

# ARIZA v LAKESIDE VENTURES, LLC

22CV46059

## DEFENDANT'S MOTION FOR TERMINATING SANCTIONS/PLAINTIFF'S MOTION FOR RELIEF OF ORDER FOR FINANCIAL HARDSHIP

This matter involves a lengthy and ongoing dispute over the sale of a mobile home estate located at 1475 Railroad Flat Road, Mokelumne Hill, CA ("Mobile Home Estate.")

Before the Court is the motion for terminating sanctions filed by Lakeside Ventures, LLC and Bonnie K. Tuckerman-Aho (Hurley) ("Defendants.") Plaintiff Helen Ariza ("Plaintiff") has not filed an opposition to the motion for terminating sanctions, but has filed a separate motion for relief from order that the Court is treating as opposition to the motion for terminating sanctions.

California discovery law authorizes a range of penalties for conducting amounting the "misuse of the discovery process." (Code Civ. Proc. §2023.030.) Misuses of the discovery process include "[u]sing a discovery method in a manner that does not comply with its specified procedures" (Code Civ. Proc. § 2023.010(b)); "[f]ailing to respond or to submit to an authorized method of discovery" (id., subd. (d)); "[m]aking an evasive response to discovery" (id., subd. (f)); and "[d]isobeying a court order to provide discovery" (id., subd. (g).)

In selecting the appropriate sanction, a trial court "should consider both the conduct being sanctioned and its effect on the party seeking discovery." (*Doppes v. Bentley Motors, Inc.* (2009) 174 Cal.App.4th 967, 992.) The Court should also attempt to tailor the sanction to the harm caused by the discovery abuses. (*Ibid.*)

"A decision to order terminating sanctions should not be made lightly. But where a violation is willful, preceded by a history of abuse, and the evidence shows that less severe sanctions would not produce compliance with the discovery rules, the trial court is justified in imposing the ultimate sanction." (*Mileikowsky v. Tenet Healthsystem* (2005) 128 Cal.App.4th 262, 279-280.)

Throughout the length of this matter, Plaintiff has continually committed discovery violations and been sanctioned by the Court.

- On June 13, 2025, the Court denied Plaintiff's discovery motion and found multiple deficiencies with that motion, including the failure to file a separate motion for each type of discovery sought, the failure to meet and confer, and the failure to provide a mandatory separate statement. At that time, the Court granted Defendant Garrett Smith's motion for sanctions and imposed a \$500 sanction on Plaintiff. To date, Plaintiff has failed to pay that sanction. (Declaration of Matt Corsault ("Corsault Decl.") ¶ 4.)
- On July 23, 2025, the Court entered sanctions against Plaintiff for \$1,500.00 based on her failure to withdraw a baseless motion to have Defendants' attorney disqualified. Plaintiff paid those sanctions. (Declaration of Kathleen Finnerty ("Finnerty Decl.") ¶ 5.)
- On January 16, 2026, Plaintiff attended her noticed deposition but failed to bring any of the requested documents, despite admitting their existence. (Finnerty Decl. ¶ 7.)
- On January 29, 2026, Plaintiff failed to produce her expert witness for a noticed deposition on a variety of baseless grounds. Plaintiff then filed a meritless motion to quash. The Court denied that motion, ordered the expert deposition to take place, and imposed \$4,000.00 in sanctions on Plaintiff ("Expert Depo Sanctions.") Plaintiff did not pay the \$4,000.00 and did not produce code-compliant responses with the expert deposition. (Finnerty Decl. ¶ 12.)
- On March 3, 2026, this Court imposed additional sanctions against Plaintiff in the amount of \$5,000.00, payable no later than March 6, 2026. The Court also imposed evidentiary sanctions and issue sanctions dismissing Plaintiff's claim for specific performance and precluding Plaintiff from offering evidence that she had a loan in place to close escrow based on her perjured testimony under oath and her spoliation of evidence. Plaintiff did not pay these sanctions. (Finnerty Decl. ¶¶ 14-15.)

To date, the Court has imposed \$11,000.00 in sanctions on Plaintiff, of which \$9,500.00 remain unpaid, and, more importantly, has imposed evidentiary and issue sanctions, as well as findings of meritless filings, perjured testimony under oath, and spoliation of evidence.

Plaintiff did not file any opposition to the motion for terminating sanctions, though she has sought relief from the Expert Depo Sanctions of \$4,000. In her motion seeking such relief, Plaintiff argues that she is a pro se litigant with limited income and that she is willing to pay \$100 per month. She argues that she had various medical conditions that contributed to her failure to work with counsel regarding the expert's deposition. However, the Court entered those sanctions against her on January 29, 2026, and ordered Plaintiff to pay those sanctions within 20 days or by February 26, 2026, but Plaintiff did not file her motion for relief until March 17, 2026 – after yet another \$5,000 sanction was imposed and not paid, with no explanation provided for her lack of diligence in seeking relief.

