MR. ELIA: So, Your Honor, under -- under
18 this management agreement that they entered into
19 without my client's consent -- when I say "they," I
20 refer to Mr. Hakim and Mr. Malan.

21 Now, again, Your Honor, Mr. Hakim has no
22 interest in the -- Balboa, yet under this settlement
23 agreement, under Section 2.2.8, there's \$35,000 a
24 month that goes to Monarch, an entity that is owned
25 by Mr. Hakim and Mr. Malan. And to date, they have
26 not provided an explanation as to why in the world
27 money is going to Monarch when it should be going to
28 Flip.

1 THE COURT: Because it's a management
2 consulting LLC, isn't it? That's what I'm talking
3 about, Counsel. Go ahead.

4 MR. ELIA: The understanding, Your Honor,
5 was that Flip Management was supposed to get that
6 money, not Monarch.

7 THE COURT: That's one theory.

8 MR. ELIA: Let me tell Your Honor why we're
9 asking for the receiver right now.

10 THE COURT: Okay.

11 MR. ELIA: We contend that we funded these
12 properties, that we have an ownership interest,
13 75 percent. These two individuals already entered
14 into an agreement where they transferred and gave
15 options and were paid a substantial amount of money
16 to provide options for real estate properties in
17 which they don't own. That's Number 1.

18 Number 2 --

19 THE COURT: Let me interrupt again.

20 SoCal, do you claim that you have an option
21 to purchase in these -- these business entities?

22 MR. ZIMMITTI: Yes, Your Honor, we do.

23 THE COURT: Does anyone here assert that
24 Far West company may also have options to
25 participate? Anyone want to comment on that?

26 MR. ELIA: I do, Your Honor.

27 THE COURT: Yeah.

28 MR. ELIA: The day that they locked them

1 out, that was 7/10. The receiver took over on 7/17.
2 We found an agreement to Far West that had a clause
3 in there, Section 1.7, that said "long-term
4 agreement."

5 Now, what happens if they enter into a deal
6 with Far West at the same time they have put
7 \$2.8 million in? And they're not just going to let
8 that 2.8 million go with property rights, so it
9 creates a situation -- and it's clear that their
10 intent is to enter into these agreements. And it
11 creates a situation where there's going to be a
12 multiplicity of lawsuits.

13 And what even is even scarier is that they
14 have just entered into an agreement with Synergy
15 with the same exact 1.7 section. And in addition to
16 that, what they did was they gave rights of
17 royalties in perpetuity in that agreement. And I
18 can read that to Your Honor.

19 THE COURT: Is that Synergy?

20 MR. ELIA: Yes. There's -- and I can read
21 that section for Your Honor.

22 THE COURT: As you're doing that, is Far
23 West managing anything now?

24 MR. ELIA: The Balboa operations.

25 THE COURT: Okay.

26 MR. ELIA: Section -- Article 3, Section B,
27 for the Synergy agreement says that following
28 termination -- so even if this agreement is

1 terminated -- manager will be entitled to
2 receive 2 1/2 -- and then it says "5" in
3 parentheses -- of the net profits of the facility
4 generated by the manager's contracts every month.

5 So this goes into perpetuity on assets they
6 don't own. So now we've got Synergy, we've got
7 SoCal, and we've got Far West. And this is going to
8 lead to a big lawsuit, and it subjects the
9 partnership assets to liability of millions of
10 dollars. And that's why we asked for the receiver
11 to step in so that there's no waste.

12 In addition to that, what we're concerned
13 about is Mr. Malan currently owns the assets in his
14 name. He can sell those. In the other case, he
15 sold one property, which we'll get to later on.

16 THE COURT: When you say "assets," be more
17 specific. What are you talking --

18 MR. ELIA: San Diego --

19 THE COURT: The equipment?

20 MR. ELIA: No, Your Honor. I'm talking
21 about SD United. I'm talking about the real
22 property. I'm talking about the Mira Este real
23 property. I'm talking about the Roselle real
24 property. And those are in his name, and we just
25 simply have zero trust. And the fact that he's
26 already sold a property for half of what the value
27 is in the other case, which we'll get to later, is
28 an issue.

1 The loan for the -- Mira Este of
2 3.3 million is in default. Their -- the monthly
3 payments are current, but there was a \$200,000
4 payout that hasn't been made. And what happens is
5 my client secured that loan with 25 properties. And
6 that's in default and that's an issue that terrifies
7 us, frankly.

8 The reason we cannot trust Mr. Malan or
9 Mr. Hakim is because Mr. Malan has violated two
10 court orders, Your Honor. The last time we were
11 here, you mentioned on two occasions -- you said, I
12 want the bank accounts frozen and I mean frozen and
13 that not even a bill was to be paid.

14 And that same day, Your Honor, as he sat in
15 this courtroom, Mr. Malan contacted BBVA Compass and
16 sent Judge Strauss' order vacating the receiver to
17 that bank and asked them to unfreeze the account.
18 That's the -- that's one blatant violation of a
19 court order.

20 The second one occurred on the day the
21 receiver took over when I argued before Judge Medel.
22 I was in his courtroom. Ms. Austin was there. He
23 granted the receiver. Two hours later, Ms. Austin
24 spoke to the receiver and told them, I'm not going
25 to -- I'm not going to follow the order, and I'm
26 going to instruct my clients not to follow the
27 order, and I'm not -- I'm going to further instruct
28 them not to cooperate with the receiver.

1 And what happened after there [sic],
2 Your Honor, was caught on video and I brought it
3 with me. And it's only 28 seconds, and I'd ask that
4 Your Honor take a look at the video.

5 THE COURT: Is that the backdoor situation?

6 MR. ELIA: Yes, Your Honor. Suffice it to
7 say --

8 THE COURT: I don't need it right now.

9 MR. ELIA: Okay. All right. And so --

10 THE COURT: You'll get your chance. I
11 promise.

12 MR. ELIA: We got -- we have no confidence
13 that they'll ever provide truthful numbers. This is
14 an all-cash business, and we need some form of
15 internal controls.

16 And you got a sense of the gravity of the
17 sales and the money that this -- these locations
18 generate in a weekend. I think they said \$200,000
19 on Mira Este in a weekend, and I think it was
20 100,000 at Balboa. It's a tremendous amount of
21 money. It's cash.

22 And what they want to do is they want to
23 pretend that we have an imaginary interest, although
24 we funded millions and millions of dollars and put
25 up 25 properties. Mr. Malan and even Mr. Hakim in
26 his declaration says that my client did fund it, and
27 he didn't want to be on the paperwork.

28 The only person in this courtroom that says

1 that we have an imaginary interest is Mr. Malan, and
2 that's after we put in millions of dollars. We
3 encumbered 25 properties, and he's put in
4 virtually -- not one piece of paper that shows that
5 he put in any cash whatsoever. He wants to take all
6 that from us and then SoCal's \$2.8 million and
7 pretend that we have no interest whatsoever.

8 So we have irreparable harm because of the
9 multiplicity of lawsuits and then giving options on
10 properties they don't own and royalty agreements in
11 perpetuity and things of this nature, and we need
12 internal controls.

13 Two things I want to say about Judge
14 Strauss and Judge Medel's order, and I'll make it
15 very, very brief, Your Honor. There was a discovery
16 hearing in a related case. And coincidentally, that
17 case was before Judge Medel, and that was four days
18 after the receiver was appointed. Ms. Leetham
19 appeared. Ms. Austin appeared at that hearing. It
20 was a discovery hearing. It was on the San Diego
21 Patients case versus some of the same parties here.

22 They appeared. And in that case, Mr. Jaffe
23 is counsel and he doesn't know anything about this
24 case. I wasn't there. And they made a complaint
25 that everything was in, you know, ruins and there's
26 all these problems and issues, and they spoke for 17
27 pages about how the receiver was creating a problem.

28 So Judge Medel, understandably, said -- and

1 he didn't hear from me, because I wasn't there. But
2 he said, You know what? I have some anxiety and I
3 want to revisit the issue.

4 They took that statement and they argued to
5 Judge Strauss that he was going to sua sponte vacate
6 the order. Judge Strauss never read my 19-page
7 ex parte application. He never read my 91 pages of
8 exhibits, and the reason he didn't is because that
9 ex parte was filed in Judge Medel's hearing, not
10 Judge Strauss.

11 He didn't read my paperwork. He read their
12 paperwork. And that's on the record, and we got the
13 transcript. And they went into court and they said
14 that I misled Judge Medel. And I didn't have the
15 transcript in Judge Strauss' hearing, but I have it
16 today and I highlighted it and I cited it in our
17 brief.

18 What we asked Judge Medel is we wanted to
19 preserve the status quo for the last ten months,
20 which was when SoCal was in operations. SoCal was
21 at that hearing. They had an ex parte to intervene
22 into that hearing and they spoke in that hearing.

23 I did not mislead any judge, Your Honor. I
24 don't mislead judges, and I certainly don't drive
25 getaway cars either. But I just wanted to note that
26 for the record. And I think had Judge Strauss read
27 my ex parte application and had I been present at
28 the discovery hearing with Judge Medel and he would

1 have heard our side, as he did in the first ex parte
2 when I argued it and he granted it, I think there
3 would have been a different outcome before Judge
4 Strauss.

5 Thank you, Your Honor.

6 THE COURT: No. For my mindset, your -- I
7 want to hear -- who's counsel for Malan? That's who
8 I want.

9 And then, SoCal, you'll be next.

10 And then you're --

11 MR. GORIA: Hakim.

12 THE COURT: You'll be after that.

13 MR. GORIA: Okay.

14 THE COURT: And then you'll be last. Or
15 who else? All right. Let's go. Here we go.
16 Let's -- talk to me about Mr. Malan.

17 MR. WATTS: All right. Can I address the
18 court orders that -- the last couple things he said?

19 THE COURT: The court orders?

20 MR. WATTS: Yeah, the way that we responded
21 to court orders.

22 THE COURT: If you want it for the record,
23 of course. I'm treating this as a brand-new
24 hearing. So whatever happened in Judge Medel's
25 department, Judge Strauss' department --

26 MR. WATTS: This is just a couple days ago
27 when our client contacted BBVA. He wanted to get
28 copies of the checks that the receiver had written.

1 He asked them for access to the account, not to
2 spend money. Access. He didn't ask them to
3 unfreeze the account. He said, "Look, there's no
4 receiver in place. I should be able to look at the
5 account." That's what we asked for.

6 On the --

7 THE COURT: Did you do that or did your
8 client do it?

9 MR. WATTS: Our -- the client did that.

10 THE COURT: He called. Okay. Did he fax
11 them Judge Strauss' order?

12 MR. WATTS: I think it was attached to the
13 e-mail. I didn't see his original e-mail. I got it
14 forwarded afterwards. Judge Medel said that -- he
15 used the words "sua sponte" in the -- in the hearing
16 when he said that he would take another look at
17 that.

18 MS. LEETHAM: Can I address that? I was
19 the one there, Your Honor. And I actually take
20 issue. I try to be as genuine to the Court as I
21 can.

22 I appeared at that hearing to let Judge
23 Medel know that our interpretation of that
24 receivership order precluded me from representing my
25 clients in that litigation. It had divested me of
26 my ability to oppose a motion to compel, and I
27 explained to him it came from his ruling. So there
28 was some back-and-forth about the implications of my

1 standing in court when, arguably, Mr. Essary had
2 that choice on who to allow to retain. As the Court
3 knows, we have four pieces of ongoing litigation.

4 And so I was in a very awkward position,
5 and I let him know I felt deeply uncomfortable
6 advocating for my client at that hearing, which is
7 when he said he had considered sua sponte relief,
8 because there was (inaudible) --

9 THE REPORTER: Because there was what
10 issue?

11 MS. LEETHAM: Sua.

12 THE REPORTER: I got that, "sua sponte
13 relief because there was" -- and you trailed off.

14 MS. AUSTIN: Notice.

15 MS. LEETHAM: Notice.

16 Thank you.

17 THE COURT: Thank you.

18 MR. WATTS: So on the merits of this for
19 the receivership, the contract under which they're
20 claiming that their client has a property interest,
21 we argued in the paperwork that it is invalid.
22 That's the source of their property interest.

23 He's now brought in the fact -- his
24 allegation that he's made -- taken out loans
25 involving the properties, that he's invested
26 millions of dollars in it.

27 An investment in something isn't an
28 ownership of it. It means that you invested money

1 in it. But on paper, if he doesn't have anything to
2 evidence that he was given ownership in response or
3 in exchange for that, then he doesn't have an
4 ownership interest in that property.

5 The settlement contract is illegal because
6 at the time that it was made, as we argued in our
7 brief, it dealt with the revenues from -- from
8 businesses that are operating in a way that's
9 illegal under federal law. And the public policy in
10 California we cited in a published appellate
11 decision is that --

12 THE COURT: When you said "illegal,"
13 explain that to me.

14 MR. WATTS: This
15 sale/manufacture/distribution of marijuana. And it
16 was clear in the settlement agreement. It said that
17 marijuana was -- that that's the purpose of these
18 businesses. So this contract at the time -- now,
19 it's different today.

20 THE COURT: It's the time. I got it,
21 Counsel.

22 MR. WATTS: Okay. And even if -- even if
23 the contract -- even if that weren't a problem, you
24 can still enforce the contract. We have the problem
25 that the business was never capitalized. It wasn't
26 capitalized at the time that the lawsuit was filed.

27 The operating agreement for RM Holdings
28 says that unless these partners make these initial

1 capital contributions, none of them have membership
2 interests in it. No one owns that company.

3 Those initial capital contributions were
4 \$750 [sic] from their client, 250 from ours. Those
5 were not made. Our client's declaration says that
6 they were not made. They have not produced
7 membership certificates showing that they own
8 RM Holdings, LLC.

9 Until that is made -- until those capital
10 contributions are made, these people aren't members.
11 Until an accounting is performed -- that's another
12 thing that the settlement agreement says. Until an
13 accounting is performed with the partners'
14 respective investments in these properties, the
15 partners aren't entitled to derive profits, losses,
16 or capital from the properties.

17 No accounting was made. They don't claim
18 that an accounting was made. They claim that the
19 settlement agreement says the parties were supposed
20 to work together within the first 30 days to try to
21 finish an accounting, but they didn't do that.

22 And also, a -- it's not just our client's
23 responsibility to contribute things to the
24 settlement agreement. As you mentioned, Super 5
25 Consulting Group and also Sunrise, which his client
26 owns -- he was supposed to contribute those to the
27 group.

28 Now, a -- the parties' material breach of

1 the agreement excuses the other parties' future
2 performance of the agreement. He admits his client
3 has not contributed those LLC percentages to the
4 agreement, and so he doesn't have an ob -- the right
5 to force our client to perform his obligations under
6 the agreement.

7 Neither of these guys performed their
8 obligations under the agreement, and the reason is
9 that they rescinded the agreement in February of
10 this year. As our client explains in his
11 declaration, the two parties came together and
12 said -- as he said, they had an oral agreement that
13 talked about many other properties that they had
14 worked on over the years. They were going to put
15 many properties into this holding group.

16 But when my client went into Mr. Razuki's
17 lawyer's office and was presented with this and told
18 that he needs to sign this today, pressured by
19 attorneys, without his counsel present, he signed
20 the agreement, and then later discussed with Razuki,
21 well, what about the other agree -- what about the
22 other properties? Why aren't -- why aren't they in
23 here? And he said, Oh, those will be put in later.

24 And "later" became later and later. And
25 eventually, our client asked Mr. Razuki, finally,
26 Put the -- we need to put this in here; otherwise,
27 we're not going do this.

28 And Mr. Razuki said, Fine. You keep what

1 you have in your name, and I'll keep what I have in
2 my name.

3 All this is in our client's latest
4 declaration that we filed in support.

5 THE COURT: Which I did read.

6 MR. WATTS: Which you read. So the --
7 RM Holdings wasn't capitalized, so nobody owns it.
8 The settlement agreement -- these preconditions
9 weren't complied with. Neither party contributed
10 their money. His client didn't contribute this
11 capital. Nobody has membership shares, and they
12 haven't done an accounting yet. And so they're not
13 entitled to any -- any profits from the companies
14 that are supposed to be put in the agreement.

15 Even if they were -- let's say everything
16 was in RM Holdings, that money -- he's not entitled
17 to ownership of the group's control of the
18 businesses. He's not entitled to prevent them
19 from -- the business managers from signing options
20 and things like that. There's nothing about that in
21 the settlement agreement.

22 As for SoCal, now, SoCal makes claims too
23 in this. They claim that their management agreement
24 gives them the option to buy the properties. It
25 did. That option expired at the end of June of this
26 year for Balboa, which was the only one of the three
27 management agreements where they actually paid the
28 \$75,000 that was necessary to buy that option. The

1 other two management agreements, they didn't pay.

2 So they never had those options to begin with.

3 And the Balboa agreement expired at the end
4 of June. They asked to extend it. They asked to
5 extend it because of this -- this conflict between
6 Mr. Razuki and Mr. Malan about who allegedly owns
7 the Balboa properties. And Mr. Malan said, No, I'm
8 not going to extend it. The agreement is what it
9 is. Also, here's 25 days' notice that you're in
10 default of making your payments under the agreement.

11 So their option agreement has expired.
12 They no longer have a property interest in there.
13 They were fired with 25 days' notice, as required
14 under the management agreement.

15 Now, these -- when it's his turn to argue,
16 he's going to argue that he is entitled to manage
17 that agreement for -- or manage that property until
18 the end of time and that the only way that he can be
19 fired is if we go through mediation and then
20 arbitration, and then he can be fired.

21 But there's a Thirteenth Amendment in this
22 country and -- the slavery one, and we're allowed to
23 breach -- we're allowed to terminate people and fire
24 them. Mr. Malan can say, "You no longer work here."
25 He can give 25 days' notice and then cancel the
26 agreement, because that's what the agreement says in
27 Section 6.2. What he's referring to is an
28 arbitration clause.

1 Now, I've been on a cruise ship and bought
2 a ticket, and it says that I have to solve all the
3 disputes in arbitration. But that doesn't mean that
4 they can't kick me off the ship if I'm, you know,
5 smoking weed and drinking on the -- when I'm there.
6 They can kick me off. And then if they decide to
7 sue me, then we go to arbitration.

8 So what SoCal is describing -- it says that
9 any disputes have to be resolved in arbitration.
10 That doesn't mean that they can't be fired. That
11 means that if they want to sue us, as they did in
12 this case, they should have done it in arbitration.
13 They should have done it in mediation. That's what
14 an arbitration clause is. That's what it means when
15 it talks about disputes, because Section 6.2 says
16 that you give 25 days' notice that you're failing to
17 make payments. If you don't cure, you're fired.