The Court finds that in the face of Plaintiff's multiple discovery violations, disingenuous conduct, and failure to comply with Court orders, that the disentitlement doctrine – the principle that when a party violates a court order, that party is barred from seeking relief from the Court [MacPherson v MacPherson (1939) 13 Cal 271; Doe v Superior Court (1990) 222 CalApp3d 1406, 1409] – applies here and **Plaintiff's Motion for Relief is DENIED**, and terminating sanctions are appropriate. Accordingly, **Defendants' motion for terminating sanctions is GRANTED**.

As plaintiff's transgressions equally affect all Defendants, the **Court Orders the Complaint Dismissed; the Trial Confirmation Conference on 7/7/26 and the Jury Trial scheduled to commence on 7/8/26 are VACATED**.

**A default prove-up hearing is set for May 15, 2026, at 9:00 a.m. in Department 2, at which time all Cross-Complainants may present evidence of their damages on the following claims: (1) Breach of Contract; (2) Trespass; (3) Ejectment; (4) Possession; and (5) Writ of Possession.**

The clerk shall provide notice of this ruling to the parties forthwith. Defendants to submit formal Orders complying with Rule 3.1312 in conformity with this Ruling.

**LAKES TREATMENT CENTER, et al v RESORT AT LAKE  
TULLOCH, LLC, et al**

**21CV45585**

**DEFENDANT DIAMOND DIRT, LLC'S MOTION TO COMPEL  
FURTHER RESPONSE AND PRODUCTION OF DOCUMENTS**

This case stems from a property dispute between The Lakes Treatment Center, Inc. ("Lakes") and Bernadette Cattaneo ("Cattaneo") (collectively "Plaintiffs") and The Resort at Lake Tulloch, ("Resort"), Narullah Safdari ("Safdari"), Odell Tristin ("Tristin"), Michael Van ("Van"), Andreas Ambramson ("Ambramson"), and Diamond Dirt LLC ("Diamond") (collectively, "Defendants.")

Now before the Court is a motion to compel production of documents brought by Diamond against Cattaneo.

**I. Procedural History**

On or about April 22, 2022, Cattaneo issued a subpoena to the Custodian of Records for Eide Baily ("2022 Subpoena") which is the accounting firm that has provided professional services to several parties involved in the instant lawsuit. (Declaration of George P. Rodarakis ¶ 3.) Cattaneo sought information related to the finances and tax returns of the Resort. (*Ibid.*)

In October of 2022 parties entered a Stipulation ("Eide Baily Stipulation") pursuant to which any additional document requests, including tax documents, related to Cattaneo were added to the requests to which Eide Baily was to respond. (Rodarakis Decl. ¶ 3, Ex. A.) The parties stipulated that the requests in the 2022 Subpoena "were relevant and properly discoverable and waived objections based on privacy. (Ex. A.)

In or about December 2023, Eide Bailey produced some tax returns for Cattaneo for the years 2012 and 2016-2021. (*Ibid.*)

On or about April 25, 2025, Diamond served Cattaneo with Requests for Productions of Documents, Set One ("RFP, Set One"). Among the requests was RFP No. 53 which requested all of Cattaneo's tax returns from 2010 to 2023. (Rodarakis Decl. ¶ 5.) In response, Plaintiff made multiple objections, including general privacy rights, and stated that she would not produce anything "beyond what has already been produced in this action." (*Id.* ¶ 6, Ex. B.)

On June 3, 2025, Diamond served Cattaneo with notice of a scheduled deposition and request to bring documents, including a request identical to RFP No. 53. (Rodarakis Decl. ¶ 7.) Cattaneo responded substantially similar, again refusing to produce records beyond what had already been produced. (*Ibid.*, Ex. C.) On June 24, 2025, Cattaneo attended her deposition at which she was asked about the document requests and whether any had been withheld due to privilege. (*Id.* ¶ 8.) Cattaneo stated “No.” (*Ibid.*) Cattaneo testified about the tax returns. (*Ibid.*) At the continued deposition on January 7, 2026, Cattaneo provided additional testimony on “an offer she had made to Diamond Dirt that involved certain tax considerations.” (*Ibid.*)

The parties continued meet and confer attempts. (Rodarakis Decl. ¶ 10.) However, Plaintiffs made it clear that they would not produce any more tax documents unless Diamond was also willing to provide their own financial information. (*Id.* ¶¶ 10-11.) On February 13, 2026, Resort filed a Motion to Compel Lake’s tax returns. During a meet and confer on Resort’s motion, Cattaneo’s attorney reiterated her position that no further production was required, particularly until Diamond was ready to provide their own tax returns. (*Id.* ¶ 12, Ex. H.) At that time, Diamond’s attorney reminded the parties that the Eide Baily Stipulation covered only the tax returns for Resort, Lake and Cattaneo, and did not expressly include Diamond. (*Ibid.*) On February 26, 2026, Lakes and Cattaneo filed a motion to compel with respect to Diamond’s tax returns.

Eventually, the parties appeared to make some headway in efforts to resolve this discovery dispute. During a March 10, 2026, phone call with Plaintiffs’ counsel, Diamond and Plaintiffs’ counsel agreed that all parties would produce their tax returns and withdraw the multiple pending motions to compel. (Rodarakis Decl. ¶ 14.) In reliance on this conversation, Diamond did not oppose Plaintiffs’ motion to compel against it. (*Ibid.*) By email dated March 11, 2026, to Plaintiffs’ counsel, Diamond’s counsel sought to confirm the mutual understanding about tax returns – Plaintiffs’ counsel did not respond to that email. (*Id.* ¶ 15.)

Thereafter, Diamond produced its tax returns on March 23, 2026. (Rodarakis Decl. ¶ 16.) On March 24, 2026, Diamond’s counsel again reached out to Plaintiffs’ counsel seeking confirmation about the tax returns and reiterating that time was of the essence because of the rapidly impending deposition of the PMK at Eide Baily. (*Id.* ¶ 17.) Plaintiffs’ counsel confirmed that the Lakes’ tax returns would be sent. (*Ibid.*)

On March 26, 2026, in preparing the exhibit binders for the Eide Baily PMK, Plaintiffs’ counsel realized that Cattaneo’s tax returns were not included in the production of documents from Plaintiffs’ counsel. (Rodarakis Decl. ¶ 18.) In an email exchange between Diamond’s counsel and Plaintiffs’ counsel, it became apparent that Plaintiffs’ counsel had no intention of providing Cattaneo’s tax returns – despite discussions to the contrary. (*Ibid.*) On March 27, 2026, Plaintiffs’ counsel – for the first time – provided substantive reasons for not producing Cattaneo’s tax returns in response to either the RFPs, the deposition, or the email agreements. (*Id.* ¶ 19.) Essentially, Plaintiffs’ counsel contended that the tax returns were private, were no longer relevant, were no

longer covered by the Eide Baily Stipulation, and that Diamond had waited too long to file a motion to compel that discovery.

Diamond's counsel reiterated that he had not opposed Plaintiffs' motion to compel and had produced its own tax returns on the belief that all parties had agreed to produce all tax returns requested. (*Ibid.*) The instant motion followed.

## II. LEGAL STANDARD

On receipt of a response to a Request for Production of Documents, the demanding party may move for an order compelling further responses to the demand if the demanding party deems that (1) a statement of compliance with the demand is incomplete, (2) a representation of inability to comply is inadequate, incomplete, or evasive, or (3) an objection in the response is without merit or too general. (CCP § 2031.310(a).)

Motions to compel further responses to RPDs must set forth specific facts showing good cause justifying the discovery sought by the request. (CCP § 2031.310(b).) To establish good cause, a discovery proponent must identify a disputed fact that is of consequence in the action and explain how the discovery sought will tend in reason to prove or disprove that fact or lead to other evidence that will tend to prove or disprove the fact. (*Digital Music News LLC v. Superior Court* (2014) 226 Cal.App.4th 216, 224, disapproved on other grounds by *Williams v. Superior Court* (2017) 3 Cal.5th 531; see also *Kirkland v. Superior Court* (2002) 95 Cal.App.4th 92, 98 [characterizing good cause as "a fact-specific showing of relevance"].) If good cause is shown by the moving party, the burden shifts to the responding party to justify any objections made to disclosure of the documents. (*Kirkland, supra*, 95 Cal.App.4th at 98.)

## III. DISCUSSION

Plaintiffs oppose the motion to compel on several grounds which will be discussed below.<sup>1</sup>

### A. The Motion is Untimely

Plaintiffs first argue that Diamond's motion to compel is untimely because it should have been brought within 45 days of Cattaneo refusing to respond to RFP No. 53. (Cal. Code Civ. Proc., section 2031.310, subd. (c).) Thus, according to Plaintiffs, Diamond needed to file its motion to compel within 45 days of May 28, 2025 (when Cattaneo provided her responses to the RFPs.) Plaintiffs argue that the 45-day time limit is mandatory and accordingly, the Court cannot rule on the motion. (See *Sexton v. Superior Court* 58 Cal.App.4th 1403.)

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<sup>1</sup> The Court dispenses with Plaintiffs' argument that Diamond has misconstrued the meet and confer efforts as meritless.

The motion to compel specific to RFP No. 53 should have been brought within 45 days of May 28, 2025. The motion is therefore untimely, and the Court must deny the motion.

However, the motion to compel production of documents as requested in the Notice of Deposition requires a different analysis. Cattaneo's deposition took place over two days – June 24, 2025, and January 7, 2026. A motion to compel production of documents as part of a deposition notice must be brought within 60 days “after the completion of the record of the deposition.” (Civ. Proc. §2025.480(b).) Here, the deposition record was completed on January 16, 2026. (Rodarakis Decl. ¶ 9, Ex. E.) Thus, a motion to compel would need to be brought on or before March 16, 2026. However, the Court believes there were extenuating circumstances – brought on by Plaintiffs' counsel's own behavior – that precluded Diamond from timely filing the motion to compel within the deadline.