18 And they proved that they failed to make
19 payments. The interim report from the receiver says
20 that they made a payment to the receiver of money
21 owed -- it was in the receiver's report -- of over
22 \$100,000, \$120,000, something like that.

23 Incidentally, the day that we gave ex parte
24 notice that we were dissolving the receivership, the
25 receiver spent \$100,000, 17,000 on himself, 7,000 to
26 his attorneys, paid an LLC that one of the partners
27 at Nelson Hardiman is in charge of, more than
28 \$10,000 into that. And you know the other facts on

1 that.

2 So the -- putting the receiver in place --
3 frankly, the companies can't afford the receiver.
4 They -- the receiver spent \$100,000 in a day. He
5 was in there for two weeks, and he spent \$30,000
6 paying himself and on all these other insiders.

7 It's an obscene amount of money, and it's
8 all the money -- practically all the money that was
9 in the bank account at the time after SoCal made
10 their payments that they owed.

11 Do you have anything to add?

12 MS. LEETHAM: We have different spheres of
13 knowledge, so --

14 THE COURT: And you represent Malan,
15 though, don't you?

16 MS. LEETHAM: Malan and all the entities,
17 so we have a slightly different thing. So I thought
18 a lot of cliches when I was sitting there trying to
19 figure out how to wrap this all together.

20 Where's the beef? We have millions of
21 dollars in contributions, and we don't have
22 evidentiary support for it. We have loans where
23 Mr. Malan is actually obligated on those same loans.
24 He's an guarantor. He's an obligor. So if we're
25 talking about a commitment to a loan as being an
26 investment of a million dollars, my client owns just
27 as much as Mr. Razuki does.

28 I've also thought of the pot calling the

1 kettle black, maybe talking out both sides of your
2 mouth to where you're coming into court -- I made
3 the argument in my paper -- with unclean hands.

4 So you're saying, "I want the benefit of
5 everything that you have, even though I can't show
6 anything on paper that says I get it, but I don't
7 want to give you anything I have," which is why
8 Super 5 isn't here. It's why Sunrise isn't here.
9 It's why RM Property Holdings isn't here.

10 So even if we were to step back and say,
11 "Can the Court fashion relief today?" the answer is,
12 unequivocally, no, because the Court does not have
13 the ability to take those nonparty entities and
14 require them to do the same thing that all our
15 defendants are required to do, which is account.

16 I would also say that we've asked the Court
17 in our papers to see these as discrete issues. The
18 plaintiff has put them all together. We have -- we
19 have SoCal in bed with Razuki.

20 And really, until May 24th, when SoCal
21 hired a private investigator to go find
22 Mr. Razuki -- they met, they colluded, and here we
23 are. Not once did they come to my client and say,
24 "Hey, what's going on with Mr. Razuki?" No. We hit
25 red zone ten. And on June -- July 17th, we got
26 ambushed with a receiver, which leads me to the
27 purpose of the receiver and the harm.

28 It is a drastic remedy. The case laws talk

1 about it. The impact of what happened in the two
2 weeks the receiver was in possession of the
3 properties was significant.

4 First of all, Mr. Gorla will talk about
5 Mira Este and Roselle. Those entities are in the
6 red. They were not functioning. There was nothing
7 to speak of in terms of revenues.

8 With respect to Balboa, the Court has
9 numerous examples in our pleadings of malfeasance,
10 and I actually thought maybe the best way to do that
11 would be to run through the management services
12 agreement for Balboa and talk about the breaches.
13 And I highlighted them all in green. If the Court
14 wants me to go through that, I can.

15 They did not -- well, actually, let's talk
16 about the money.

17 THE COURT: That's number one on my list.

18 MS. LEETHAM: Let's talk about the money.
19 Section 1.6 of the Balboa management agreement talks
20 about initial contributions. It is the
21 consideration for SoCal's right to come in and run
22 that dispensary.

23 They were required to pay 125,000 for
24 FF&E -- which I always forget -- furniture,
25 fixtures, and equipment. I believe they did, but
26 they had to. It was part of their consideration.

27 They paid 44,000, which is said it will
28 serve as a credit against the purchase price if --

1 if the manager exercises its option under Section 8
2 below. That's the 125-.

3 It then goes on to say, Managers shall
4 lend -- not invest -- lend the company an additional
5 44,000, which was interlineated from an original
6 83,000, reimbursement for old inventory, which sat
7 in the dispensary because we were shut down by
8 Judge Styn. So there's been some talk about waste.

9 THE COURT: Styn?

10 MS. LEETHAM: Yes. The homeowners
11 association litigation was in Judge Styn's --

12 THE COURT: There we go.

13 MS. LEETHAM: And so there was some talk
14 about waste and sales, right. So they were
15 reimbursed for old inventory they could not sell.
16 That was a lend too. They were to be repaid.

17 If you go on, it also says, Manager shall
18 pay the old operators, Mr. Hakim and Mr. Malan, for
19 reimbursement of legal and mitigation costs 66,000.
20 Except for the 15,000 monthly payments which
21 Your Honor referenced earlier, those were all loans.
22 Those didn't give them an equity or any right to
23 anything. That's what they had to pay.

24 If you go on and you look at their
25 accounting, there's a sheet that has accounting
26 today, which I don't remember whose declaration it
27 was attached to. Maybe Jim Townsend's.

28 MR. ZIMMITTI: Yes.

1 MS. LEETHAM: It breaks down an itemization
2 of expenses. Now, if you look at the Balboa
3 accounting, there's a minimum guarantee of 35,000,
4 and there is a -- rent of 15,000 that were to be
5 paid by SoCal.

6 SoCal paid my client out of the
7 dispensary's own sales. So my client was paying my
8 client, if that makes sense. SoCal didn't make
9 those payments. My client paid himself.

10 So when you go and you do the accounting,
11 you're going to find that, in fact, SoCal owes my --
12 Balboa about \$180,000 for the minimum guarantee and
13 the Balboa rent that they should not have paid
14 themselves.

15 Trying not to go through all my green
16 lines, Your Honor. Just give me a moment.

17 THE COURT: The money that SoCal
18 invested --

19 MS. LEETHAM: Right.

20 THE COURT: And maybe that's a word we need
21 to look at. They said they put in 936,000 to Balboa
22 and about 1.7 -- almost 1.8 to Mira Este. How do
23 you -- is that a loan? Is that a capital con --
24 what is that, Counsel?

25 MS. LEETHAM: Well, first of all, that
26 figure is disputed. Our math shows -- I have notes
27 on my sheet of 466,000.

28 THE COURT: So there was no one point -- go

1 ahead. I interrupted you.

2 MS. LEETHAM: No. I mean, I don't know if
3 they're aggregating their numbers or what they're
4 doing with them. We asked for evidence of it. So
5 if you take out the 180-, they were required to pay
6 some of it, which was a loan. The only arguable
7 equitable contribution would be the 125-, which was
8 intended to go toward the FF&E.

9 THE COURT: So this is about -- that leaves
10 about 2.4 million. I'm ballparking. That's what
11 they said was paid. You have no idea where that
12 money came from?

13 MS. LEETHAM: Balboa is fairly
14 self-sustaining, and we had -- it was entitled. The
15 tenant improvements were done. It was open but for
16 the ongoing HOA litigation with Judge Styn. So when
17 SoCal came in, they paid the 125-. They loaned the
18 66,000 and 44,000, nonrefundable. That's a loan.
19 And then I don't know what they did. There's money
20 in here that --

21 THE COURT: So that's about 180,000.

22 MS. LEETHAM: I will make it -- they did
23 pay the 75,000 for the option?

24 THE COURT: All right. That's 275- --
25 250-.

26 MS. LEETHAM: That's about where we end up.

27 THE COURT: Did I read that wrong? Is
28 it -- SoCal, are you claiming that you invested -- I

1 want to say 2.6?

2 MR. ZIMMITTI: Yes, Your Honor.

3 THE COURT: And they're claiming you put in
4 250-.

5 MR. ZIMMITTI: Your Honor, that's just
6 grotesquely inaccurate.

7 THE COURT: I assume we have checks.
8 Somebody has some checks, right?

9 MR. ZIMMITTI: Your Honor, yes.

10 THE COURT: Okay. All right.

11 What do you say -- that 2.5 million before
12 me, what was that? Is that all equipment?

13 MR. ZIMMITTI: No, Your Honor. No,
14 Your Honor. Equipment we've -- as I said, we have

15 about 410- currently locked up and some more --

16 THE COURT: I'll come back to that. I'm
17 going to let her finish, Counsel. I want to know
18 where the 2.4 million went.

19 MS. LEETHAM: I don't think it went into
20 Balboa. I don't know if that's an aggregate or what
21 that is.

22 THE COURT: No. They break it down. It's
23 900,000.

24 MS. LEETHAM: They're saying that
25 approximately 751,000 went to Balboa.

26 THE COURT: That's not what I wrote down,
27 but close enough. They show \$936,245 by my notes.

28 MS. LEETHAM: Oh, they have another -- they

1 have another line item with 180-.

2 THE COURT: Okay.

3 MS. LEETHAM: We're at opposite ends of the
4 spectrum, which leads me back to why we're here.

5 There is no urgency to this. This is an accounting
6 issue. These claims are compensable at law. If the
7 parties dispute it, at the end of the day, there's a
8 fact finder that's going to say, You paid or you
9 didn't pay.

10 And there's a judgment and there's a way to
11 get their money. There's nothing that needs to
12 happen today, which leads me back to the harm my
13 clients went through with the receiver. And this is
14 an awkward situation, but, you know, we've detailed
15 it in our papers that some questionable decisions
16 were made during that time frame. I think we've
17 outlined it enough that, unless the Court has
18 questions for me, I don't know that I need to go
19 into it.

20 Suffice it to say, he emptied the bank
21 account on July 30th and left the clients insolvent.
22 So there's lesser remedies. Even if the Court is
23 contemplating something --

24 THE COURT: What bank account was emptied?

25 MS. LEETHAM: I'm talking about the
26 receiver's accounting. So I know he closed the
27 San Diego United account.

28 THE COURT: Okay.

1 MS. LEETHAM: He, I believe, had closed the
2 Mira Este and Roselle account.

3 THE COURT: What were the total of those
4 amounts that he took?

5 MS. LEETHAM: So the two San Diego United
6 accounts had \$17,765. SoCal infused 170,000 in. So
7 they basically put money in, and then they shuffled
8 it right back out to themselves in insider payments.

9 THE COURT: It's my understanding to run
10 these businesses, it takes \$100,000 a week, correct?

11 MS. LEETHAM: It takes a competent
12 management team, I suppose.

13 THE COURT: You know, that's a good answer
14 too, Counsel.

15 MS. LEETHAM: Which we have in there now,
16 Your Honor.

17 THE COURT: Who is it? And that is?

18 MS. LEETHAM: That would be Far West.

19 THE COURT: Well, we're going to talk about
20 that too. I'm concerned -- well, I agree, Counsel.
21 I don't -- not sure I have all the indispensable
22 parties here, which is a concern.

23 Let me just ask. Is it your client's
24 position that Far West, LLC -- I'll just -- LLC. Do
25 they have options in all this?

26 MS. LEETHAM: I do not believe so. They're
27 just a management company.

28 THE COURT: So in their contract, there's

1 no provision for options?

2 MS. LEETHAM: It's a short-term contract,
3 and I don't --

4 THE COURT: I'll take that as a no then.

5 MS. LEETHAM: No. It's a no.

6 MR. GORIA: Your Honor, that's the same
7 thing with Synergy. Synergy has no options in
8 Mira Este.

9 MS. LEETHAM: One thing I can represent to
10 the Court about Far West is they're a local
11 dispensary. They've been licensed here. They were
12 one of the first in District 2, since 2015
13 operating, and they understand San Diego. They
14 understand land use. They know what's going on.
15 And again, in our declarations we've given to the
16 Court, they're fine.

17 And the other thing I will add is that the
18 Court saw that the homeowners association has now
19 given us a notice of default. And all of those
20 things happened during SoCal's watch, and that,
21 Your Honor, is the irreparable harm. My client is
22 the one that's about to be irreparably harmed. It's
23 compensable law. Thank you.

24 THE COURT: Just a yes or no. I've read in
25 some declaration there were hundreds -- okay. Not
26 hundreds. Fifty. Somebody alleged that Far West
27 had options. Who was that?

28 Is that you?

1 MR. ELIA: No. They had an intent to do,
2 you know -- I read it into the record. Let me tell
3 you what it was. It was paragraph 1.7 in the
4 agreement that said --

5 THE COURT: That's the interest, Counsel.

6 MR. ELIA: That's the long-term agreement.
7 That showed their intent to enter it, but they don't
8 have options. Now, the other one --

9 THE COURT: You're good.

10 MR. ELIA: Okay.

11 THE COURT: Okay.

12 MS. LEETHAM: And just one last thing. We
13 have no problem telling the Court that we won't sell
14 assets or sell the businesses. If the Court read
15 the HOA settlement agreement, we can't.

16 THE COURT: Thank you. One last --

17 MS. LEETHAM: I'll try to use a yes or no.
18 It's very hard for me.

19 THE COURT: Counsel, you don't have to.
20 It's my -- first of all, Roselle is not being
21 operated, right?

22 MS. LEETHAM: Correct.

23 MR. GORIA: Correct.

24 THE COURT: It's been leased to a third
25 party, correct?

26 MS. LEETHAM: Correct.

27 THE COURT: And can you ballpark? What's
28 the lease for?

1 MR. GORIA: It's 4700 per month, and the
2 debt service is 6600 per month.

3 THE COURT: Okay. And, Counsel, who
4 collects that? Is it your client?

5 MR. GORIA: Yes, Mr. Hakim.

6 THE COURT: Okay. And that -- is there any
7 anticipation it's going to become a dispensary?

8 MR. GORIA: There's a hope.

9 THE COURT: Down the road?

10 MR. GORIA: Down the road, right.

11 THE COURT: All right. Thank you.

12 Now we're going to go to SoCal. Your turn.

13 MR. ZIMMITTI: Thank you, Your Honor. And
14 I'll just sort of pick up on the theme where
15 counsel -- defense counsel left off. We were not
16 just a management company, and I want to stress
17 that.

18 So -- and we set forth, you know, the
19 chronology of events. But basically, we got into
20 this deal under some letters of intent that
21 ultimately turned out -- there turned out to be
22 fraudulent representations in those. I don't want
23 to get down that rabbit hole right now.

24 But suffice it to say, we started funding
25 these projects in October 2017. Again, here in
26 Exhibit B, the Jim Townsend's declaration, we have
27 an itemization. We dispute that these were loans or
28 anything like that. Okay. We started paying.

1 Okay. Nine months go by. Everything is great.

2 All is --

3 THE COURT: Let me interrupt. So what were
4 they? What was the --

5 MR. ZIMMITTI: They're payments -- they're
6 payments for -- to -- under the agreement as
7 required, in which --

8 THE COURT: Which agreement?

9 MR. ZIMMITTI: The management agreements
10 with the rights -- the option rights within them.
11 There are three agreements. So --

12 THE COURT: Option to do what?

13 MR. ZIMMITTI: Option to buy 50 percent of
14 the facilities, including the real property.

15 THE COURT: Who was that agreement made
16 with?

17 MR. ZIMMITTI: It -- they -- it was
18 slightly different with every agreement.

19 THE COURT: Give me Balboa.

20 MR. ZIMMITTI: So Balboa would be -- Balboa
21 Ave Cooperative, San Diego United Holdings, Monarch
22 Managing [sic] Consulting, Inc., Chris Hakim, Ninus
23 Malan, and SoCal, and then -- with the other party.

24 THE COURT: Refresh my mind. Is that in
25 writing?

26 MR. ZIMMITTI: It is. The agreement is in
27 writing, sir.

28 THE COURT: Go.

1 MR. ZIMMITTI: Okay. So we operate -- we
2 entered into three agreements, okay, after getting
3 in the -- you know, setting forth the letter of
4 intent. One of the agreement -- one of the
5 facilities -- there are four we contemplated
6 purchasing. One of them fell out because it turns
7 out Mr. Malan and Mr. Hakim misrepresented that they
8 owned any interest in those facilities.

9 THE COURT: Which one fell out?

10 MR. ZIMMITTI: Sunrise facility. They
11 represented in writing -- okay. Fine. So in other
12 words, so we ended up entering into three
13 agreements, one for Mira Este, one for Balboa, and
14 one for Roselle. Each one of them had options to
15 buy 50 percent of the facilities, including the real
16 property. It's all in writing. It's all there.
17 Even before those agreements --

18 THE COURT: Go ahead.

19 MR. ZIMMITTI: Even before those agreements
20 were executed, we had started funding the
21 properties. And again, Mr. Townsend's accounting
22 shows payments starting as of 10 -- October 2017.

23 THE COURT: And when you say "they,"
24 Counsel -- when you say "funded the properties,"
25 what do you mean?

26 MR. ZIMMITTI: I mean putting in rent --
27 you know, so for Balboa, we paid the option --
28 minimum guarantees, tenant improvements. You know,

1 we pay for legal fees, Gina Austin's legal fees.
2 You know, it's all right here and I can read it. I
3 don't see -- I looked for consulting fees. I don't
4 see those.

5 THE COURT: But you wouldn't categorize
6 that as a purchase of the property?

7 MR. ZIMMITTI: Let me back up, Your Honor.
8 So under this agreement, basically all the net
9 income -- so under 5.1 of the agreement, all net
10 income, revenue, cash flow, and other distributions
11 from operations will be held by manager as a
12 management fee.

13 So -- so that was -- we're getting paid to
14 manage on the one hand, but we also are putting
15 money that's ours into these properties. So we're
16 putting it back into these properties as well.

17 THE COURT: And the theory is to be a
18 50 percent owner, correct?

19 MR. ZIMMITTI: Correct, Your Honor.

20 THE COURT: Go.

21 MR. ZIMMITTI: Okay. So again, we're
22 making these payments from -- starting from October.
23 Things are going well. In fact, we basically
24 improved Balboa, which was the only operating
25 dispensary. You know, a great turnaround in that
26 where our management was great.

27 Nothing -- no sign of any problems
28 whatsoever, Your Honor, until May. We -- we were

1 approached by Mr. Razuki, who apparently noticed
2 that we were doing a great job on Balboa, because
3 there's a common CPA, Mr. Yeager, John Yeager.

4 THE COURT: And is that O'Brian? How do
5 you pronounce that?

6 MR. ZIMMITTI: I'm sorry?

7 THE COURT: What's his company's name?

8 MR. ZIMMITTI: YH or --

9 THE COURT: No. H --

10 MR. ZIMMITTI: JYH. I think so. I got it.
11 So ultimately, you know, we -- Mr. Razuki found out
12 about us based on our performance at Balboa. We
13 meet in May, late May.

14 And essentially, we find out from
15 Mr. Razuki that he has this -- interests in these
16 properties, all the properties, by virtue of the
17 agreements you heard today and those interests.

18 And then we also found out -- also found
19 out that there was another case in which Mr. Malan
20 and Razuki were parties that had claim to the Balboa
21 property. And again, you know, this caused us
22 alarm, because we have reps and warranties that very
23 plainly say, you know, you -- you know, you
24 represent there's no pending or threatening
25 litigation that would impact any facilities. So
26 right there -- you know, we found out in May, after
27 being, you know, deep into this deal, that there are
28 these competing interests.

1 So what happened is that we basically
2 approached defendants with a letter May 24, Hey,
3 give us the full story on this thing. You know, we
4 heard some alarming stuff. Please provide us
5 information.

6 As soon as the defendants were outed -- so
7 I almost feel like this is a situation where, you
8 know, a guy is hitting on two girls. The two girls
9 meet and they're like, "Oh, who's your boyfriend?"
10 Oh, that's -- it's the same guy.

11 So, you know, Mr. Razuki and our client
12 basically realized they were both getting duped. My
13 client goes and says, What's the deal here? What's
14 up with this? We have these reps and warranties.

15 And all of a sudden, we -- they --
16 Defendants go into, like, warp speed trying to
17 manufacture some grounds for termination.

18 And then the very first thing in writing --
19 now, you must have 1,000 pages of documents before
20 you, Your Honor. And I'll tell you what. The
21 first -- the first hint of anything in writing where
22 my clients were accused of anything that resembles a
23 default is a June 1 letter from the Gorla law firm.

24 Jim Townsend, in his supplemental
25 declaration, discredits all that sort of -- the
26 vague, "You didn't pay us this." For example,
27 bouncing a check that we cured by wire the next day.
28 Defendants don't want to mention that. They can't

1 be honest enough to just admit, you know, you
2 bounced a check and paid it the next day.

3 At any rate, June 1, Your Honor -- so we
4 have -- we have, like, a nine-month stretch where
5 everything is hunky-dory. And then all of a sudden,
6 they get outed and they go -- again, they're frantic
7 to set up some termination.

8 And let's talk about -- let's talk about
9 that for a second, and let's talk about our
10 agreements and our options, which you heard
11 Mr. Watts stand up there proudly and say that our
12 option has expired under Balboa.

13 This is totally incorrect, Your Honor. And
14 you know what? You don't have to listen to me.
15 Listen to defendant Ninus Malan. So again -- and I
16 want to stress --

17 THE COURT: Well, hold on. When you say
18 that, are you -- are you predicating that these
19 options are alive because of some alleged statement
20 that Mr. Malan made, or is it in writing, Counsel?

21 MR. ZIMMITTI: It's in writing, Your Honor.
22 If you'll let me get to that, I --

23 THE COURT: I keep interrupting. Go on. I
24 apologize.

25 MR. ZIMMITTI: You really do, but that's
26 okay. They're good interruptions.

27 So, Your Honor, basically -- so we learn
28 about -- again, in May now -- May and June we know

1 about these -- this case is pending. It had been
2 filed a year earlier. Okay? A year earlier. No
3 reason it shouldn't have been mentioned. Plenty of
4 time.

5 In fact -- and Mr. Malan and defendants to
6 this day never explained why they didn't mention it
7 to us, why they violated reps and warranties. At
8 any rate, we don't have to worry about the option on
9 that -- on that Balboa facility expiring. And it
10 is -- under the agreement, I believe it might have
11 had a June 1 -- 1st date.

12 However, what Mr. -- Mr. Watts fails to
13 mention completely and disregards is Mr. Malan's
14 letter to SoCal dated June 19 in which he admits to
15 the existence of this litigation, never says, "You
16 know what? Oops. I had a good reason for not
17 mentioning that. You know, we have litigation.
18 Gee, I should have brought that up. It slipped my
19 mind," nothing like that.

20 What we have is a letter saying, "As you
21 know, SoCal Building Ventures was granted an option
22 to purchase a 50 percent ownership in the facility,
23 as defined by the management services agreement
24 option dated January 2nd."

25 Okay. "Pursuant to 8.2, the final option
26 exercise date is June 30, 2018," which is correct.
27 However, he goes on. "As we discussed today, over
28 the last couple weeks, there is pending litigation

1 at San Diego County that involves the facility. The
2 case name is San Diego Patients Cooperative --
3 Cooperation, et al., Razuki Investments," and I'll
4 stop there. "The litigation involves Balboa Ave
5 Cooperative and San Diego United Holdings Group."

6 And here's where it gets more interesting,
7 Your Honor. "This letter memorializes San Diego
8 United Holding Group's agreement to extend manager's
9 option on the facility pursuant to 8.2.
10 Specifically, San Diego United Holding Group agrees
11 that the option will be extended to 15 calendar days
12 following written notice to manager that the
13 litigation has been privately settled or there's a
14 decision after trial."

15 So in writing -- and it's signed by, "Very
16 truly yours, Ninus Malan, president." So he
17 basically tolled the agreement pending the outcome
18 of that San Diego case.

19 So to stand up here, not mention this
20 letter, and purport to tell your -- the Court that
21 our option expired is emblematic of the failure to
22 tell the truth in this case. This is classic.

23 And let's talk about the options on the
24 other two agreements, Your Honor. Let's talk about
25 those. Okay. Each one of them -- each one of them
26 has a contingent -- a cont -- a condition precedent,
27 and that is the grant of a CUP. So let me just read
28 it to you.

1 Okay. It's at 8.6, for example, of
2 Mira Este. They're jumping up and down. They
3 didn't pay -- they didn't pay the option. They
4 didn't do the -- okay. Let's read that.

5 8.6: Notwithstanding anything else
6 contained in this agreement, no obligation, passage
7 of time, or other matter with respect to options
8 shall become effective until the City of San -- City
9 of San Diego has granted the facility a conditional
10 use permit permitting company's operation to the
11 satisfaction -- a satisfaction clause no less. In
12 that regard, each of the dates set forth in 8.2
13 above are tolled until the 30th, 90th, and 50th day,
14 respectively.

15 Okay. So, Your Honor, basically, those
16 don't even go into effect until we have a COP [sic].
17 Okay. So to stand up here and say all our options
18 are gone, again, it's just ignoring the agreement
19 and ignoring their own correspondence on Balboa
20 tolling agreement.

21 So what happened here is basically that we
22 got taken to the cleaners. We were treated like an
23 ATM for nine months. And then as soon as they got
24 wind that we understood that we were being ripped
25 off and we were being cheated, they set up a
26 termination.

27 And again, the termination -- you know, we
28 can have another hearing about this, but the bottom

1 line is none of it -- none of it's true. Okay. We
2 have paid under the agreement. There are -- as I
3 said, we have bounced checks. We -- I submitted a
4 declaration that clears that confusion up.

5 THE COURT: I read it, Counsel.

6 MR. ZIMMITTI: So, you know, what we have
7 here is essentially our -- my client being
8 essentially kicked out of the premises. Okay. We
9 have an exclusive right to manage these companies,
10 and we have an option. We sunk lots of money. We
11 poured our heart and soul into this thing, and we
12 did a good job, notwithstanding what they're telling
13 now, which is conveniently incorrect.

14 And so we have a case of a new manager
15 coming in -- just -- I'm going to quote -- just a
16 management company, managing properties that we have
17 options on, and they're breaching the agreements,
18 Your Honor.

19 And also, you know, we just scratched the
20 surface on some more theft. I mean, we've already
21 pointed out some theft. And I don't want to go over
22 this if Your Honor doesn't want to, but there's also
23 money in bank accounts that disappeared. There's
24 a lot going on. And it's happening so quickly,
25 Your Honor, that we can't get our hands around it.

26 And so, you know -- and then in terms of
27 our equipment -- so again, I think this is, you
28 know, just -- you know, par for the course with

1 defendants is that they are just looking for every
2 opportunity to, you know, take whatever they can.

3 This equipment -- there's been -- there's
4 no basis to hold onto this equipment, especially if
5 they're saying that we're out of there. Okay.
6 There is -- this is the equipment we've put in. So
7 this -- we're talking -- there's equipment in
8 Balboa, but the bulk of it that we're aware of right
9 now that we have an inventory of is in Mira Este.

10 And it's expensive, delicate equipment used
11 to manufacture cannabis products, you know,
12 freezers, cryofreezers, ovens, all these things, lab
13 equipment. We brought that in there. We purchased
14 it. We submitted proof, and they're essentially
15 just holding it from us.

16 And, you know, Your Honor, you're fine --
17 we're fine to contin -- we want to continue working
18 and we're happy to use our own equipment for our
19 purposes, but it is absurd and there's no basis to
20 contend that the equipment that we're using to carry
21 out our duties and obligations is -- is their
22 property suddenly just because it's on their site.

23 There's nothing in the agreement that gives
24 them that right, and it's just -- it's just a
25 facially absurd interpretation of any -- anything in
26 the agreement.

27 So, you know, the way -- we've been
28 essentially just hung out to dry here, Your Honor.

1 And we performed our duties. We stand ready to
2 perform our duties. We sunk a lot of money.

3 I don't have an accountant with me today.
4 I'd love to put John Yeager up on the stand. He can
5 tell you everything about this money. But the
6 difference is -- is that right now we're in a
7 situation where the theft is occurring so quickly,
8 the waste is occurring so quickly.

9 Mr. Hakim has already explained he's got a
10 manager in Mira Este. First -- first -- the
11 contention in the first declaration is that they
12 made \$200 of revenue -- no, 200,000 of revenue.
13 Then it's 200,000 in orders.

14 And so, you know, it's hard to keep track
15 of -- you know, their lies just seem to sort of
16 morph. And so all I -- all we know is my clients
17 are basically getting taken to the cleaners. They
18 have sunk a lot of money. They're not just
19 managers. And they just want to press pause on this
20 thing, Your Honor.

21 Now let me --

22 THE COURT: Wrap it up.

23 MR. ZIMMITTI: -- just finish up with to
24 the extent there's a breach. Okay. So we do have a
25 dispute resolution clause. And essentially, it
26 is -- is -- does not just limit itself to, you know,
27 whatever they think -- whatever they think applies.

28 It applies to anytime there's an alleged

1 breach or default, whether or not one is current,
2 period. And this makes sense because we -- again,
3 we sunk a lot of money into this property as a
4 long-term investment. It's a long-term
5 relationship.

6 So to say that they could merely claim a
7 breach and kick us out and then we sue for damages
8 is ridiculous, because we all know when it comes to
9 property, okay, it is presumed that a breach of an
10 agreement to transfer real property cannot be
11 adequately relieved by pecuniary compensation.

12 So the remedy at law is presumptively no
13 good here, Your Honor. We have no other remedy.
14 It's loud and clear defendants will charge ahead.
15 They're going to get new managers. They're going to
16 sell off or give them residuals for life or
17 whatever. This is our only hope at stopping and
18 getting us a chance at our 50 percent ownership, for
19 which we upheld our end of the bargain.

20 THE COURT: Thank you.

21 Counsel?

22 MR. GORIA: Thank you, Your Honor. I don't
23 know quite where to start. There were a lot of
24 misstatements there. But let's just start, first of
25 all, with the options. I'm not sure if that's of
26 concern to the Court.

27 THE COURT: It is.

28 MR. GORIA: And keep in mind that I'm just

1 speaking in terms of Mira Este and Roselle, because
2 that side of this table here represents the Balboa
3 interests.

4 THE COURT: Right.

5 MR. GORIA: Okay. So first of all, let's
6 go back to that provision that counsel referenced
7 and actually read to the Court, 8.6. And this is --
8 this is a provision. I believe it's an identical
9 contract in that respect for both Roselle and
10 Mira Este.

11 Now, actually, I should ask the Court to
12 turn back a page to 8.1, and that's the grant of the
13 option. The grant of the option is distinguished
14 from the exercise of the option, of course. The
15 grant of the option requires that the manager pay
16 \$75,000 -- regardless of the CUP, pay \$75,000 by
17 March 15, 2018. That was for both Roselle and
18 Mira Este. That wasn't done. They lost any right
19 to acquire the option. Forget about exercise. They
20 lost the right to acquire.

21 Okay. 8.6 just allows for the extension
22 pending the grant of the CUP for the exercise of the
23 option. In other words, the date given for the
24 exercise of the option is extended if the CUP is
25 delayed, not for the actual purchase of the option.
26 I'm hoping the Court can follow me on that one.

27 THE COURT: I understand.

28 MR. GORIA: Okay. So there is a

1 distinction. They never paid the 75,000. They did
2 for Balboa, but they never paid 75- for Roselle,
3 never paid 75- for Mira Este. We contend that they
4 lost their right to acquire the option.

5 Now, if we get into a contract dispute as
6 to the interpretation of 8.6, that's certainly not
7 something that could be decided on an ex parte
8 application for a receiver.

9 As I think Tamara said, SoCal, at most,
10 would have a claim for damages for breach of
11 contract that could be handled at a later date.
12 They're not under any kind of urgency or they're not
13 facing any irreparable harm for the current manager,
14 which is Synergy, to be left in place.

15 They can -- Synergy is the current manager
16 of Mira Este. They were hired recently, and they
17 were the ones that generated \$200,000 in orders.
18 And Mira Este is now operating. Mira Este is
19 operating.

20 THE COURT: So Far West is suing Balboa?

21 MS. LEETHAM: Correct, Your Honor.

22 MR. GORIA: For a different manager,
23 different manager.

24 THE COURT: Yeah. That's Far West.

25 MS. LEETHAM: Yes.

26 THE COURT: So I've got Synergy and --

27 MR. GORIA: Yeah. Okay. Now, of course my
28 client doesn't have any dog in the fight between

1 Mr. Razuki and Mr. Malan. Nobody disputes the fact
2 that my client is a 50 percent owner of the Roselle
3 facility and a 50 percent owner of the Mira Este
4 facility. And there is absolutely no reason to put
5 a receiver over his interests in those facilities,
6 which is what would happen.

7 If a receiver were appointed, his interests
8 would be affected. His right to distributions would
9 be impaired. And we, of course, adamantly oppose
10 any appointment of a receiver. As Tamara indicated,
11 the appointment of a receiver in itself is a very
12 drastic remedy. And the appointment of a receiver
13 should not occur where you have other alternative
14 measures to protect the rights of the plaintiff in
15 this case or SoCal, plaintiff in intervention.

16 And the Court certainly has ample powers to
17 impose preliminary injunctive orders to protect
18 whatever property interests are at stake here. And
19 we have no problem with an order that prevents the
20 sale or encumbrancing or transferring of any of the
21 assets in Mira Este or Roselle. We just don't want
22 my client's interests in the distributions to be
23 impaired, because nobody disputes -- there is no
24 dispute that my client is entitled to those
25 distributions.

26 Now, in terms of SoCal, I was kind of
27 biting my lip on where the money went that SoCal
28 paid. You have to understand, basically, how the

1 management agreement with SoCal worked, at least as
2 far as Mira Este goes. Nothing happened as far as
3 Roselle goes. They haven't paid any money in terms
4 of Roselle. They have paid money towards Mira Este.

5 And Mr. Townsend has prepared an accounting
6 which is erroneous. There's several points that --
7 several payments that he says were made that were
8 not made. But be that as it may -- be that as it
9 may be, the payments made in connection with Roselle
10 were for the management agreement, management fee,
11 and the minimum guarantee. Those two fees -- those
12 two amounts totaled over \$100,000.

13 Now, why in the world would SoCal be paying
14 \$100,000 for this? They are receiving 100 percent
15 of the net profits after that. Okay. Pretty sweet
16 deal. I mean, they're getting everything after they
17 pay the minimum guarantee and the -- and the
18 management fees.

19 THE COURT: How much was the minimum
20 guaranteed? A hundred thousand?

21 MR. ZIMMITTI: From Mira Este?

22 MR. GORIA: I believe the minimum
23 guaranteed was, I believe 50,000, and the other was
24 60,300.

25 THE COURT: Who does that go to?

26 MR. GORIA: Mira Este Properties.

27 THE COURT: And who owns it?

28 MR. GORIA: Mr. Malan and Mr. Hakim.

1 THE COURT: What did they're do to do
2 that -- to -- their management, what did they do for
3 \$110,000?

4 MR. GORIA: They said, Come in. Come in.
5 You can operate this facility. You can pocket
6 100 percent of the net profits and operate this as a
7 marijuana facility.

8 THE COURT: And so --

9 MR. GORIA: They gave them that right.
10 It's a contract right that they gave them.

11 THE COURT: And so for ten months they
12 collected \$110,000 per month, correct?

13 MR. GORIA: No.

14 THE COURT: How many months?

15 MR. GORIA: They collected probably about
16 five months. And starting in -- and we have
17 detailed this in Mr. Hakim's supplemental
18 declaration. Failure to pay the June 2018
19 management fee of 60,300. May, failure to pay the
20 minimum guarantee of 50,000. July, failure to pay
21 the July '18 management fee of 60,300.

22 And then in fail -- another payment due in
23 June of the minimum guarantee payment of 50,000,
24 failure to pay that. Failure to pay utilities in
25 the amount of 12,000. Again, since SoCal was
26 getting 100 percent of the net profits, they had the
27 obligation to pay the expenses.

28 THE COURT: What were the net profits?

1 MR. GORIA: They didn't open. They delayed
2 the opening of Mira Este. They never opened it.

3 THE COURT: So there were no net profits?

4 MR. GORIA: No. There was no profits or no
5 revenues, no revenues at all, because they delayed
6 the opening of it. Synergy came into the picture.
7 They opened it right away.

8 THE COURT: Okay.

9 MR. GORIA: And they -- let's see. There
10 were other failures to pay. Total -- the total that
11 we came up with was 450,000 -- 451,000 as of
12 June 10, 2018, when Tamara sent the termination
13 letter. So it's a total falsehood that they were
14 current.

15 Now, they make the argument, Well, we were
16 kind of worried about Mr. Razuki's position in all
17 of this. But their management agreement wasn't with
18 Mr. Razuki or RM Holdings or Mr. Malan. It was with
19 Mira Este Properties. They -- that's who they owed
20 the obligation to, and they didn't make -- they
21 didn't fulfill that obligation.

22 Now, in that respect, they're claiming
23 that, well, there was a breach of the
24 representations and warranties. Not so. On the
25 litigation warranty -- it's 4.3.7 and he didn't read
26 that. I note that.

27 But he says the warrant -- the
28 representation says there's no litigation or

1 proceeding pending or threatened against company,
2 not against Mr. Malan, not against Mr. Hakim, not
3 against anybody other than Mira Este Properties.
4 And, of course, this was signed in January. So at
5 that time, that warranty was absolutely 100 percent
6 true.