Within a matter of weeks of the conclusion of Cattaneo's deposition (and her continued failure to produce the requested tax returns at said deposition), the parties were all engaged in meet and confer efforts regarding discovery. At the heart of those conversations were the production of tax records from all the parties, including Cattaneo. By email dated January 30, 2026, Plaintiffs' counsel clearly indicated he knew that the parties wanted both of his clients' tax returns but was prepared to make the production of his clients' documents contingent upon other parties agreeing to produce their own tax returns. (Rodarakis Decl. ¶ 10, Ex. F.) On February 4, 2026, Plaintiffs' counsel again attempted to make a trade-off, agreeing to produce his clients' tax returns only exchange for reciprocal exchanges. (*Id.*, ¶ 11, Ex. G.) On February 9, 2026, Plaintiffs' counsel stated that he believed that the “tax returns of the parties are discoverable” but again conveyed reluctance to produce his clients' documents unless there was a quid pro quo exchange. (*Ibid.*)

On March 10, 2026, Plaintiffs' counsel confirmed a phone conversation with Diamond's counsel the previous day and stated, “I believe we have a tentative agreement for all parties to produce their tax returns.” (Rodarakis Decl. ¶ 14, Ex. I.) On March 11, 2026, Diamond's counsel reiterated that he was expecting Cattaneo's tax returns in time for the PMK's deposition and Plaintiff's counsel made no effort to dissuade Diamond from believing that Cattaneo's tax returns would be included. (*Ibid.*) On March 24, 2026, Diamond's counsel *again* reiterated that he was expecting both Cattaneo and Lakes' tax returns – and again Plaintiff's counsel did not make any argument against releasing Cattaneo's returns. (*Id.* ¶ 17, Ex. I.) It was only on March 26, 2026 – after the 60 day deadline -- did Plaintiff's counsel for the first time indicate that he did not intend to produce Cattaneo's tax returns. (*Ibid.*)

Plaintiffs' counsel's conduct gives the appearance of gamesmanship. As far back as 2022, the parties all agreed that Cattaneo's tax returns were relevant and discoverable. Diamond's counsel repeatedly sought her tax returns and was reasonable in relying on Plaintiffs' counsel's assurances that the tax returns for all parties were relevant and discoverable and would be forthcoming. Diamond produced its own tax returns and did not file an opposition to the motion to compel on the reasonable belief that Plaintiffs

would be producing their own tax returns. Plaintiffs' counsel cannot now reap the benefit of his conduct by punishing Diamond for filing a motion to compel a few weeks late.

Accordingly, the Court finds that the motion is timely.

### **B. Trial Continuance**

Plaintiffs next argue that the motion is improper because the parties agreed to no new discovery as part of the agreement to continue the trial date. However, Plaintiffs' counsel recognizes that Diamond's ongoing requests for Cattaneo's tax returns was not new, but rather a "rehashing [of] old discovery issues." (Opp. P. 6.)

The Court finds that the Plaintiffs' argument that the motion to compel breaks the spirit of the continuance agreement to be meritless.

### **C. Cattaneo's Tax Returns are Private and Irrelevant**

Plaintiffs next argue that Cattaneo's tax returns are private and irrelevant. They argue that the 2022 Stipulation is no longer applicable because everyone has agreed that Cattaneo never received a K-1 related to the Resort. (Opp. P. 8.) Plaintiffs urge the Court to recognize that an individual's tax returns are given greater privacy rights than those of the corporations, and if Cattaneo has to turn over her tax returns, then so do all the other individuals in this matter.

California courts recognize and "implied privilege against forced disclosure [of tax returns] in civil discovery proceedings." (*Schnabel v. Superior Court* (1993) 5 Cal.4th 704, 719.) However, this privilege is not absolute. (*Id.* at 721.) The privilege may be explicitly waived or the exercise of the privilege is so inconsistent with the gravamen of the lawsuit as to be implicitly waived. (*Ibid.*) Additionally, the privilege may not apply where public policy demands production of the tax returns. (*Ibid.*) Finally, tax returns may also be non-discoverable on the general basis of privacy.

Here, Cattaneo has repeatedly waived the privilege. By and through counsel Cattaneo has repeatedly agreed that the tax returns of all parties are relevant and discoverable. The 2022 Stipulation specifically lists Cattaneo's tax returns and financial information as relevant and discoverable. Second, Cattaneo testified at length in her deposition about her financial condition and relationship with the other parties (which is at the heart of her lawsuit) and her taxes. (Rodarakis Decl. ¶ 8, Ex. D.) At no time did she or her attorney object to disclosing this information on the grounds of any privilege. Finally, the Plaintiffs lawsuit – which relates to ownership, profits, and losses – places her financial condition at issue. This makes her tax returns not only relevant but also makes claiming that her financial information is privileged inconsistent with the gravamen of the lawsuit. Indeed, Cattaneo has routinely sought (or attempted to bargain for) access to the tax returns of all the other parties in this matter which evidences her own belief about their relevance.

Finally, any concerns about her privacy are already protected by the fact that the parties have a protective order in place with regards to tax returns. (Rodarakis Decl. ¶ 3.)

Accordingly, the Court finds that the tax returns are not privileged, are relevant, and are discoverable.

#### **IV. Conclusion**

Accordingly, the **motion to compel is GRANTED**. Cattaneo is to produce the tax returns as requested in the Notice within ten (10) days of this Order.

Diamond also seeks sanctions in the amount of \$6,210.00. The Court may impose sanctions for the failure to respond to discovery requests as a misuse of the discovery process. (Code Civ. Proc. § Section 2023.030(a).) The Court may also impose sanctions for the failure to meet and confer in a “good faith” attempt to resolve discovery disputes. (*Id.* section 2023.050(c).)

The Court finds that Plaintiffs’ counsel did not attempt to resolve the discovery dispute in good faith and therefore **awards sanctions in the amount of \$3,000.00**.

The Court warns the parties against gamesmanship in discovery and encourages greater, and more transparent, attempts at meet and confer and dispute resolution going forward.

The clerk shall provide notice of this ruling to the parties forthwith. Defendant Diamond to submit formal Orders complying with Rule 3.1312 in conformity with this Ruling.

# MECHANICS BANK v STAI, et al

24CV47395

## PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT/ADJUDICATION

This civil action stems from a lending agreement between Mechanics Bank ("Plaintiff") and Jeff and Mary Stai, individually and as Trustees of the Stai Family Trust, dated December 4, 2001 ("Defendants.")

Now before the Court is Plaintiff's motion for summary judgment. The motion is unopposed.

### I. Background

Plaintiff is the successor in interest to the loan at issue in this case. (UMF 2.) Jeff Stai and Mary Stai are trustees of the Stai Family Trust, dated December 4, 2001 (the "Stai Family Trust") (UMF 3.) On October 18, 2004, Plaintiff and the Stai Family Trust entered into a Business Loan Agreement, whereby Plaintiff agreed to lend \$2,546,000 to the Stai Family Trust on the terms and conditions set forth therein ("Loan.") (UMF 4.) The Stai Family Trust used the proceeds to acquire a 120-acre vineyard and winery located in Vallecito, CA (the "Property") that is owned and operated by Twisted Oak Winery, LLC. (UMF 5.)

On October 18, 2004, Defendants executed and delivered to Plaintiff a Promissory Note ("Note") evidencing the Loan. (UMF 6.) The Note required that the Stai Family Trust make payments to Plaintiff every month until October 18, 2033 (the "Maturity Date"), at which time the entire outstanding balance of principal and accrued interest, together with any other unpaid amounts under the Note, would be due and payable in full. (UMF 7.) Pursuant to the Note, an "Event of Default" occurs when "Borrower fails to make any payment when due under this Note." (UMF 8.)

Prior to the disbursement of the loan proceeds, Jeff Stai and Mary Stai were each required to, and did, deliver to Plaintiff, a Commercial Guaranty in their individual capacities. (UMF 9.) Plaintiff disbursed the loan proceeds pursuant to the Business Loan Agreement and the Note, and in reliance on the Commercial Guarantees. (UMF 11.)

On August 23, 2013, Plaintiff and the Stai Family Trust entered into a Change in Terms Agreement, whereby Plaintiff agreed to modify and amend the Loan by, among other things, deferring outstanding interest and changing the interest rate applicable to the

Loan. Except as specifically modified in the Change in Terms Agreement, all other terms as set forth in the original Loan documents remain in full force and effect. (UMF 12.) Defendants also signed a Guarantor's Acknowledgment of the Change in Terms Agreement. (UMF 13.)

On October 4, 2021, Twisted Oak Winery, LLC filed for bankruptcy protection under Subchapter V of Chapter 11 of the United States Bankruptcy Code. (UMF 14.) On July 17, 2023, the United States Bankruptcy Court for the Eastern District of California entered an order confirming the First Modified Subchapter V Plan filed by Twisted Oak Winery, LLC (the "Plan"). (UMF 15.) Pursuant to the Plan, the Loan principal shall be paid in full with interest at 5.75% per annum on 30 years amortization with a January 1, 2033 maturity date; interest and principal payments of \$10,836.86 per month commencing October 1, 2022 and continuing for 123 months; and a balloon payment for the remaining balance due January 1, 2023. (UMF 15.) In addition, it also provides that accrued pre-petition interest of \$459,022.28 shall be paid in full with 0% interest per annum in the amount of \$1,000 per month, commencing October 10 2022, then a balloon payment for the remaining balance due January 1, 2033. Moreover, the sum of (i) foreclosure fees of \$16,149.76, (ii) legal expenses through September 30, 2022, of \$43,126.20, (iii) appraisal fee of \$6,500, and (iv) prior, suspended interest of \$109,075 shall be paid upon maturity. (*Ibid.*)

Defendants and Twisted Oak Winery, LLC failed to make the payment that was due under the Note on March 1, 2024, or any payment that came due thereafter. (UMF 16.) By letter dated April 10, 2024, Plaintiff provided Defendants with written notice of their defaults under the Note, and of Plaintiff's intent to take immediate action to enforce its right to repayment. Plaintiff accelerated the indebtedness. (UMF 17.)