7 As far as the equipment issue goes,
8 Section 4 -- this is another rep and warranty. But
9 Section 4.3.6 says, Company is the sole owner of the
10 real property on which the facility is located and
11 is the sole owner of the improvements comprising the
12 facility and all real and personal property located
13 therein.

14 So based on that, there's at least an
15 argument to be made that SoCal doesn't own all this
16 equipment or doesn't have a complete ownership
17 interest in it. We're not going to do anything with
18 the equipment. We're not going to sell it. We
19 wouldn't sell it even without a court order
20 preventing us from selling it, but we're not going
21 to sell it.

22 But we have a claim. We have a colorable
23 claim to that equipment. And it's not something,
24 again, that can be decided on an ex parte
25 application for a receivership.

26 Finally, just -- finally, if I may, the
27 agreement with Synergy -- the agreement with Synergy
28 requires Synergy to pay rent in the amount of

1 \$35,000. There was no such requirement on the part
2 of the SoCal agreement.

3 Well, rent in the amount of 35,000 is --
4 would be enough to cover the debt service on the
5 Mira Este facility of 25,000, not including taxes
6 and insurance, and the debt service on the Roselle
7 property, because that's running on a negative, 4700
8 rent, 6600 debt service. So we need that Synergy
9 monthly payment of rent to maintain the Roselle and
10 Mira Este loans, to keep them current.

11 So again, to undo that -- to undo the
12 management agreement with Synergy I think would
13 be -- it would actually be detrimental to
14 Mr. Razuki's position as well, because these loans
15 could be foreclosed on. And then the facilities
16 would be lost, and he'd lose his argument.

17 Thank you, Your Honor.

18 THE COURT: Thank you, Counsel.

19 Mr. Essary, what do you got? Or
20 Mr. Griswold. Who's going to speak?

21 MR. GRISWOLD: I'll speak, Your Honor.
22 First, I don't think it's any surprise to anyone
23 that my client was thrown into a true hornet's nest
24 on July 17th. Now, that's -- he's not asking for
25 sympathy. That's what he does. He's been doing it
26 for decades here in this county and lots of the
27 courts.

28 But I make that point to -- if the Court

1 needs any explanation or wants explanation regarding
2 his -- you know, the duties he took that were court
3 ordered. I remind the Court that any payments that
4 he made that, again, ordered by the Court while he
5 was the receiver during that brief two-week period
6 was to run those operations.

7 Of course, the normal course of a
8 receiver's business is to pay all invoices that are
9 owed to consultants, accountants, security services,
10 security technology and video equipment, payroll for
11 folks that are actually working 9:00-to-5:00s at
12 these dispensaries, and all those payments were
13 made.

14 We hastily put together an interim
15 accounting report for informational purposes for all
16 of the parties to look at. We expected a thorough
17 examination and comment, and we certainly got that
18 today.

19 But I would remind the Court that
20 Mr. Essary -- again, being in that hornet's nest, I
21 can only imagine the arguments that could have been
22 made if Mr. Essary didn't pay certain unpaid
23 invoices to certain consultants that were owed even
24 prior to Mr. Essary being appointed.

25 And if after July 31st, when the
26 receivership was vacated and the receiver walked out
27 of that receivership with a bunch of unpaid bills,
28 there's also the counterargument that would have

1 been made today that he walked in, didn't pay any
2 bills, and so he's no use to any of the parties or
3 the businesses involved.

4 I also would point out that some of these
5 folks that were paid as vendors and professionals,
6 such as accountants like Mr. Yeager, payments to
7 payroll for folks that work at SoCal, has been
8 discussed for the last hour and a half, these were
9 all folks that were trusted, hired, paid for several
10 months.

11 Now, we all know everything exploded, and
12 that's why Mr. Essary was brought in as a receiver
13 initially. But to flip the argument now and point
14 to Mr. Essary for paying what I think are called
15 insiders who are somehow, I guess, in collusion with
16 the Court's officer, Mr. Essary, I certainly want to
17 get on the record that, as Mr. Essary's counsel, I
18 take exception to that.

19 He was simply doing his court-ordered
20 duties for a two-week period before another
21 explosive hearing, and then some gray area as to
22 what bills he should be paying or what duties he
23 should be fulfilling until we're here today.

24 And I give you -- one more example is that
25 it was certainly argued by many of the parties at
26 counsel table that after July 31st, of course,
27 Mr. Essary was out of the picture. No more
28 receivership. Receiver is dismissed.

1 At the same time we have parties that
2 August 2nd, 3rd, and 4th demanding that the receiver
3 take responsibility for certain payments, important
4 payments, such as mortgage payments on properties.
5 Totally understandable that somebody needs to get
6 that paid.

7 But I think some mention of folks arguing
8 out both sides of their mouths -- we had situations
9 where when it suited some parties' interests, it
10 was, "Step down, receiver. You're out," while at
11 the same time, maybe later that afternoon, "Hey,
12 receiver. Do your job. Get these invoices paid in
13 this pile."

14 So as stated in the interim receiver's
15 report, the receiver stands ready to follow these
16 Court's orders, if there are any that involve him.
17 He's ready to do so. Not going to shy away from
18 this group or this complicated situation and is
19 ready to take these court orders. That's all,
20 unless the Court had anything particular.

21 THE COURT: Where's \$68,000?

22 MR. GRISWOLD: Say again.

23 THE COURT: Where is \$68,000?

24 MR. GRISWOLD: Sixty-eight thousand
25 dollars?

26 THE COURT: Went out, allegedly, in a trash
27 bag. Am I making sense?

28 MR. GRISWOLD: Yes, Your Honor. It --

1 THE COURT: Mr. Essary, you can speak.

2 MR. ESSARY: There was allusion to a video
3 that was taken on the Balboa dispensary's cameras,
4 which I did get ahold of after I took possession
5 against the will, if you will -- without the
6 cooperation of the defendants.

7 On that video, there were people locked in
8 the back room, where there are four or five safes,
9 which when we did take possession and get back
10 there, the back door had been left open. That's how
11 we got in. Those safes were empty.

12 THE COURT: Every one of them?

13 MR. ESSARY: Well, we found about \$1200 a
14 couple days later jammed into one of the slots. We
15 found about 4,000 out of the ATM in 20s.

16 MR. WATTS: Your Honor, I object and ask
17 that he be put under oath if he's testifying. He's
18 not an attorney.

19 THE COURT: No. I'm not going to do that.
20 There's a court reporter right there. That's why I
21 had him brought in. I'm not going to put him under
22 oath, at least at this stage.

23 MR. ESSARY: I did not know the amounts of
24 money or what the items were exactly that were
25 removed, but the employees there did put things in
26 bags and containers and go out the back door, and
27 they were picked up by Ms. Austin. I saw her. She
28 drove around and we have it on camera. So that's

1 what happened to the 68,000. Somebody else took
2 account of that. I don't --

3 THE COURT: So you don't know if it was
4 68,000?

5 MR. ESSARY: I do not know the amount,
6 Your Honor, exactly, but it was -- there were bags
7 and containers that -- I saw them on video, and we
8 do have that video.

9 THE COURT: Tell me what you would do in
10 this situation.

11 MR. ESSARY: There seems to be a lot of
12 energy and effort from one side to maintain control
13 over things that the other side didn't even know
14 existed or what the amounts were or -- again, you
15 know, I don't -- I'm not part of the action. I'm
16 just there a -- a function of what you need me to do
17 to control assets. I believe there are assets that
18 need to be controlled.

19 THE COURT: Such as?

20 MR. ESSARY: The dispensary --

21 THE COURT: Both of them?

22 MR. ESSARY: They generate a lot of money.

23 THE COURT: Both of them?

24 MR. ESSARY: The other one was not
25 operational. Sorry. That was a production site.
26 There are rents also.

27 There's also five other units that are
28 owned by San Diego United in that same building. I

1 did meet with the gentleman who sold them to the
2 defendants, and he collects rent from the other four
3 tenants and pays it to them. It's about 5,000 a
4 month. I was just getting ready to start collecting
5 that until the 31st hearing, which I backed out of
6 it.

7 So there's rents from Roselle also. I
8 believe there's a lot of -- a potential for a lot of
9 money, and I just question who deserves to get that
10 money. And that's --

11 THE COURT: I keep hearing about money, but
12 I don't seem to be seeing it. Maybe that's not your
13 fault.

14 Let me just -- and don't -- everyone, just
15 calm down. I'm going to say something, and you're
16 all going to go (gasping sound). So take a breath.
17 What if I kick everybody out, bring in a whole new
18 team? Talk to me about that.

19 MR. ESSARY: A whole new team with --

20 THE COURT: To manage --

21 MR. ESSARY: -- to manage and operate
22 everything?

23 THE COURT: Yeah. Just -- I assume there's
24 someone in San Diego that can operate a marijuana
25 dispensary, correct?

26 MR. ESSARY: Contrary to some of the
27 declarations made by the defendants, I -- even
28 though I don't have any previous experience, as

1 Your Honor knows, I run a lot of business that I
2 don't actually run in my past, but I have people
3 that I can use, consultants. I can take it over.

4 We were in the process of making sure we
5 were above the line on everything, including CUP
6 process, licenses and applications, conformity to
7 all the local rules. We got a B rating from a --
8 from an inspection in our dispensary after only
9 being open for, like, 12 days. It was -- we were
10 running it properly, and I believe that other people
11 could run it properly too.

12 You all -- you do know that the reason I
13 chose -- not because I knew anything about the
14 objection to SoCal, is because the original order
15 issued appointing me mentioned to put -- redo the
16 contract or re-recognize the contract with SoCal,
17 which seemed logical since they'd been running it
18 for nine months before.

19 THE COURT: What do you know about Synergy?

20 MR. ESSARY: I know nothing about them
21 directly.

22 THE COURT: What do you know about
23 Far West?

24 MR. ESSARY: I believe that's the Greens
25 company. They call it California Greens. Is that
26 the one? They were operating it before when I came
27 in and took over. They don't listen to court
28 orders. They didn't turn over possession.

1 But other than that -- I don't know about
2 their operations, but I do agree with you there are
3 multiple options for running these types of
4 operations both in San Diego County and in
5 Los Angeles County, which is very common too.

6 THE COURT: Thank you.

7 MR. ESSARY: You're welcome.

8 THE COURT: Mr. Griswold, another question
9 for you. I read some -- I think it was in the
10 defendant's moving papers that there's a question of
11 whether the receiver is appropriate or legal to do
12 it.

13 I think I've read that -- there was a
14 supplemental declaration that I think you say you
15 feel now that under the law, there's an exception
16 for the Court to appoint a receiver and not have to
17 go through the licensing. Did I read that right?

18 MR. GRISWOLD: You did, Your Honor, and it
19 cites to -- I have it here. This is the Bureau of
20 Cannabis Control, Section 5024, which contemplates
21 the incapacity of the licensee to operate the
22 business. And it specifically cites to when a
23 receiver would be appointed, and then it calls for a
24 notice to be provided by that receiver to the Bureau
25 of Cannabis Control, which was done within ten days
26 of the appointment by Mr. Essary.

27 THE COURT: So it's your position he can
28 continue?

1 MR. GRISWOLD: Yes.

2 THE COURT: Legally?

3 MR. GRISWOLD: Yes.

4 THE COURT: Do we know what happened at the
5 C -- I think I read this too. On August the 15th,
6 it passed, right? So we're good to go?

7 MS. LEETHAM: At the hearing officer level.
8 But there's an appeal process where it could end up
9 before the planning commission, and Ms. Austin
10 attended that.

11 THE COURT: So who appeals it or is it
12 automatic?

13 MS. AUSTIN: Oh, this would be the
14 conditional use permit for Mira Este, and that would
15 be appealed by any interested party. Anybody in the
16 public could choose to --

17 THE COURT: Like another competitor?

18 MR. JOSEPH: Right, exactly. So within ten
19 business days, they have the right to appeal. Since
20 the City's only issuing 40 of them, it is very
21 likely that there will be an appeal.

22 THE COURT: Are you both experts in this
23 field? Did I read that right?

24 MS. AUSTIN: I am.

25 THE COURT: Obviously, a concern for the
26 Court, no matter what I do, is that these remain
27 viable businesses. What I wouldn't want to do as a
28 Court is blow it up. Maybe that's not the proper

1 word, but have everybody -- okay, you all lose.

2 I think there's money to be made here, and
3 my sense -- we'll find all this out on who owns what
4 and stuff like that, but I guess my concern is not
5 to blow it all up. Can you give me a little insight
6 into that, if you could?

7 MS. AUSTIN: Yeah. Actually, I can. I
8 would -- Mr. Griswold is correct that Mr. Essary
9 took the first step in managing it by noticing the
10 Bureau, but there are two or three more steps that
11 5024 contemplates, which includes having an
12 application in your own name.

13 The Bureau's concept in this, if you looked
14 at the draft of regulations as they were promulgated
15 over time, was that, well, what happens, because the
16 license is not transferable. It can't go to
17 somebody else, because you have to have background
18 checks and all of this. This is at the state level,
19 different than the city level.

20 And so the Bureau contemplates yes, if you
21 give us notice, you can do that, but it's at the
22 Bureau's discretion. And you must also file
23 these -- you must file an application in your own
24 name. You must continue to move forward, and then
25 the Bureau will -- to make that determination.

26 Those subsequent steps have not occurred.
27 Does that mean the Bureau would shut them down
28 immediately? I don't know. They haven't come out

1 and said one way or the other. There was an
2 investigation during -- there was some report -- and
3 I believe it might have been from the City, but I
4 don't know who made a report to the Bureau stating
5 that the Balboa dispensary during the time of
6 Mr. Essary's control was operating improperly with
7 improper guards.

8 So I got an e-mail from the Bureau this
9 morning asking me to clarify, provide them
10 information. And I said, I'll let you know after
11 this hearing today what else I can provide you.

12 But it is a -- an on -- a very complex
13 process, and that's the state level. There's a
14 separate process at the city level.

15 THE COURT: Have you worked with Synergy
16 before?

17 MS. AUSTIN: I have worked with some of the
18 principals of Synergy.

19 THE COURT: Have you worked with Synergy
20 before?

21 MS. AUSTIN: No. I think it's a brand-new
22 corporation.

23 THE COURT: Have you worked with Far West
24 before?

25 MS. AUSTIN: Yes, Your Honor.

26 THE COURT: These are all new. Tell me
27 about it.

28 MS. AUSTIN: Far West Management is a

1 management company that also operates Golden State
2 Greens on Hancock Street.

3 THE COURT: That means nothing to me.

4 MS. LEETHAM: Point Loma.

5 MS. AUSTIN: Well, Point Loma. So it's a
6 Point Loma dispensary. It was one of the first
7 entitled here in San Diego.

8 THE COURT: Okay.

9 MS. AUSTIN: They also have entitlements in
10 Santa Barbara and several others. They're
11 experienced operators with dispensaries.

12 THE COURT: Can I assume Synergy has
13 nothing to do with these parties? I mean, I have a
14 management fee signed by one of the defendants,
15 correct?

16 MS. AUSTIN: Right.

17 THE COURT: But other than that, they don't
18 have any interest? There's no alleged --

19 MS. AUSTIN: Not a --

20 THE COURT: -- options, nothing like that,
21 right?

22 MS. AUSTIN: I don't know of any options,
23 Your Honor, but I do believe that there are members
24 of Synergy that are also members in this dispute.

25 THE COURT: Like who?

26 MS. AUSTIN: Is that correct?

27 MR. GORIA: Not that I know of, no.

28 THE COURT: So Mr. Hakim, Mr. --

1 MS. LEETHAM: Malan.

2 THE COURT: -- Malan, they're not members
3 of Synergy?

4 MS. AUSTIN: I don't know. Like I said,
5 I --

6 THE COURT: Turn around and ask them.

7 UNIDENTIFIED SPEAKER IN THE AUDIENCE: No.

8 MS. AUSTIN: No, they're not members.

9 THE COURT: Good answer. How about
10 Far West?

11 MS. AUSTIN: They're not.

12 MR. ZIMMITTI: Your Honor, if I may?

13 THE COURT: Yeah. And then I'm getting
14 there, people. I'll tell you that right now.

15 MR. ZIMMITTI: Actually, Mr. Lachant with
16 me is also a cannabis regulatory expert, and I'll
17 let him jump in in a second.

18 THE COURT: Well, you talk to me then.

19 MR. ZIMMITTI: But can I -- can I just --
20 can I just insert this issue?

21 THE COURT: Counsel, of course you can.

22 MR. ZIMMITTI: Thank you, Your Honor. On
23 the -- on the -- again, the equipment, so again, I
24 want to stress on Mira Este, which we all heard
25 makes no profit, yet we sunk a lot of money in this
26 facility, this equipment is very, very expensive,
27 very -- easily broken, and there is no basis to be
28 holding onto it.

1 And you heard Mr. Gorla mention this
2 provision in the agreement. And I just -- you know,
3 Your Honor can read it himself. However, basically,
4 this is among the reps and warranties, so this is
5 right above the section about no litigation. It's
6 essentially the company just warranting it's a sole
7 owner of the real property, the personal property in
8 the facility at the time.

9 So it's not con -- it's not -- this
10 equipment came afterwards. So all it's saying is,
11 you know, if I have a refrigerator in there when you
12 come in and look at the facility, I own this
13 refrigerator. This says nothing about all this
14 expensive equipment necessary to run this facility.
15 It's ours.

16 So, Your Honor, if -- to the extent someone
17 else is running this facility, we are not
18 comfortable with them using it, breaking it, selling
19 it, whatever.

20 THE COURT: No one is going to be
21 comfortable with what I do today. All of you are
22 going to be unhappy with me today. Well -- no, none
23 of you will be happy. And I say that respectfully,
24 Counsel. I think I'm getting to where I want to be.

25 But I would assume, SoCal, that, Judge, if
26 we really have an interest in here, we want that
27 business making some money, even if they're using
28 our equipment, as long as they don't destroy it,

1 encumber it, or sell it, correct, SoCal?

2 MR. ZIMMITTI: Correct, Your Honor. We're
3 committed to making this work if at all possible.

4 THE COURT: Thank you. I understand that.

5 MR. WATTS: Your Honor, there is a comment
6 that he made earlier about the option and whether it
7 was still alive, and he alleged that our client had
8 agreed to extend the option.

9 THE COURT: He did in a letter.

10 MR. WATTS: Yeah, in the letter. So the
11 letter he read to the Court was Exhibit D to
12 Mr. Bornstein's declaration. That's a letter from
13 his client to my client rejecting my client's offer
14 to extend the option for 15 days.