On January 31, 2025, in the related case of *Mechanics Bank v. Twisted Oak Winery, LLC* (Calaveras County Superior Court Case No. 25CV47803), this Court entered an order appointing Peter F. Martin as receiver of the vineyard Property. (UMF 18.) The Court's order also provided that if there were insufficient funds in the receivership estate for the expenses of the receivership, then such expenses may be paid by Mechanics Bank or advanced to the receiver by Mechanics Bank, and the receiver shall issue certificates of indebtedness to Mechanics Bank in the amount of any such payments or advance. (UMF 18.)

As of January 13, 2026, \$2,826,382.91 was due and owing to Mechanics Bank by the Stai Family Trust, and by Jeff Stai and Mary Stai, as Guarantors. (UMF 19.)

## **II. Legal Standard**

Summary judgment is proper when there are no triable issues of material fact, and the moving party is entitled to a judgment as a matter of law. (Code Civ. Proc., § 437c(c).)

A plaintiff may move for summary judgment when the plaintiff contends there is no defense to the cause of action. (Code Civ. Proc., § 437c, subd. (a).) A plaintiff meets the

burden of showing there is no defense by proving each element of the cause of action. (Code Civ. Proc., § 437c, subd. (p)(1).) A plaintiff moving for summary judgment is not required to disprove any defense asserted by the defendant in addition to proving each element of the plaintiff's own cause of action. (*Aguilar v. Atlantic Richfield Co.* (2001) 25 Cal.4th 826, 853.) If the plaintiff meets its burden, then the burden shifts to the defendant to show the existence of a triable issue of material fact. (*Ibid.*) The moving party bears the burden of persuasion that there is no triable issue of material fact and that she is entitled to adjudication as a matter of law. (*Id.* at 850.)

### III. Discussion

#### A. Breach of Promissory Note

The elements of a cause of action for breach of contract are: (1) existence of a contract; (2) plaintiff's performance of its obligations under the contract or excuse for nonperformance; (3) defendant's breach of the contract; and (4) resulting damages proximately caused by defendant's breach. (*Reichert v. Gen. Ins. Co.* (1968) 68 Cal.2d 822, 830,)

Here, Plaintiff has produced evidence that the Defendants, in their capacity as trustees, executed the Note. (UMF 7.) The Plan provided that the Loan principal shall be paid in full with interest at 5.75% per annum on 30 years amortization with a January 1, 2033 maturity date; interest and principal payments of \$10,836.86 per month commencing October 1, 2022, and continuing for 123 months. (UMF 15.) Thus, Plaintiff has shown the existence of a contract.

Next Plaintiff has produced evidence that it performed its obligations under the contract by funding the Loan which was used by Defendants to purchase the winery property. (UMF 5, 11.)

Third, Plaintiff has produced uncontroverted evidence that Defendants ceased making payments on the Loan or Plan. (UMF 16.)

Finally, Plaintiff has shown that it has suffered damages by virtue of the Defendants' breach in the amount of in the amount of \$2,764,823.37, with interest accruing on the unpaid balance at the rate of \$291.85 per day.

Defendants did not file an opposition and therefore have not carried their burden of showing the existence of any material fact.

Accordingly, **summary judgment on the cause of action for breach of promissory note is GRANTED.**

## **B. Breach of Guaranty**

The elements of a cause of action for breach of guaranty are: (1) a valid guaranty, (2) the borrower has defaulted, and (3) the guarantor failed to perform under the guaranty. (*Gray] CPB, LLC v. Kolokotronis* (2011) 202 Cal.App.4<sup>th</sup> 480, 486.)

Plaintiff has produced evidence of a valid guaranty (UMF 10, 13), that the borrower defaulted on the guaranty (UMF 16) and the guarantors have failed to perform under the guaranty. (UMF 17.)

Defendants did not file an opposition and therefore have not carried their burden of showing the existence of any material fact disputing plaintiff's UMFs.

Accordingly, **summary judgment on the cause of action for breach of guaranty is GRANTED.**

**The Settlement Conference scheduled for 9/14/26 is VACATED; an OSC re Status of Judgment is scheduled for June 17, 2026, at 1:30 p.m. in Dept. 4.**

The clerk shall provide notice of this ruling to the parties forthwith. Defendants to submit a formal Order and Judgment complying with Rule 3.1312 in conformity with this Ruling.

# TYRE v TYRE

25CV48174

## PLAINTIFF'S MOTION FOR PARTITION SALE

This is a dispute seeking partition of personal property ("Mobile Home") brought by Ethan Tyre ("Plaintiff") against Brianna Tyre ("Defendant.") Both parties represent themselves pro se.

Now before the Court is Plaintiff's Motion for Partition Sale. Plaintiff also requests the appointment of a referee to handle the partition and sale of the Mobile Home.

### I. Background

Plaintiff filed his Complaint for Partition on July 24, 2025. Defendant denied the allegations in her Answer. The parties have engaged in discovery and have not been able to resolve the matter. (Declaration of Ethan Tyre ("E. Tyre Decl.") A mandatory settlement conference in this case is set for August 24, 2026.

### II. Legal Standard and Discussion

A co-owner of real or personal property may bring an action for partition. (Code Civ. Proc. § 872.210.) " 'Partition is a remedy much favored by the law.'" (*LEG Investments v. Boxler* (2010) 183 Cal.App.4<sup>th</sup> 484, 493 [citation omitted].) Partition not only allows parties to avoid the inconvenience of sharing joint possession of land, but also avoids " 'unreasonable restraints on the use and enjoyment of property.' [citation]" (*Ibid.*) "A co-owner of property has an absolute right to partition unless barred by a valid waiver." (*LEG Investments*, supra 183 Cal.App.4<sup>th</sup> at 493, citing Code Civ. Proc. § 872.710(b).)

As a rule, the law generally favors partition in kind since this does not disturb an inheritance or force a person to sell his property. (*Cummings v. Dessel* (2017) 13 Cal.App.5<sup>th</sup> 589, 597.) However, where – as here – the partition of the property is impracticable, the Court may order partition by sale of the entire property. (*Ibid.*)

Civil Code §872.210 provides, in pertinent part:

If the court finds that the plaintiff is entitled to partition, it shall make an interlocutory judgment that determines the interests of the parties in the property and orders the partition of the property and, unless it is to be later determined, the manner of partition.

Plaintiff alleges that Plaintiff and Defendant each hold a 50% undivided interest in the Mobile Home, which they inherited upon the death of their mother. (Complaint ¶ 1.) Plaintiff alleges that since March 11, 2024, Defendant has been the sole residence of the Mobile Home and has paid no rent or contributed to the expenses of the Mobile Home. (*Id.* ¶2.) Plaintiff alleges that he solely has paid all costs associated with the Mobile Home including the rent, insurance, utilities and maintenance. (*Id.* ¶ 3.) Defendant has refused to sell or provide financial care of the Mobile Home. (*Id.* ¶ 4.)

While Defendant denied all allegations in her Answer, she has not filed an opposition to the instant motion.

Plaintiff has produced evidence supporting his contention that he and Defendant are the registered Tenants in Common for a mobile property currently located at 14 S. Main Street SP 49, Angels Camp, CA 95222. (Complaint, Ex. 1, copy of title search.) Plaintiff has also provided what appear to be receipts (though mostly illegible) showing that he has paid rent and other costs on the Mobile Home from March 2024 through June 2025 at the least. (*Id.*, copy of receipts.)

Given the Verified Complaint and the attached exhibit showing that the parties are Tenants in Common, either party has an absolute right to partition. There is no argument that either party waived their right to partition, and Defendant has not presented any evidence refuting this. Nor has she filed any opposition to the Plaintiff's motion.

If the court finds that the plaintiff is entitled to partition, it must make an interlocutory judgment that determines the interests in the property and orders partition of the property. (*LEG Investments*, supra 183 Cal. App.4<sup>th</sup> at 498.) “The court shall order that the property be divided among the parties in accordance with their interests in the property as determined in the interlocutory judgment.” (Code Civ. Proc. § 872.810.) In cases of partition by sale, the court “shall order that the property be sold and the proceeds be divided among the parties in accordance with their interests in the property as determined in the interlocutory judgment in the following situations: (a) the parties

agree to such relief...[or] (b) the court determines that, under the circumstances, sale and division of the proceeds would be more equitable than division of the property. For the purpose of making the determination, the court may appoint a referee and take into account his report.” (Code Civ. Proc. § 872.820.)

**The Court finds that the owners of the Mobile Home are Plaintiff and Defendant, as tenants in common, each with an equal ½ interest.** Court finds that Plaintiff is entitled to partition of the Property pursuant to Code of Civil Procedure § 872.720(a).

Plaintiff’s Motion for Partition by Sale is **GRANTED**. The Property shall be partitioned by sale, as partition in kind would be inequitable or impractical.

**Michael Wright is appointed referee** pursuant to Code Civil Procedure section 873.020, with all powers granted under said statute. (Referee Wright’s contact information can be obtained through the Court Clerk’s Office.