15 THE COURT: Don't mind me.

16 MR. WATTS: He wrote that one sentence he
17 read that said, We received your letter dated
18 June 19th, 2018, wherein you, et cetera -- you agree
19 to offer to extend the deadline. He said, We
20 received your letter. And then the very next
21 sentence says, While we appreciate the
22 accommodation, that lawsuit's but one of many.
23 Instead, I propose the following. And then on the
24 second page of this letter, it says, To preserve
25 these options, to preserve the possibility, we are
26 asking you to sign the tolling agreement that
27 suspends the option deadline on each property
28 pending resolution of all pending issues regarding

1 the litigation. Our client never responded to that,
2 so that tolling agreement was never signed.

3 THE COURT: I got it.

4 MR. ZIMMITTI: Your Honor, one last thing,
5 one last thing.

6 THE COURT: And this is it, people.

7 MR. ZIMMITTI: I'm sorry, Your Honor.

8 THE COURT: You're both making good
9 arguments. I got it. Go.

10 MR. LACHANT: Your Honor, if I -- I'm going
11 to jump in for Mr. Zimmitti. I was working with the
12 receiver with respect to notifying state agencies --

13 THE COURT: Good.

14 MR. LACHANT: -- about the appointment of
15 the receivership. I was -- there's been a lot of
16 rhetoric thrown around that the receiver doesn't
17 have authority to operate these businesses, that
18 it's illegal.

19 As soon as I was introduced to the
20 receiver, I reached out to the BCC, the Bureau of
21 Cannabis Control. They made it very clear that they
22 didn't ask him to submit a second application. They
23 instructed me that all he had to do was provide
24 the -- what was required in the regulatory notice,
25 the proof of receivership, as well as the receiver's
26 information. And then any additional steps that
27 would be necessary, they would contact the receiver
28 directly and tell him what to do.

1 The reason it's important is because
2 there's been several allegations against the
3 receiver for mismanagement. I went to the Balboa
4 facility. I've been to probably 100 retailers --
5 cannabis retailers in the state, and I found it to
6 be a well-run facility. They were doing as good as
7 anyone was in transitioning to these new
8 regulations. They had a caring management team in
9 place who were trying to follow the rules in a
10 meaningful way. Like everyone, there's areas where
11 they could improve, but it wasn't a disastrous
12 operation by any means.

13 And SoCal, to the extent the Court's going
14 to make its ruling on Mira Este -- I just spoke with
15 a gentleman from SoCal. If the Court's not going to
16 allow SoCal to operate Mira Este, they have this
17 equipment that they want to use at a licensed
18 location in Los Angeles. So I think that's really
19 important that they get this equipment that they
20 paid for and it's their equipment.

21 THE COURT: Well said. Okay. Let me just
22 ask -- and I forget everybody's name. I apologize.
23 I'm going to call you SoCal. I'm going to call you
24 Malan.

25 Are we satisfied that Synergy is legally,
26 according to the State of California, operating
27 this? I don't care how they're doing it. Actually,
28 I do care. But are they legal? Do you understand

1 my question?

2 MS. AUSTIN: Yes, I do.

3 THE COURT: And the answer is?

4 MS. AUSTIN: Yes.

5 THE COURT: Thank you.

6 Your answer

7 MR. LACHANT: Your Honor, I don't know

8 anything about Synergy, so I --

9 THE COURT: Fair answer.

10 MR. LACHANT: -- can't comment.

11 THE COURT: There's one answer.

12 The other one is Far West. Are they legal

13 in the state of California, so they have met the

14 licensing and all that stuff?

15 MS. AUSTIN: Yes, Your Honor.

16 THE COURT: Thank you, Counsel.

17 MR. LACHANT: Again, I -- when you say, Are

18 they legal, have they met the licensing, I don't

19 know if they have been disclosed to the State. I

20 don't know if they have been disclosed as a

21 financially interested party to the State.

22 THE COURT: Do your homework. Do your

23 homework.

24 Because I -- first of all, you are all

25 officers of the court, and I take that real

26 seriously. Counsel, she's an officer of the court,

27 and you're saying, Judge, they're licensed. And

28 you're the expert.

1 MS. AUSTIN: That's correct.

2 THE COURT: I take her word for it, but do
3 your homework. Okay?

4 MR. LACHANT: Sure.

5 THE COURT: Okay. I think I know where I'm
6 going, so bear with the Court, because -- and let's
7 just talk about it. This is going to get real
8 expensive, people. I'm talking to you and you.
9 Real expensive. And you're going to see how. Okay?

10 And I mean, this is a TRO. No matter what
11 I do here, we're going to revisit this in 21 days,
12 to which if I grant a TO, there's going to be a
13 bond. One wonders how big that might be if I am --
14 and I grant the TRO.

15 One last issue I want to talk about to your
16 client.

17 I hate to point, Mr. Gorla.

18 Tell me why I should include Roselle in
19 this. Roselle, they're in the property for three
20 years. He can do an accounting. Do we need Roselle
21 if I do it?

22 Mr. Essary, yes or no?

23 MR. ESSARY: On the basis of the complexity
24 of the other two operations, I did not serve
25 Roselle, because I was told by Mr. Yeager that it
26 merely was a rents and profits with minimal income.
27 So therefore, they're not aware of the receivership.

28 THE COURT: And they're in the lawsuit,

1 right? Right?

2 MR. ELIA: Yes.

3 THE COURT: But do I need to have them if I
4 do grant a receiver? Do I?

5 MR. GORIA: We certainly don't think
6 Roselle --

7 THE COURT: I don't think so either.

8 MR. GORIA: -- should be included.

9 THE COURT: Should I? Tell me. Let him
10 finish.

11 MR. ELIA: The only concern I have is as
12 Mira Este just started, Roselle will eventually
13 start.

14 THE COURT: Eventually. Let me know what
15 it happens.

16 MR. ELIA: Okay.

17 MR. ZIMMITTI: Your Honor, our concern,
18 obviously, is before, you know, we can get things to
19 be moving forward, it will be sold or encumbered or
20 further, you know, displaced from us, so --

21 THE COURT: I'll make an order not to sell
22 it, but I'm going to let him do the work. Who's
23 him? Mr. Hakim.

24 MR. HAKIM: Yes, sir.

25 THE COURT: Talk to your client. I think
26 I'm cutting them out. Not cutting them out, but I
27 don't want him to sell it. But he's got to do the
28 rent and all that stuff. Make sure he's comfortable

1 with that.

2 MR. GORIA: Will do, Your Honor.

3 MR. ELIA: Your Honor, if I may, just real
4 quick?

5 THE COURT: And then I'm going to order.
6 Here we go. Go.

7 MR. ELIA: If I may, if Roselle is going to
8 enter into some agreement, we would just ask that we
9 review it first before they do that.

10 THE COURT: Just collect the rent. Don't
11 sell it. Don't encumber it. Don't lease it. Well,
12 it's leased for three years. Did I read that right?

13 MR. GORIA: Yes, Your Honor.

14 THE COURT: Two years?

15 MR. GORIA: Yes.

16 THE COURT: So just -- who knows if this
17 litigation will be done by then, but let's hope.
18 Okay?

19 MS. AUSTIN: Jesus.

20 THE COURT: Welcome to --

21 MR. GORIA: Your Honor, in that regard --

22 THE COURT: -- civil.

23 MR. GORIA: -- the tenant has indicated a
24 willingness to sell the balance of his term in order
25 to facilitate --

26 THE COURT: Get out of here. Go ahead.
27 Here it is. Ready? Don't sell or encumber it, sell
28 it, lease it. If you want to sell it, bring it to

1 the Court.

2 MR. GORIA: All right.

3 THE COURT: I can make that decision.

4 MR. ZIMMITTI: So, Your Honor, are the
5 status of our agreements under -- do they pertain to
6 Roselle?

7 THE COURT: He's not going to sell it.
8 That's still going to be litigated. He's just going
9 to do the accounting, Counsel. Do you understand?
10 It's okay if you don't agree, but do you understand
11 what I'm doing, sir?

12 MR. ZIMMITTI: Yes, Your Honor.

13 THE COURT: Appreciate that. Thank you.
14 Okay. Here we go. Listen up. Let the record
15 reflect the Court has considered everything. As you
16 know, I have to make a determination at this stage,
17 Number 1, of whether there is a likelihood that the
18 plaintiff will prevail on the case. I'm making that
19 likelihood, as he looks at the plaintiff.

20 Second thing I got to do is determine
21 whether there is imminent harm, irreparable harm.
22 The Court's made that finding based on the amount of
23 money that allegedly have been put into this case.

24 This case will be reviewed in -- I got to
25 set it within 15 to 20 days. I'll put it on a
26 Friday afternoon. Twenty-one days. How about the
27 7th, 1:30, this department?

28 MS. AUSTIN: September 7th?

1 THE COURT: Yes, Counsel, September 7th.

2 MS. AUSTIN: Sorry.

3 MR. ELIA: That's fine with me, Your Honor.

4 THE COURT: Mr. Essary?

5 MR. ESSARY: Yes, sir, Your Honor.

6 THE COURT: Here's my thoughts. You're

7 appointed now. I don't know if I'm going to appoint

8 you in 21 days. Do your work, and it better be

9 unencumbered. I want to make sure they really

10 understood what I said there. He better be given

11 access. He better be allowed to do his job, period.

12 I can't stress it too much.

13 I'm going to tell you I want Synergy in. I

14 want Far West in. See if they're competent. I

15 don't know. Do your job.

16 MR. ESSARY: Under -- with SoCal, I had a

17 management agreement to operate, under which it

18 dictated payment of --

19 THE COURT: That's suspended right now --

20 MR. ESSARY: I understand.

21 THE COURT: -- by the Court.

22 MR. ESSARY: Do I have that same document

23 or those guidelines so I know what to expect for my

24 contractors?

25 THE COURT: Explain that to me.

26 MR. ESSARY: You have two different

27 entities --

28 THE COURT: Right.

1 MR. ESSARY: -- running two different
2 facilities under a management agreement, which I've
3 been told is similar to what SoCal had. It has
4 probably fixed payments. It has -- they have made
5 profits. There's probably a percentage of profits
6 that goes back. I would need those for --

7 THE COURT: For the next 21 days, the
8 answer is yes.

9 MR. ESSARY: Okay.

10 THE COURT: So let's be real clear. So am
11 I going to make the management payment if the money
12 is there? Am I going to make the -- help me -- rent
13 payment?

14 MS. LEETHAM: Minimum guarantee.

15 THE COURT: Minimum guarantee. Pay those
16 if the money is there. I want this -- it's only for
17 21 days.

18 MR. ESSARY: But I was really talking about
19 what the vendors would be paying to the entities,
20 which would be me, the receiver. So I need to know
21 what I'm expected to collect from them. It was very
22 easy with SoCal because I had their agreement.

23 THE COURT: Well, I'm sure they'll tell you
24 what. If they're running it, they should know what
25 they're making. Look at their P&L. I assume these
26 people have a P&L.

27 MS. LEETHAM: They have an accountant,
28 Your Honor.

1 THE COURT: Perfect.

2 MS. LEETHAM: Clarification. So we have
3 a lot of litigation.

4 THE COURT: You think?

5 MS. LEETHAM: A lot. And I feel extremely
6 uncomfortable that the receiver gets to make a
7 decision on who represents my clients when I don't
8 know that. So where does that leave our litigation?
9 I need to appear tomorrow before Your Honor on
10 behalf of the entity that the receiver -- do you
11 understand what I'm saying? Am I allowed to do
12 that?

13 THE COURT: So who do you want to appear
14 for tomorrow?

15 MS. LEETHAM: I need to appear for
16 San Diego United. I have a discover -- I have an
17 ex parte in the San Diego Patients case tomorrow. I
18 have all this litigation.

19 THE COURT: Why couldn't you appear for
20 them?

21 MR. GRISWOLD: Your Honor, I have the same
22 question. The receiver's in control of the
23 marijuana operations that we've been talking about
24 for the last two hours.

25 THE COURT: Right.

26 MR. GRISWOLD: There is other litigation
27 about -- I don't even know how many other issues.
28 All of those entities have counsel of record, which

1 I understand is counsel sitting at the table.
2 There's no obstruction or requesting that they don't
3 represent the interests of their clients in those
4 issues, be it discovery disputes or --

5 MS. LEETHAM: The first order was just so
6 broad that I felt extremely uncomfortable. But as
7 long as --

8 MS. AUSTIN: I --

9 THE COURT: Here's my thought. No, no.
10 Hold on. Shh. I don't mean to interrupt. You have
11 a good point, Counsel. Right now I don't see any
12 red flags. If I do, I'll let you know. That's a
13 very ethical thing to do, by the way, Counsel.

14 MS. LEETHAM: Thank you.

15 THE COURT: I appreciate that.

16 MS. LEETHAM: Thank you.

17 MS. AUSTIN: Your Honor, if I could
18 dovetail on that, I have a hearing before the
19 planning group this evening on one of the
20 entitlements for this same process for the Mira Este
21 property. I have multiple balls in the air
22 regarding the state entitlements and local
23 entitlements. Am I allowed to continue to move
24 forward with those?

25 THE COURT: Absolutely. I would expect
26 that.

27 MS. AUSTIN: Okay.

28 THE COURT: And hold on. Let's make it

1 clear what I'm doing right now.

2 Mr. Essary, you heard what I just said?

3 MR. ESSARY: Yes.

4 THE COURT: So I assume when counsel is
5 saying, Judge, I still got to work on the C -- CUP,
6 et cetera, for Mira --

7 MS. AUSTIN: I've got a CUP for Mira Este
8 and the appeal hearing that is likely to occur on
9 Balboa Avenue, the state applications for
10 distribution, manufacturing, and retail for all
11 three entities.

12 THE COURT: Keep working. Court order.

13 MR. GRISWOLD: Can I add? I completely
14 support that and I would just ask maybe that we
15 encourage that we work together and keep -- that the
16 receiver is informed and updated regarding the
17 hopeful great progress that's made there, and we
18 support that. We just want to make sure that we're
19 working together and not shifting blame. So
20 we're happy to --

21 THE COURT: I'm sure counsel will.

22 MS. LEETHAM: Mr. Griswold is very easy to
23 work with. I have no problem doing that.

24 MS. AUSTIN: We would like one more -- I'm
25 sorry to be so difficult. There's so many --

26 THE COURT: You're not doing --

27 MS. AUSTIN: -- agencies that I'm working
28 with. The dispensary, Balboa, is currently

1 undergoing an audit by MGO to provide the financial
2 data for the period of time that SoCal was in there
3 from January 1 to April for the first quarter of
4 this year.

5 They're require -- requesting all of the
6 data on the accounting, which was in the software
7 database called Trees, which we don't have access
8 to. But in order to give us access, they wanted
9 to -- "they" being -- Mr. Griswold's proposal, which
10 I think was a good proposal, but it's going to end
11 up costing us more money, was to freeze the data in
12 time because there's no way to -- if they gave us
13 access today -- if Trees was to allow me to have
14 access today, then, theoretically, my client could
15 manipulate the data. So they had to freeze it in a
16 certain time. That was going to cost a certain
17 amount of money. We just need access to it because
18 we need to give it to the State.

19 MR. GRISWOLD: Your Honor, I'll take that.
20 So Trees is a -- I guess a software -- kind of
21 revenue generation software to run the business.
22 When I said -- again, as you can imagine, a lot of
23 competing arguments and claims by e-mail by all the
24 parties as to how this should work.

25 What I proposed -- all it was was a
26 proposal -- was that Mr. Malan and whoever else he
27 designated as his agents and vendors certainly
28 getting -- I think it was maybe a license or user

1 name issued so they could use this software to track
2 the business.

3 What I also said, because there was lots of
4 swirling claims, not made by the receiver, by some
5 of the parties, that there would be some sort of
6 manipulation of historical data on the revenue. So
7 what I proposed and asked the software provider was,
8 Can we make it, like, a digital copy, just a -- of
9 those records?

10 THE COURT: Hold on. Stop. I want to make
11 sure counsel listens.

12 MS. LEETHAM: I'm listening.

13 THE COURT: Go ahead.

14 MR. GRISWOLD: I propose that the software
15 rep make a digital copy of whatever those records
16 were at that time. I just -- "archive" was the word
17 that the software guy used. I said, That sounds
18 like a great idea. How much would that cost? He
19 said it would be \$1,000 per month. So I said, Let's
20 do that. I proposed that to them. They had some
21 reservations. I think we under -- we liked the idea
22 of giving Mr. Malan access. There was the thousand
23 dollars a month that became the hiccup. I still
24 believe it's a good proposal.

25 MS. AUSTIN: I don't -- I was -- when I
26 turned around -- I don't know whether we need access
27 to Trees on an ongoing basis or we just needed data
28 dump.

1 UNIDENTIFIED SPEAKER IN THE AUDIENCE: Data
2 dump.

3 MS. AUSTIN: Just the data dump. So if we
4 can just get a data dump, then we're done.

5 THE COURT: How much will that cost?

6 MR. GRISWOLD: I don't --

7 MS. AUSTIN: That should be part of our
8 subscription. We just need to get in, get the data,
9 and then --

10 MR. GRISWOLD: It seems like something easy
11 to do.

12 MS. AUSTIN: I think we can resolve it.

13 THE COURT: Make sure it's a copy.

14 MS. AUSTIN: Yeah, a copy.

15 MR. GRISWOLD: Yes.

16 THE COURT: I hope you're writing all this
17 down, because this is going to be a court order, as
18 best you can.

19 MR. GRISWOLD: Working on it.

20 MR. ZIMMITTI: Your Honor --

21 THE COURT: Hold on. Let me think of one
22 more thing.

23 Mr. Essary?

24 MR. ESSARY: Yes, Your Honor.

25 THE COURT: I want to know how much --
26 everyone keeps telling me there's a lot of money.
27 Give me a -- can you -- I want to know how much
28 money is coming into these businesses.

1 MR. ESSARY: Could I ask the defendants a
2 question?
3 THE COURT: You may.
4 MR. ESSARY: Do you all have any opposition
5 to retaining Mr. Yeager, since he seemed to have
6 been involved --
7 MS. LEETHAM: Absolutely.
8 MS. AUSTIN: Absolutely.
9 THE COURT: You didn't read their
10 declaration. They're going to have --
11 MR. ESSARY: I guess I missed that one
12 then.
13 THE COURT: They're going to have a big
14 opposition.
15 MS. LEETHAM: Just a point of clarification
16 on the cash --
17 THE COURT: Let me finish. Let me -- hold
18 on.
19 I just want -- I want to know how much
20 money comes in. I'll take care of how it goes out.
21 I'm hearing some huge numbers, and yet I don't see
22 enough money. I'll be quite honest. I hear all
23 these numbers, and yet we can't pay our rent?
24 Hello? That's beyond me. I'm talking about there's
25 a hundred thousand -- each weekend, a hundred
26 thousand. Where's the money? Mr. Essary, find out
27 for me.
28 MR. ESSARY: My issue is that it is --

1 there -- as the defendants have said and the
2 plaintiffs, it's a very complex -- as Your Honor
3 said, there's many entities. There's money in bank
4 accounts going every which way.

5 My reason for using Mr. Yeager previously
6 is that he was working for the defendants and
7 working for the plaintiffs --

8 THE COURT: Okay.

9 MR. ESSARY: -- both of them. So I felt
10 that was a nice compromise. I still feel that
11 there's a rapport that I have with him and I do
12 trust him because he's given me good advice what
13 they didn't do and should have done and what they
14 did and shouldn't have done. I've gotten really
15 good feedback from him. I'm uncomfortable using an
16 accountant that they have chosen merely for their
17 own operation only because I don't have that same
18 rapport.

19 MS. LEETHAM: Your Honor, Justus Henkes
20 (phonetic), we hired. He is reputable and he worked
21 for some big companies in accounting. He's been
22 Far West management's accountant for years. He's
23 independent. He's extremely professional, and
24 there's -- he does Golden State Greens' books.
25 There's no reason why he's not capable of doing it,
26 and I think the receiver will find he will be
27 extremely professional with him. We absolutely
28 object to John Yeager. We fired him.

1 MR. ZIMMITTI: You know, we put a lot of
2 effort in it -- in Mira Este, and we're not -- we
3 would object to --

4 THE COURT: You want to pull it.

5 MR. ZIMMITTI: -- another operator using
6 it, another operator basically benefiting from our
7 equipment.

8 THE COURT: I got it.

9 MR. ELIA: May I quickly just make a quick
10 comment, real quickly, Your Honor?

11 THE COURT: All right.

12 MR. ELIA: Your Honor, the only concern I
13 have is I ask that if you're going to appoint
14 someone, it would be someone that they don't know
15 and that we don't know, because, frankly, we don't
16 trust their side.

17 THE COURT: I know. I got it.

18 So, Mr. Essary, here's your deal. Here it
19 is.

20 Who is it that's doing their books, Far
21 West?

22 MS. LEETHAM: His name is Justus Henkes.
23 He has no dog in the fight, Your Honor.

24 THE COURT: I got it. Check him out. See
25 if he's good. But I also want him to do Mira Este.
26 Now, let's say it goes south. You ever heard of
27 Reagan & Associates (phonetic)?

28 MR. ESSARY: Yes.

1 THE COURT: Yeah, well known in San Diego.
2 Extremely expensive, but they are the best in
3 San Diego. Use them.

4 MR. ESSARY: I will interview their
5 accountant and --

6 THE COURT: If you're not satisfied, go to
7 Reagan & Associates. Tell them how I want it. They
8 have been in my courtroom 20 years, and they're the
9 best in San Diego.

10 MR. GORIA: Your Honor, just a quick point
11 here for the receiver. There are three separate
12 properties, three separate ownerships. We would
13 prefer -- or we would ask the Court to require the
14 accountant not to be spending income or revenue for
15 Mira Este on Balboa or vice versa.

16 But we're concerned that he's going to
17 intermingle or commingle the funds, because Synergy
18 pays approximately -- their situation is different.
19 They don't pay as much as SoCal does. And the money
20 that Synergy pays is going to have to be used to pay
21 the mortgage payments on Mira Este. Otherwise, the
22 loan's going to go into default. Loan payments are
23 due on the 5th of each month.

24 MR. ESSARY: I was -- it was early in the
25 game. I opened up a central account, which I will
26 be able to open up individual accounts. As
27 Your Honor knows, opening up bank accounts is not
28 always an easy thing to do when you're dealing with

1 cannabis operations. I'm able to with your court
2 order allowing me -- authorizing me to open them. I
3 do it in my own name personally so that there's no
4 relationship to the cannabis, but I put the name of
5 the entity along with it. And so I can open up two
6 different accounts.

7 THE COURT: Sounds very reasonable.

8 MR. GORIA: Sounds fine.

9 MS. AUSTIN: I would ask if the accounts
10 can't be used by the defendants or anybody, why do
11 they need to open up new accounts?

12 THE COURT: Because I want it in his name.

13 MR. ESSARY: I actually do have control
14 over two accounts that have less than \$3,000 at
15 Torrey Pines Bank. I believe one of those -- that's
16 Roselle and Mira Este. It's not the Balboa. Those
17 were all shut down by B of A. They didn't give me a
18 choice to keep them open.

19 THE COURT: Well, there's been a lot out
20 about how much money these entities bring in. I
21 want to see it.

22 MR. WATTS: Sunrise and Super 5 aren't
23 included in this, I assume?

24 THE COURT: They are not.

25 MR. WATTS: And which LLCs exactly are
26 included in it?

27 THE COURT: All the ones that have an
28 ownership or partial ownership in those two

1 properties. That's pretty broad, isn't it, Counsel?

2 MS. GRIFFIN: Your Honor, to clarify, the
3 cooperatives are, I think, a primary issue in terms
4 of they're necessary to operate the storefronts.

5 THE COURT: Explain that to me.

6 MR. JOSEPH: Your Honor, to explain, Balboa
7 Avenue Cooperative, Devilish Delights, California
8 Cannabis Groups, they're the State license holders.
9 They don't have an ownership in the land, the dirt,
10 or anything like, but they are necessary to run the
11 dispensary and they're necessary to run Mira Este.
12 So I just want to clarify. Would your order include
13 the receiver having power over those cooperatives as
14 well?

15 THE COURT: My gut reaction is yeah. But
16 he's going to have them continue to run it, right?
17 The answer is yes, he has power.

18 MR. JOSEPH: So just to clarify --

19 THE COURT: Well, hold on. They're named
20 defendants. They're under my order. Counsel,
21 they're named defendants.

22 MR. JOSEPH: Yes.

23 THE COURT: They're included.

24 MR. JOSEPH: Okay. You just clarified
25 that, Your Honor.

26 THE COURT: Yeah. It's okay. And no
27 disposal of any personal property, period,
28 especially the property on what address, Counsel?

1 MR. ZIMMITTI: Mira Este.

2 THE COURT: Mira Este. No destroy, no
3 waste, no nothing.

4 MS. AUSTIN: Are we going to send you more
5 trees before this next hearing or are we done?

6 THE COURT: Well, hold on. You know, I
7 think I got it. I got the whole gist here, Counsel.
8 What I need is Mr. Essary. Unless you all want --
9 you want to do supplemental briefing? I'll let you
10 do it. Do you want to spend more attorney fees?
11 I'll allow it. I'll happily do that down the road.

12 Okay. Let's do this. Mr. Essary, just get
13 your report. Can you do it two days before the
14 hearing so they have a chance to digest it?

15 MR. ESSARY: Yes, Your Honor.

16 THE COURT: Thank you. This is for the
17 parties' sake again. Counsel has been very polite
18 today, and I really appreciate this. I hope you get
19 a sense. Literally, this could take two years and
20 cost a couple hundred thousand just in attorney
21 fees. I've done these -- well, not exactly, but
22 I've done big partnerships. You'll spend \$100,000
23 on accountants. I'm just -- be prepared for what --
24 the path that you all -- I'm not talking to the
25 counsel here. I'm talking to your parties.

26 Listen, be prepared to go that distance if
27 that's what you really want to do. That's all I'm
28 telling you. Because you're going to spend a whole

1 bunch of money. And maybe it's the right thing to
2 do. I don't know. But you know what? Eventually
3 the truth comes out. I promise you that. The truth
4 does come out. I've done this -- I've been on the
5 bench 30 years. Been there, done that. I'll just
6 tell you that. It does come out. You've all been
7 polite.

8 Mr. Griswold, I want you to make me a court
9 order that this order goes into effect right now.
10 The Court -- all the parties have been in front of
11 me. The attorneys have been in front of me. This
12 order goes in effect forthwith, period. Anything
13 else?

14 MS. LEETHAM: The bond.

15 THE COURT: Ah, that will be at the next
16 hearing. Absolutely, Counsel. And let me tell you.
17 I look over on this side of the -- it ain't going to
18 be the minimum bond.

19 MS. AUSTIN: We would like to brief that,
20 Your Honor.

21 THE COURT: Huh?

22 MS. AUSTIN: We would like to brief that.

23 THE COURT: You don't have to. But here's
24 what you should brief, the amount.

25 MS. AUSTIN: That's what I'm referring to.

26 THE COURT: Absolutely. Oh, absolutely,
27 both sides of the table. And I'm already kind of
28 giving a heads-up here. It ain't going to be

1 \$10,000. "Ain't" is a bad word. It isn't going to
2 be \$10,000. I will tell you that.

3 Let's see. I think I'm only going to be
4 down to two parties now. So again, you've all been
5 very polite. I do what I think is best. We're just
6 beginning. Next big hearing is the 21st to see if
7 I'm going to leave this order in effect. And I tell
8 you, I don't know. His report is going to have a
9 big deal and, of course, the arguments of counsel.

10 So thank you for your -- still one hand.

11 MR. JOSEPH: Very minor issue. Briefing
12 schedule, Your Honor, for the bond amount?

13 THE COURT: Four days before the hearing.
14 That takes me two minutes.

15 MR. ZIMMITTI: So, Your Honor, your order
16 as to SoCal is we leave the equipment? Everything
17 stays in Mira Este?

18 THE COURT: Everything is a status quo.

19 MR. ZIMMITTI: Okay. And then our
20 contracts, our obligations, and everything under
21 those are suspended?

22 THE COURT: Stayed. Better word.
23 "Suspended" is not the right word. It could be
24 interpreted wrong. Stayed. And, SoCal, I got your
25 position. Trust me. I got it. But I'm trying to
26 keep a semi-status quo here, and let's see what
27 happens in 21 days. And then after that, you're
28 stuck for a year, year and a half, as you know.

1 Okay. You've been --

2 Well, you're a nonparty. I don't mean to

3 be rude.

4 MR. HICKMAN: I just want --

5 THE REPORTER: I don't know who this is,

6 Your Honor.

7 MR. HICKMAN: It's Michael Hickman for

8 (inaudible) --

9 THE REPORTER: Can you please stand up at

10 least or maybe come up to counsel table so I can

11 hear you.

12 MR. HICKMAN: Sure. Four days before the

13 7th is Labor Day, so --

14 THE COURT: I'm working. Hold on. Does

15 anyone -- I think what he's saying is can everybody

16 be here that day?

17 MR. HICKMAN: Well, no. What I'm saying is

18 you set a briefing for that.

19 THE COURT: Okay. Three days. Thank you.

20 MR. HICKMAN: That's my one contribution.

21 THE COURT: Three days. All right. Now, I

22 need -- so everybody, thank you for coming, except

23 S&H -- what is it?

24 MR. ELIA: S&H West Point.

25 THE COURT: West Point and?

26 MR. WATTS: Ninus Malan and American

27 Lending & Holding.

28 THE COURT: Bingo. We're going to take a

1 five-minute recess.

2 (Whereupon the proceedings concluded at 4:16 p.m.)

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1 STATE OF CALIFORNIA)
2 COUNTY OF SAN DIEGO)

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I, Leyla S. Jones, a Certified Shorthand Reporter, do hereby certify:

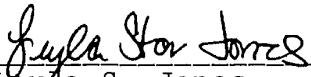
That prior to being examined, the witness in the foregoing proceedings was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth;

That said proceedings were taken before me at the time and place therein set forth and were taken down by me in shorthand and thereafter transcribed into typewriting under my direction and supervision;

I further certify that I am neither counsel for, nor related to, any party to said proceedings, nor in any way interested in the outcome thereof.

In witness whereof, I have hereunto subscribed my name.

Dated: August 23, 2018



Leyla S. Jones
CSR No. 12750

EXHIBIT W

3392

8859 Balboa A-C

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1102

11-35/1210 CA
70817

DATE 5/5/17

PAY TO THE
ORDER OF

Allison McCloskey

\$ 25,000.00

Twenty five Thousand Dollars \rightarrow 25,000.00 DOLLARS

Bank of America

ACH INT. 121000358

FOR

Balboa Ave Deposit

14670AS

⑈001102⑈ ⑈121000358⑈

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1103

11-35/1210 CA
70917

DATE 5/8/17

PAY TO THE ORDER OF Tebbetts Appraisal Service \$ 3,000.⁰⁰/₁₀₀

Three Thousand Dollars $\frac{00}{100}$ DOLLARS

Bank of America

ACH NY 121000006

FOR Balboa Ave 8859 unit



⑈001103⑈ ⑈1210000358⑈

Deposit to refinance 8861/8863
with Salas Financial


1105
11-34/210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 5/17/17

PAY TO THE ORDER OF Salas financial \$ 2,908.83
Two Thousand nine Hundred Eight Dollars → ⁰⁰/₁₀₀

Bank of America
ACH R/T 121000358

FOR Balboa Ave Loan 

⑆001105⑆ ⑆121000358⑆

88618863 Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1108

11-35/1210 CA
70917

DATE

5/19/17

PAY TO THE
ORDER OF

Element Builders

\$ 2,700.⁰⁰/₁₀₀

Two Thousand Seven Hundred Dollars ⁰⁰/₁₀₀ DOLLARS

Bank of America

ACH 107 121000358



FOR

Roof Ladder & Bike Rack

⑈001108⑈ ⑈121000358⑈



Business Fundamentals Chk - [redacted] Account Activity Transaction Details

Post date: 05/23/2017

Amount: -420,000.00

Type: Withdrawal

Description: WIRE TYPE:WIRE OUT DATE:170523
TIME:1538 ET TRN:2017052300336049
SERVICE REF:009766 BNF:ALLISON-
MCCLOSKEY ESCROW C ID:[redacted]
BK:CITY NATIONAL BANK ID:122016066 PMT
DET:QCD H5L9SF Trade related Ref Escrow
Trust Acco//unt /

Merchant name: ALLISON-MCCLOSKEY 5 UNITS PURCHASE

Transaction category: Home & Utilities: Mortgages

Down payment 8859 Balboa A-E



Business Fundamentals Chk - Account Activity Transaction Details

Post date: 05/25/2017

Amount: -897.65

Type: Other payment

Description: THE LIBERTY CO DES:8182246138 ID:
INDN:navailable unavailable CO
ID:2043575881 CCD

Merchant name: THE LIBERTY CO

Transaction category: Uncategorized: Uncategorized

8859 A-E property
insurance



Name and Address San Diego United Holdings Sitty One Hundred & eighty One

Telephone No. () - () - ()

Account Number

Checking Savings Withdrawal **DEBIT**

Not Negotiable - Withdrawals are permitted only through payment to the depositor

Date 06/05/18

47/1000 Dollars

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

[Signature]
Customer Signature

1111059

Total Withdrawal

\$ 6181.47

⑆540930135⑆

Payment to HOA attorney Epsten
Grinnell & Howell Per HOA Settlement
Agreement

Title Insurance for real estate partnership with Razuki

1109
11-35/1210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/2/17

PAY TO THE ORDER OF The Loan Company \$ 2,000.00 DOLLARS

Two Thousand Dollars $\frac{00}{100}$

Bank of America
ACH/RIT 121000390
LN#1573
FOR to add to ASL
Expense account to
pay for title policy

⑆001109⑆ ⑆121000358⑆

CHECKING DEPOSIT

NEW ACCOUNT

[Signature]

CASH

SIGN HERE FOR CASH RECEIVED

STAMP

NAME Nines Mign

DEPOSITS MAY NOT BE AVAILABLE FOR IMMEDIATE WITHDRAWAL

DATE 6/9/17

SUB TOTAL ▶

LESS CASH RECEIVED ▶

ACCOUNT NUMBER

* _____

NET DEPOSIT \$ 518000.00

⑆5011⑈5980⑆

Deposit Shows Nines Mign had personal funds

OF THIS AND OTHER ITEMS ARE RETURNED FOR DEPOSIT SLIP TO THE PERSONS OF THE UNITED STATES AND OTHER COUNTRIES COLLECTOR'S AGREEMENT

CHECKING DEPOSIT

NEW ACCOUNT CASH

FOR HERE FOR CASH RECEIVED 101500.00



NAME Ninias Malan SUB TOTAL LESS CASH RECEIVED

DATE 06-09-17 ACCOUNT NUMBER NET DEPOSIT \$ 101500.00

* 5011 5801 *

Deposit Shows Ninias Malan
had personal funds

personal acct. to San Diego United
for HOA monies owed

NAME Nina S. Malan Account No. _____ 91-650/1221
1134
Date 6/15/17
Pay to the Order of San Diego United Holdings \$ 9,000.⁰⁰/₁₀₀
Ten Thousand Dollars 
Western Alliance Bank Member FDIC
For HOA Balboa - San Diego marrieds. 
⑆⑆⑆22⑆05980⑆

Loan payment toward real estate partnership with Salam Razuqi

1113
11-357210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/20/17

PAY TO THE ORDER OF The Loan Company \$ 7,458.⁷³/₁₀₀

Seven Thousand Four Hundred & Fifty Eight Dollars → 73 CENTS

Bank of America
ACH R/T 121000388

FOR Loan #1373

⑆001113⑆⑆21000358⑆⑆

1107 20 2017

monies paid for wages & inventory
8861/8863 Balboa

1116
11-301210 CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/23/17

PAY TO THE ORDER OF flip Management \$ 7000.00 DOLLARS

FOR Bank of America Balboa Ave 7/00

Bank of America
ACH NT: 121000358

⑈001116⑈ ⑆121000358⑆


Business Fundamentals Chk - ██████████ Account Activity Transaction Details

Post date: 06/23/2017

Amount: -2,050.00

Type: Other payment

Description: LIBERTY MUTUAL DES:102081160
ID:3061526 INDN:SAN DIEGO UNITED HLDG
CO ID:0000061050 CCD

Merchant name: LIBERTY MUTUAL 

Transaction category: Cash, Checks & Misc: Other Expenses

property insurance

Business Fundamentals Chk - ~~Account Activity~~ Transaction Details

Post date: 06/30/2017

Amount: -2,734.20


Type: Debit card

Purchaser: NINUS MALAN

Description: C2C CONTAINER SERVICES PURCHASE SAN
RAFAEL CA

Merchant category: Commercial Equipment (not elsewhere
classified)

**Merchant category
code:** 5046

Merchant name: C2C CONTAINER SERVICES


**Transaction
category:** Home & Utilities: Home Improvement

Storage Containers for Mira Este

8861 - cup permit / rolling door

1117
11-35/210 CA 70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/27/17

PAY TO THE ORDER OF PACIFIC COAST STRUCTURAL ENGINEERS INC \$ 1,150.⁰⁰/₁₀₀ DOLLARS

One Thousand fifty dollars

Bank of America
ACH/RV 321000358

FOR 8861 Logan Ave permit B

⑆00117⑆ ⑆12⑆000358⑆

Rosette Cup Cultivation permit

SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE STE 101 SAN DIEGO, CA 92113-3099		1118 11-357210 CA 70317
PAY TO THE ORDER OF <u>Techna</u>	DATE <u>6/30/17</u>	\$ <u>2808.00</u> DOLLARS <input type="checkbox"/>
Bank of America ACH R/T 121000358		Invoice # <u>456</u>
FOR <u>Rosette Cultivation Permit</u>		<u>[Signature]</u>
		⑈001118⑈ 121000358⑈

Mortgage payment 8859 A-E

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1119
11-387210 CA
70917

DATE 7/13/17

PAY TO THE ORDER OF Solas financial \$ 9,952.³⁶/₁₀₀
Nine Thousand nine hundred fifty two dollars DOLLARS

Bank of America
ACH # 1121000358

W. D. [Signature]

FOR Loan 1831

⑈001119⑈ ⑆121000358⑆

Mortgage payment 8861/8863

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1120

11-36/1210 CA
70917

DATE 7/13/17

PAY TO THE
ORDER OF

Salus Financial

\$ 4,573.⁷⁰/₁₀₀

Four thousand five hundred seventy three ⁷⁰/₁₀₀ DOLLARS



Bank of America

ACH NT 12100096

[Handwritten Signature]

FOR [DMA] 1826

⑆001120⑆ ⑆1210018⑆

3412

8861/8863 cup costs

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1122

11-551210 CA
78917

8/1/17

DATE

PAY TO THE
ORDER OF

Element Builders

\$ 10,750.⁰⁰/₁₀₀

Ten Thousand and seven hundred fifty dollars

DOLLARS



Bank of America

ACH R/T 12100098

FOR

8861 Balboa Ave mit B

⑆00112⑆ ⑆12100098⑆

Mortgage payment 8859 A-E

1076
11-387230 CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 8/7/17

PAY TO THE ORDER OF Salas finacial My husband \$ 9,952.³⁶/₁₀₀
Nine Thousand nine hundred fifty Two Dollars → 100 DOLLARS

Bank of America
ACH R/T 121000358

FOR Loan # 1831

#001076# 121000358#

mortgage payment 8861/8863

1077
11-30/210 CA
7017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 8/7/17

PAY TO THE ORDER OF Salos financial \$ 4,573.⁷⁰/₁₀₀
four Thousand five hundred seventy Three dollars ⁷⁰/₁₀₀ DOLLARS

Bank of America
ACH NY 12100358



FOR Loan #1826

⑈001077⑈ 121000358⑈

Attorney fees - mediation for
HOA lawsuit

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1124
11-3571210-CA
70817

PAY TO THE ORDER OF Russo & Duckworth, LLP DATE 8/4/17

five Thousand Dollars \$ 5,000.00 DOLLARS

Bank of America
ACH RT 12100388
Clear All Invoices
up to today's date

FOR ACC# _____ Date 8/4/17

⑈001124⑈ ⑆12100388⑈

Litigation Bond - HOA lawsuit

Checking Savings Withdrawal For **DEBIT**

Not Negotiable - Withdrawals are permitted only through payment to the depositor. Date 8-8-17

Name and Address SPAN DIEGO UNITED HOUSINGS INC Dollars THIRTY THREE THOUSAND TEN

5005 LOGAN AVENUE 101

CAROL PLEDOGA 92113

Telephone No. (619) 750-2021

SHOP SURTEC Account Number

INSURANCE

COMPANY

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

X [Signature] Customer Signature

Total Withdrawal \$ 33,010



For CA Use Only 05-14-3075B 05-2012

⑆5410650135⑆

Money toward Mira Este mortgage
payment

1079
11-25/1710 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 9/6/17

PAY TO THE ORDER OF Mira Este Properties \$ 15,000.00 DOLLARS

fifteen Thousand Dollars

FOR [Signature]

Bank of America
ACH R7: 121000358

⑈001079⑈ ⑆121000358⑆

CUP COSTS 8859 A-E

1080
11-3571210.CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 9/11/17

PAY TO THE ORDER OF Techno \$ 7,244.⁰⁰/₁₀₀

Seven Thousand Two Hundred forty four Dollars → 28 DOLLARS

FOR Bobba

Bank of America

ACH RVT 12100358

[Signature]

⑈001080⑈12100358⑈

mortgage payment 8861/8863

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1081

11-307210 CA
70017

DATE 9/10/17

PAY TO THE ORDER OF Salas Financial

four thousand five hundred seventy three and 76/100 DOLLARS

Bank of America

ACH (N/T) 121000000

FOR Loan #1826



⑈00008⑈ ⑈1210000358⑈

mortgage payment 8859 A-E

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1082

11-301210 CA
70817

DATE 9/10/17

\$ 9,952.²⁶/₁₀₀

PAY TO THE ORDER OF SALAS FINANCIAL
Nine Thousand Nine Hundred Fifty Two Dollars ²⁶/₁₀₀ DOLLARS



[Handwritten Signature]

FOR LOAN # 1831


⑆001082⑆ ⑆121000358⑆

money toward Mira Este
mortgage payment

1086
11-357210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 10/5/17

PAY TO THE ORDER OF Mira Este Properties \$ 15,000.⁰⁰/₁₀₀ DOLLARS 

fifteen Thousand Dollars \rightarrow 98/₁₀₀

Bank of America
ACH R/T 121000358
FOR ACC # 801802284

[Signature]

⑆001086⑆ ⑆121000358⑆

money towards Roselle
mortgage payment

1087
11:35/210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE. STE 101
SAN DIEGO, CA 92113-3099

DATE 10/5/17

PAY TO THE ORDER OF Roselle St Properties \$ 3,000.⁰⁰/₁₀₀

Three Thousand Dollars → ⁰⁰/₁₀₀

DOLLARS

Bank of America
ACH RPT 121000350

FOR _____

⑆001087⑆ ⑆121000358⑆

3423

mortgage payment 8859 A-E

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1089

11-30/1210 CA
70817

DATE 10/7/17

PAY TO THE
ORDER OF

Salos Financial

\$ 9,952.36

nine Thousand nine hundred fifty Two 00/100 → DOLLARS

Bank of America

ACH R/T 121000588

FOR Loan 1821



⑆001089⑆ ⑆121000121⑆ ⑆P80100⑆

money for 8861/8863
mortgage payment

SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE. STE. 101 SAN DIEGO, CA 92113-3099		1090 11-SW218 CA 70017
PAY TO THE ORDER OF	Salas financial	DATE 10/7/17
	four thousand five hundred seventy three dollars $\frac{70}{100}$	\$ 4,573. $\frac{70}{100}$
		DOLLARS <input checked="" type="checkbox"/>
	Bank of America ACH NY 121000000	
FOR	Loan # 1826	
		<i>[Signature]</i>
		⑆00⑆090⑆ ⑆⑆⑆000⑆358⑆

CWP costs 8861/8863 -
widening 8861 garage

11-387210 78917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Pacific Coast Structural Engineering DATE 10/11/17 \$ 1,050.⁰⁰/₁₀₀ DOLLARS

One Thousand fifty Dollars → 00/₁₀₀

Bank of America
ACFT/121000958

FOR Final Bill


⑈001092⑈ ⑈121000958⑈


money toward wages & inventory


1093
11-537810 CA 10917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 10/16/17

PAY TO THE ORDER OF Flip Management \$ 1,500.⁰⁰/₁₀₀ DOLLARS 

FOR Injection Loan 

Bank of America 
ACH RT 2100026

⑆001093⑆ ⑆121000358⑆

consulting fees 8861/8863

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1096

11-30/1210 CA
70817

DATE 10/27/17

PAY TO THE ORDER OF Battell & Associates

\$ 5,396.⁰⁰/₁₀₀

Five Thousand Three Hundred ninety six → ⁰⁰/₁₀₀ DOLLARS

Bank of America

ACH INTX11000088



FOR

⑆001096⑆ ⑆121000358⑆

Annual Fee - San Diego United

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1099
11-30/210 CA
70917

PAY TO THE ORDER OF Franchise Tax Board DATE 11/12/17 \$ 800.⁰⁰/₁₀₀ DOLLARS

Eight Hundred Dollars → 800.⁰⁰/₁₀₀

Bank of America
ACH R/T 121000358

FOR _____

[Signature]

⑆001099⑆ ⑆121000358⑆

CUP Costs 8859 A-E

1129
 11-39/1210 CA
 70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
 5065 LOGAN AVE STE 101
 SAN DIEGO, CA 92113-3099

DATE 11/15/17

PAY TO THE ORDER OF City Treasurer \$ 8,566.⁰⁰/₁₀₀

Eight Thousand Five Hundred Sixty Six Dollars DOLLARS

Bank of America
 ACH REF: 12100058

FOR CUP 812344

⑆001129⑆ ⑆12100121⑆ ⑆185E000121⑆

mortgage payment with late
fee 8861/8863


1130
11-35/1210 CA
78517

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 11/21/17

PAY TO THE ORDER OF Salos Financial \$ 5,061.⁰⁷/₁₀₀ DOLLARS

Five thousand sixty one dollars → ~~07~~

Bank of America
ACH RT 121000388
FOR # 1806 

⑈001130⑈ ⑆121000388⑆

3432

mortgage payment with
late fee for 8859 A-E

1131
11-36/1216 CA 70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 11/21/17

PAY TO THE ORDER OF Salos Financial \$ 10,977.⁶⁰/₁₀₀
Ten Thousand nine hundred seventy seven Dollars → DOLLARS

Bank of America
ACH R/T 121000386

FOR # 1831 *[Signature]*

⑆001131⑆ ⑆121000386⑆


Loan from Malan to
San Diego United


1005
90-43871722
312


NINUS MALAN
SAN DIEGO, CA 92102

11/22/17 Date

Pay to the Order of San Diego United Holdings \$ 11,000.00

Eleven Thousand Dollars  Dollars

 TORREY PINES BANK
A Division of Western Alliance Bank. Member FDIC.

For 

⑆ 4 2 2 2 4 3 6 3 5 ⑆

Consulting fees Mira Este
& a Razuki project

1133
11-357210.CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 12/

PAY TO THE ORDER OF Bartell & Associates \$ 3,583.00

Three Thousand five Hundred Eighty Three 00/100 DOLLARS

Bank of America
ACH INT 12100038

FOR Market & Mira Este

1100113311210003581



Razuki

Accounting fees to
John Yaeger


1134
INSTRICA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF JHY partners DATE 12/4/17

Three Thousand Dollars $\frac{00}{100}$ \$3,000.00 DOLLARS

Bank of America
ACH # 1210003580

FOR. Accounting 

⑆001134⑆ 1210003580

payment to HOA attorney Epstein Grinnell
& Howell per HOA Settlement Agreement


1136
11-361230 CA
70317

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099


DATE 12/6/17

PAY TO THE ORDER OF Montgomery Field Business Condos \$ 6,534.⁰⁰/₁₀₀

Six Thousand Five Hundred Thirty Four Dollars → 65 DOLLARS

Bank of America  001800000203

ACH RPT 121000388

FOR HOA fees 

⑆185E000121⑆ ⑆19E1700⑆

HOA fees 8861/8863

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1137

11-357210 CA
78917

DATE 12/6/17

PAY TO THE ORDER OF Montgomery Aerial Business Condo's \$ 1,383.38 ³⁸/₁₀₀

One Thousand Three Hundred Eighty Three Dollars ³⁸/₁₀₀

Bank of America 001800003306

ACH RT 121000356

FOR HOA fees



⑆001137⑆ ⑆121000356⑆

HOA fees Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1138
11-051210.CA
70917

DATE 12/8/17

PAY TO THE ORDER OF Montgomery field Business Condo \$ 1,522.94
ONE Thousand Five Hundred Twenty Two Dollars & 94/100 DOLLARS

Bank of America
ACH RT 12100356

FOR HOA fees 001800000506

⑈185E00D121⑈18E1100⑈

contribution to Roselle principal
pay down

1140
11-25/210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Chris Hakim DATE 12/6/17

SIXTY five thousand Dollars → 00/100 \$ 65,000.00 DOLLARS

Bank of America
ACH R/T 121000358

FOR _____

1100114011 1210003581

CUP costs for Mira Este
and Roselle

1141
11-35/1210 CA
78917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Mira Este properties DATE 12/6/17

Twenty five Thousand Dollars → \$ 25,000.⁰⁰/₁₀₀ DOLLARS

Bank of America
ACH REF: 121000358

FOR Invoices cup + Roselle

⑆00⑆14⑆⑆⑆121000358⑆

mortgage payment
8861/8863


SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1144
11-38/210 CA
70917

PAY TO THE ORDER OF Salvo Financial DATE 12/10/17 \$ 4,573.70 ⁷⁰/₁₀₀ DOLLARS

Four Thousand Five Hundred Seventy Three Dollars ⁷⁰/₁₀₀

Bank of America
ACH/R/T 121000000

FOR LOAN #1876 

⑆000114⑆ ⑆121000358⑆

mortgage payment
8859 A-E

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1145
11-357210 CA
70517

DATE 12/10/17

PAY TO THE
ORDER OF

Dallas Financial

\$ 9,952.³⁶/₁₀₀

Nine Thousand Nine hundred fifty two dollars ³⁶/₁₀₀ DOLLARS

Bank of America

ACH RPT 121000358



FOR # 1831

⑆001145⑆ ⑆121000358⑆

payment for a Razukidral

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1135
11-35/1210 CA
70917

DATE 12/13/17

PAY TO THE ORDER OF Diverse Construction

Thirty four Thousand five Hundred fifty Dollars \$ 34,550.00 DOLLARS



Bank of America

ACH RPT 121000358

FOR Construction payment in full.

⑈00⑈135⑈ ⑆121000358⑈

consulting fees 8861 18863

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1148

11-307210 CA
70917

DATE 12/15/17

PAY TO THE ORDER OF Battell & Associates

\$ 3,009.⁰²/₁₀₀

Three Thousand Nine Dollars & 02/100 DOLLARS

Bank of America

ACH # 121000358



FOR

⑆001148⑆ ⑆121000358⑆

money contributed to 1869 Avocado
(deal with Paruki)

1150
11-35/1210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 12/15/17

PAY TO THE ORDER OF Fernando Chavez \$ 13,870.00

Thirteen Thousand Eight Hundred seventy dollars → 00 DOLLARS

Bank of America
ACH RT 121000358

FOR Westwood Construction and Avocado

⑈001150⑈ ⑈121000358⑈

mortgage payment 8861/8863
Balboa

1027
11-30/210 CA
70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 1/10/18

PAY TO THE ORDER OF Salvo Financial

\$ 4,573.⁷⁰/₁₀₀

Four Thousand Five Hundred Seventy Three Dollars → ⁷⁰/₁₀₀ DOLLARS

Bank of America
ACH (RT) 121000358

FOR Loan 1826


1001027 121000358

consulting fees 8861/8863
Balboa


1032
11-387210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 1/24/18

PAY TO THE ORDER OF Bartell and Associates \$ 2,500.⁰⁰/₁₀₀ DOLLARS 

Two Thousand five Hundred Dollars ⁰⁰/₁₀₀

Bank of America 
ACH REF: 121000398

FOR PAYMENT FOR INVOICES. Mark D. Miller

⑆001032⑆ ⑆121000358⑆

consulting fees 8861/8863
Balboa

1033
11-387216CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 1/24/18

PAY TO THE ORDER OF Bartell & Associates \$ 433.00 DOLLARS

four hundred thirty three dollars → 00/100

Bank of America
ACH REF: 12100008

FOR payment for invoices through November *[Signature]*

⑆001033⑆ ⑆121000358⑆

mortgage payment with
fee 8859 A-E Balboa

1035
11-581210 CA
70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 1/25/18

PAY TO THE ORDER OF SIXLOS Financial

Ten Thousand nine Hundred seventy seven dollars ⁶⁰/₁₀₀

Bank of America
ACH NY 15100058

FOR Loan 1821

185E0001211 15E010011

Vendor payment for Inventory 8863 Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE STE 101 SAN DIEGO, CA 92113-3099		1037 11-35/1210 CA 70817
PAY TO THE ORDER OF <u>Cur a CA LLC</u>	DATE <u>1/31/18</u>	
<u>Three Thousand Six Hundred Dollars →</u>	<u>\$ 3,600.⁰⁰/₁₀₀</u>	<input type="checkbox"/>
Bank of America ACH INT 121000099		
FOR <u>final payment</u>		
		⑈001037⑈ ⑆1210003581⑆

mortgage payment
8859 A-E Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1041

11-26/1210 CA
00017

DATE 2/1/18

PAY TO THE ORDER OF Salas Financial \$ 9952.²⁶/₁₀₀

Nine Thousand nine hundred fifty Two Dollars → DOLLARS

Bank of America

ACH # 121000358

FOR Loan # 1831



⑆001041⑆ ⑆121000358⑆

mortgage payment
8861/8863 Balboa

1042
11-307210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 2/1/18

PAY TO THE ORDER OF Salas Financial \$ 4,573.⁷⁰/₁₀₀

FOR four Thousand five hundred seventy Three Dollars ⁷⁰/₁₀₀ DOLLARS

Bank of America
ACH INT 121000586
Loan # 1826

⑆001042⑆ ⑆12100058⑆

CUP COSTS 8859 A-E
Balboa

1039
11-357210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE: 2/7/18

PAY TO THE ORDER OF: Technic

\$ 5,441.00

Five Thousand four Hundred Eleven Dollars - 00/100

Bank of America


FOR: Balboa Security CUP

ACH INT: 2100038

⑆ 100101 ⑆ 1210003881

⑆ 100101 ⑆ 1210003881

payment towards electric bill

SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE STE 101 SAN DIEGO, CA 92113-3099		1040 11-35/1210 CA 70817
PAY TO THE ORDER OF	Mira Este properties	DATE 2/13/18
	Five Hundred Dollars $\frac{00}{100}$	\$ 500. $\frac{00}{100}$ DOLLARS
Bank of America ACH R/T 121000358		
FOR		⑆001010⑆ 121000358⑆

3455

Cup Costs - Consulting fees

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1043

11:30/11CA
70917

DATE 2/14/18

PAY TO THE ORDER OF Bartell & Associates

\$ 1,250.00

One Thousand Two Hundred Fifty Dollars → 200 DOLLARS

Bank of America


ACH INT 121000358



FOR Galboa

⑆001013⑆ ⑆12100358⑆

CUP COSTS 8859 A-E
Balboa

430 XJ	SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE STE 101 SAN DIEGO, CA 92113-3099	1044 113571210 CA 00017
DATE	2/14/18	
PAY TO THE ORDER OF	LG Land Surveying, INC	\$ 2,185. ⁰⁰ / ₁₀₀
	Two Thousand one Hundred Eighty five Dollars	DOLLARS
FOR	Bank of America Balboa Ave	
		⑆00104⑆ ⑆121000358⑆

Environmental Consulting
8859 A-E Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC 5065 LOGAN AVE STE 101 SAN DIEGO, CA 92113-3099		1046 11-397210CA 78917
PAY TO THE ORDER OF	Teche	DATE 2/21/18
	Five Thousand Dollars → $\frac{00}{100}$	\$5,000. $\frac{00}{100}$ DOLLARS <input type="checkbox"/>
Bank of America ACH # 121000386		
FOR	Green House Envision Balboa <i>[Signature]</i>	
		⑈001046⑈ 121000386⑈

Cup Costs - Consulting fees

1049
11-25/18 CA 7817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Bartell & Associates DATE 3/6/18 \$ 2,192.⁰⁰/₁₀₀ DOLLARS

Two Thousand One Hundred Thirty Two

Bank of America
ACH 187121000068

FOR Payment

⑈001049⑈ ⑈121000358⑈

mortgage payment 8861/8863
Balboa


1050
11-35/218 CA
.0017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Salas Financiam DATE 3/10/18 \$ 4,573.70 DOLLARS SECURITY CHECK MARK

four Thousand five Hundred seventy Three dollars & 70/100

Bank of America
ACH REF: 121000358

FOR Loan # 1826 

⑆001050⑆ ⑆121000358⑆

mortgage payment 8859 A-E
Balboa

1051
11-361218 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 3/10/18

PAY TO THE ORDER OF Salos Financial \$ 9,952.³⁶/₁₀₀ DOLLARS

Nine Thousand Nine Hundred Fifty Two and 36/100

Bank of America
ACH RT 12100036

FOR Loan # 1831 Mark A. Salos

⑈001051⑈ ⑈121000358⑈

Balboa HOA fees

1052
11-30/1210 CA
70517

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 3/16/18

PAY TO THE ORDER OF Montgomery Falls HOA \$ 3,972.⁷⁸/₁₀₀

Three Thousand nine hundred seventy two dollars → ⁷⁸/₁₀₀ DOLLARS

Bank of America
ACH RT 12100096

FOR Balboa HOA fees

[Signature]

⑆001052⑆ ⑆121000358⑆

mortgage payment 8861 / 8863
Balboa

1055
11-381210 CA
70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF Salas Financía DATE 4/10/18

Four Thousand Five Hundred seventy three Dollars → 70 \$ 4,573.70 DOLLARS

Bank of America
ACH RPT 421000086

FOR Loan # 1826

⑆001055⑆ ⑆121000358⑆

3463

mortgage payment 8859 A-E
Balboa

1056
11-387210 CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 4/10/18

PAY TO THE ORDER OF Salas Financial \$ 9,952.²⁶/₁₀₀

Nine Thousand nine hundred fifty two Dollars → ²⁶/₁₀₀ DOLLARS

Bank of America
ACH RTT 121000358

FOR Loan # 1831

⑈001056⑈ ⑈121000358⑈


Loan from Malan to
San Diego United

1010
90-4303/722
232

NINIS MALAN
SAN DIEGO, CA 92102

Date 4/11/18

Pay to the Order of San Diego United Holdings \$ 15,000.00
Fifteen Thousand Dollars Dollars

 **TORREY PINES BANK**
A Division of Western Alliance Bank. Member FDIC.

For [Signature]

⑆ 1224 3635⑆

3465

Balboa/Mira cup casts
consulting fees

#1325

1054
11-30-2018 CA 70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 4/11/18

PAY TO THE ORDER OF Bartell and Associates \$ 3,254.00
Three Thousand Two Hundred Fifty four Dollars

Bank of America
ACH NY 121000088

FOR Balboa work final for 2017

⑈001051⑈ ⑆1210000358⑆

Cup Costs

Balboa - 885A A-E

1058
 11-367210 CA
 70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
 5065 LOGAN AVE STE 101
 SAN DIEGO, CA 92113-3099

DATE 4/21/18

PAY TO THE ORDER OF Te Chne \$ 1,500.00 DOLLARS

Fifteen Hundred

FOR Balboa Final Payment

Bank of America
 ACH RUT 121000356

⑈001058⑈ ⑈121000356⑈ ⑈850100⑈

3467

CUP COSTS Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1059

11-35/210 CA
70917

DATE 4/24/18

PAY TO THE ORDER OF Teckne

\$ 550.⁰⁰/₁₀₀

Five Hundred Fifty Dollars

DOLLARS

Bank of America

ACH R7-121000358

[Handwritten Signature]

FOR

Balboa

⑆001059⑆ ⑆121000358⑆

Loan from Malan to
San Diego United


1014
90-438371272
3232

MIMIC MALAN
SAN DIEGO, CA 92102


Date 4/23/18

Pay to the Order of San Diego United Holdings \$ 3000.⁰⁰/₁₀₀ Dollars

Three Thousand Dollars → 3000

 **TORREY PINES BANK**
A Division of Western Alliance Bank. Member FDIC

For Loan



⑆122243635⑆

Cup costs all three

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1063

11-30710 CA
7017

DATE 5/2/18

PAY TO THE ORDER OF Bartell and Associates

\$ 1,885.00

One Thousand Eight Hundred Eighty Five Dollars DOLLARS



Bank of America

ACH NY 12100038

FOR Balboa, Rita Este Roselle Jntd

⑆001063⑆ ⑆121000358⑆

costs for performance of HOA Settlement

1064
11-357210 CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 5/2/18

PAY TO THE ORDER OF Montgomery Feild HOA \$ 15,500.00 DOLLARS

Fifteen Thousand and Five Hundred Dollars → 00/100

Bank of America
ACH RT 121000386

FOR Balboa Sewer Fee Reimbursement

#001064# 1210003581



Name and Address
 San Diego United Holdings
 3005 Logan Ave Ste 101
 San Diego CA 92113
 Telephone No. 619 750-2024

Checking Savings Withdrawal **DEBIT**

Not Negotiable - Withdrawals are permitted only through payment to the depositor
 Date 5/4/18
six thousand one hundred eighty one and 17/100 Dollars

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

[Signature]
 Customer Signature

Account Number

Total Withdrawal

IV

\$ 61819

#1054

\$ CD DL

EXP

⑆540930135⑆

payment to HOA attorney Epstein Grinnell & Howell
 for HOA lawsuit settlement payment

loan from malan to
Mira Este Properties

NINUS MALAN SAN DIEGO, CA 92102	1017 90-43571ZZ 3232
Pay to the Order of <u>Mira Este Properties</u>	Date <u>5/7/18</u>
<u>Twenty five Thousand Dollars</u> → <u>25,000.00</u> Dollars	
TORREY PINES BANK A division of Western Alliance Bank. Member FDIC.	
For <u>Loan</u>	
	⑆ 12243E35⑆

Payment as required by HOA
Settlement agreement

1065
11-35/210 CA
79517

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 5/7/18

PAY TO THE ORDER OF Montgomery Field HOA \$ 14,076.⁹⁰/₁₀₀ DOLLARS

fourteen Thousand seventy six dollars ⁹⁰/₁₀₀

Bank of America
ACH/RIT 12100358

FOR Insurance for Palomar HOA

⑈001065⑈ ⑈121000358⑈

loan by Malan to
San Diego United

1019
90-43371722
3132

NINILUS MALAN
SAN DIEGO, CA 92102

Date 5/9/18

Pay to the Order of San Diego United Holdings \$ 20,000.00 Dollars

Twenty Thousand Dollars

TORREY PINES BANK
A division of Western Alliance Bank. Member FDIC.

For Loan

[Signature]

⑆ 122243635⑆

3475

mortgage payment 8859 A-E
Balboa

1066
11-357270 CA
70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 5/10/18

PAY TO THE ORDER OF Sulys Financial \$ 9,952.35
Nine Thousand Nine Hundred Fifty Two Dollars ³⁵/₁₀₀ DOLLARS

Bank of America
ACH NY 121000358

FOR Loan # 1831

⑆001066⑆ ⑆121000358⑆

mortgage payment 8861/8863
Balboa

1067
11-30/2010 CA 70817

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 5/10/18

PAY TO THE ORDER OF Solas Financial \$ 4,573.⁷⁰/₁₀₀

Four Thousand Five Hundred Seventy Three and 70/100 DOLLARS

Bank of America
ACH ID: 121000358
FOR Loan # 1826

⑆001067⑆ 121000358⑆

3477

Loan from Malan to
San Diego United Holdings

1020
99-4337722
XXX

MINUS MALAN
SAN DIEGO, CA 92102

Pay to the Order of San Diego United Holdings Corp. \$ 5,000.00 Dollars

Date 5/24/18

five Thousand 00/100

TORREY PINES BANK
A Division of Western Alliance Bank, Member FDIC

For Loan

⑆ 122243635⑆

mortgage payment 8859 A-E
Balboa

1005
11-367120 CA
70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/7/18

PAY TO THE ORDER OF Salas Financial \$ 9,952.³⁶/₁₀₀ DOLLARS

Nine Thousand Nine Hundred Fifty Two Dollars ³⁶/₁₀₀

Bank of America
ACH # 121000088
FOR Loan # 1831

⑆0010051⑆ ⑆1210003581⑆

mortgage payment 8861/8863
Balboa

1004
11-387218 CA
7017


SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/7/18

PAY TO THE ORDER OF Salus Financial \$ 4,573.70

four Thousand five Hundred Seventy Three Dollars → 70/100 DOLLARS

Bank of America
ACH RTT 1210003581

FOR Loan # 1826 

⑆001004⑆ ⑆1210003581⑆

Business Fundamentals Chk  count Activity Transaction Details

Post date: 06/07/2018

Amount: -467.80


Type: Debit card

Purchaser: NINUS MALAN

Description: LIBERTY MUTUAL PURCHASE 866-290-2920
NH

Merchant category: Insurance Sales, Underwriting, and Premiums

Merchant category code: 6300

Merchant name: LIBERTY MUTUAL 

Transaction category: Insurance: Insurance

*Insurance payment
(property)
for 8859 A-E / 8861/8863*

Loan from Malan
to Mira Este

1051
90-43571722
3732

MIRAC MALAN
SAN DIEGO, CA 92102

Date 6/12/18

Pay to the Order of Mira Este Properties \$ 2,500.00

Two Thousand Five Hundred Dollars → 10 Dollars

TORREY PINES BANK
A Division of Western Alliance Bank, Member FDIC.

For Recon

⑆ 1222436351 ⑆

[Signature]

Photo Deposit

Loan from malan
to San Diego United

1024
⑈-4383/722
3122

NINUS MALAN
SAN DIEGO, CA 92106

6/13/18 Date

Pay to the Order of San Diego United Holdings | \$ 15,000.⁰⁰/₁₀₀

Fifteen Thousand Dollars Dollars

TORREY PINES BANK
A Division of Western Alliance Bank. Member FDIC.

For Loan

⑆ 1222436351 ⑆

3483

HOA fees 8859 A-E
Balboa

1006
11-367210 CA
70017

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 6/22/18

PAY TO THE ORDER OF Montgomery Field HOA \$ 3,842.08 DOLLARS

Three Thousand Eight Hundred Forty Two Dollars & 08/100

Bank of America
ACH RPT 121000359

FOR Balboa HOA

⑆001006⑆ ⑆121000359⑆

3484

HOA fees 8861/8863
Balboa

1008
11-35/1210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE. STE 101
SAN DIEGO, CA 92113-3099

DATE 6/22/18

PAY TO THE ORDER OF Montgomery Feild HOA

One Thousand six hundred seventeen Dollars → 57.00 DOLLARS

Bank of America
ACH RTT 121000386

FOR Balboa HoA

⑈001008⑈ ⑆121000386⑆

3485

Insurance payment as required by HOA Settlement


1009
11-357210 CA
70917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099


PAY TO THE ORDER OF Montgomery Field HOA DATE 6/22/18 \$ 3,520.⁶⁵/₁₀₀ DOLLARS

Three Thousand five hundred Twenty Dollars ⁶⁵/₁₀₀

Bank of America
ACH R/T 121000388

FOR Balboa HOA insurance payment 

⑆001009⑆ ⑆121000358⑆

Business Fundamentals Chk  **Account Activity Transaction Details**

Post date: 06/27/2018

Amount: -1,711.14

Type: Other payment

Description: County of San Di DES:SanDiegoCo ID:
INDN:121000358 CO ID:1223755714 WEB

Merchant name: SAN DIEGO COUNTY



Transaction category: Cash, Checks & Misc: Other Bills

permit fees 8859 A-E
Balboa

Business Fundamentals Chk - Account Activity Transaction Details

Post date: 06/27/2018

Amount: -3,422.28

Type: Other payment

Description: County of San Di DES:SanDiegoCo ID:
INDN:121000358 CO ID:1223755714 WEB

Merchant name: SAN DIEGO COUNTY



Transaction category: Cash, Checks & Misc: Other Bills

permit fees 8859 A-E
Balboa

mortgage payment 8859 A-E Balboa

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

1015
11-30/2018 CA
70017


DATE 7/5/18

PAY TO THE ORDER OF Solas financial \$ 9,952.³⁶/₁₀₀

Nine Thousand nine hundred fifty two dollars ³⁶/₁₀₀


99 DOLLARS 

Bank of America
ACH R/T 121000358

FOR Loan # 1831 

⑆001015⑆ ⑆121000358⑆

For CA Use Only 05-14-30755 05-2012 ©2012



Bank of America

Name: San Diego United Holdings, LLC
 Nombre: San Diego United Holdings, LLC
 Address: 5065 Logan Ave St 101
 Dirección: San Diego CA 92113
 Telephone No.: (619) _____
 Nº de teléfono: (619) _____

DEBIT

Checking Savings Withdrawal / CA
Retiro de Cuenta de Cheques Ahorros

Not Negotiable - Withdrawals are permitted only through payment to the depositor
No negociable - Se permiten retirros sólo a través de pago al depositario

Date / Fecha: 7-9-18

47,800 Dollars / Dólares

Six thousand one hundred eighty one

X [Signature]
Customer Signature / Firma del cliente

Account Number / Número de cuenta: _____

Total Withdrawal / Retiro total: \$ 6,181.47

⑆540930135⑆

Payment to HOA attorney Epstein Grinnell & Howell
for HOA lawsuit / HOA settlement

Malan made mortgage payment
for 8861/8863 Balboa

*Receiver should have made
this payment

1035
90-4383/1222 322

NINUS MALAN
SAN DIEGO, CA 92102

Date 8/10/18

Pay to the Order of Salas Financial \$ 4,573.70
Four Thousand Five Hundred Seventy Three Dollars ~~570~~

TORREY PINES BANK
A Division of Western Alliance Bank, Member FDIC

For Loan #1826

⑆ 1222436351⑆

Malan made mortgage payment
for 8859 A-E Balboa

* Receiver should have made this payment

1036
90-4383/1722
3322

NINUS MALAN
SAN DIEGO, CA 92102

Date 8/10/18

Pay to the Order of Salas Financiera

Nine Thousand nine Hundred Fifty Two Dollars \$ 9,952.75

TORREY PINES BANK
A division of Western Alliance Bank. Member FDIC.

For Loan #1831

⑆122465⑆

Malan contributed to Roselle mortgage payment

* Receiver should have made this payment

1037
90-4353/122Z
323Z

NINUS MALAN
PAYEE LISTED, WRITE IN

8/10/18 Date

Pay to the Order of The Loan company \$ 3,300.⁰⁰
Three Thousand Three Hundred Dollars Dollars

TORREY PINES BANK
A division of Western Alliance Bank Member FDIC

For Loan # 1580 ^{1/2} Roselle Payment

11222436351

malan contributed to Mira Este mortgage payment
* Receiver should have made this payment

1039
90-4363/1222
3272

NINUS MALAN
SAN DIEGO, CA 92102

8/10/18 Date

Pay to the Order of The Loan Company \$ 4,915.75

Four Thousand nine hundred fifteen dollars → 75/100 Dollars

TORREY PINES BANK
A Division of Western Alliance Bank, Member FDIC
Loan #1242
For Mira Loan 2nd

1222436351

malan contributed to Nita Este
mortgage payment

* Receiver should have made this payment

1038
90-43837222
3232

NINUS MALAN
SAN DIEGO, CA 92102

Date 8/10/18

Pay to the Order of The Loan Company \$ 6,625.00
Six Thousand Six Hundred Twenty Five Dollars

TORREY PINES BANK
A division of Western Alliance Bank, Member FDIC

For Loan # 1250 1/2 minutes

[Signature]

138

⑆122243635⑆

2018 AUG 10

July taxes owed. Either Social
or Receiver should have paid


1019
11.307110 CA
79917

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

PAY TO THE ORDER OF City of San Diego DATE 8/27/18

Nine Thousand Eight Hundred Three Dollars \rightarrow $\frac{76}{100}$ \$ 9,803.76 DOLLARS

Bank of America
ACH NY 121000381

FOR July city Tax 
Rec'd No 2017-000825
#001019# 1210003581

8861/8863 mgmt. Fees
Balboa

1021
11-387210 CA
78917

420 TC

SAN DIEGO UNITED HOLDINGS GROUP LLC
5065 LOGAN AVE STE 101
SAN DIEGO, CA 92113-3099

DATE 8/28/18

PAY TO THE ORDER OF FOR WEST MANAGEMENT \$ 9,358.²⁷/₁₀₀

Nine thousand Three Hundred Fifty Eight Dollars → DOLLARS

Bank of America
ACH ID: 121000358

FOR Management Fee 8/1/18 Week Ending [Signature]

⑆001021⑆ ⑆121000358⑆



Name and Address: Sandiego United Holdings
5065 Logan Ave
Sandiego CA 92113
 Telephone No. (619) 750-2024

Checking Savings Withdrawal **DEBIT**

Not Negotiable - Withdrawals are permitted only through payment to the depositor.
 Date: 8/22/14
SIX Thousand One Hundred Eighty-one and 00/100 Dollars

Save time in line and help us avoid errors. The next time you make a withdrawal, please use your pre-printed withdrawal slips for your account.

Customer Signature

Account Number

W910
CA 92113
 Total Withdrawal \$ 6,187.47

⑆540930135⑆

Payment to HOA attorney Epstein Grinnell & Howell for HOA lawsuit / HOA settlement