**The Settlement Conference on 8/24/2026 is VACATED; a Case Management Conference is scheduled for October 14, 2026, at 1:30 p.m. in Dept. 4** for the Court to be provided an update on the status of the partition sale. (In the event the mobile home as been sold, the proceeds have been distributed, and plaintiff has dismissed this action, the CMC will be vacated.)

The clerk shall provide notice of this ruling to the parties forthwith. Plaintiff to submit formal Orders complying with Rule 3.1312 in conformity with this Ruling.

# NICHOLAS v LEMP

25CV48280

## PLAINTIFF'S MOTION FOR SUMMARY JUDGMENT/ADJUDICATION/PLAINTIFF'S MOTION FOR DETERMINATION OF VALIDITY AND ENFORCEABILITY; DEFENDANT'S MOTION FOR ORDER OF DISMISSAL

These matters involve real property disputes between Danny E. Nicholas ("Plaintiff") and Lani Arellanes ("Arellanes") and Cathy Lemp ("Lemp.")

Now before the Court are multiple motions: 1) Plaintiff's motion for summary adjudication; 2) Plaintiff's motion to determine the validity of contract/will; and 3) Lemp's motion for order of dismissal.

### I. Background Facts<sup>2</sup>

In or around October 24, 2021, Plaintiff entered into an agreement with Lani Arellanes (now deceased) which appears to have been memorialized in a handwritten document prepared and signed by Arellanes ("Agreement") (Petition to Void TOD, Ex. 1.) Pursuant to this Agreement, Plaintiff would build a three bedroom home for Arellanes on her property located at 2608 Arrowhead Street ("Arrowhead Property ") with Arellanes providing all materials and tools. In exchange, Arellanes would give Plaintiff a \$53,000 1.1 acre property located at 2044 Yolo Court ("Yolo Property.")

The Agreement also stated:

Should I become disabled or deceased or unable to complete this project to "occupancy" all properties 2044 Yolo Court and 2608 Arrowhead Street will become the property of Danny E. Nicholas to complete his project at Yolo Court. Neither his children nor mine are entitled to either properties.

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<sup>2</sup> The necessary facts to understand the pending motions have to be drawn from both cases which are consolidated.

Apparently things went awry in this relationship. On May 19, 2023, Plaintiff filed a lawsuit against Arellanes (Case No. 23CV46746) (“Case One”) for breach of contract, common counts and fraud. Plaintiff alleges essentially that Arellanes prevented him from returning to the Arrowhead Property, thereby preventing him from finishing the job, and failed to pay him for any of the materials or loans he provided. He further alleges that she never transferred the interest in the Yolo Property. In Case One, Plaintiff seeks \$116,260 in damages and filed a lis pendens on the Arrowhead Property to prevent Arellanes from selling it.

On September 10, 2025, Plaintiff filed a lawsuit against Cathy Lemp (Calaveras County Case No. 25CV48280) (“Case Two”) to void a Transfer on Death deed (“TOD”). Specifically, Plaintiff sought to void the TOD which purported to transfer the Arrowhead Property from Arellanes to Lemp. The TOD appears to have been prepared by the law firm of JPink Law, was witnessed by Jay Pink, Esq. (“Pink”) and was recorded on May 31, 2022. Plaintiff has also filed a Petition to Determine Succession to Primary Residence pursuant to Probate Code sections 13151 and 13152 in Case Two. According to Plaintiff, Lemp has recently quitclaimed the TOD for the Arrowhead Property to non-party Shane Miranda (“Miranda.”)

The cases were consolidated with 25CV48280 as the lead case for filings.

## **II. Legal Standard and Discussion**

### **A. Motion for Summary Adjudication**

Plaintiff’s motion for summary adjudication does not comply with Code Civil Procedure section 437c(b)(1) because it does not include a “separate statement setting forth plainly and concisely all material facts that the moving party contends are undisputed.” In addition, the motion fails to comply with California Rule of Court Rules 3.1350(b) and (c).

“The separate statement is not merely a technical requirement, it is an indispensable part of the summary judgment or adjudication process.” (*Whitehead v. Habig* (2008) 163 Cal.App.4th 896, 902.) Indeed, the “due process aspect of the separate statement is self-evident – to inform the opposing party of the evidence to be disputed to defeat the motion.” (*United Community Church v. Garcin* (1991) 231 Cal.App.3d 327, 337.) While the statute gives the Court discretion to consider a motion in the absence of a separate

statement, the “prevailing view is that it is only in the truly exceptional case involving a single, simple issue with minimal evidentiary support that a court will consider the merits of a motion unaccompanied by a separate statement.” (*Id.* at 335.)

Accordingly, Plaintiff’s **motion for summary adjudication is DENIED, without prejudice.**

### **B. Motion to Determine Validity of Contract/ Will**

Plaintiff seeks an order from the Court determining that Arallanes’ handwritten contract was properly executed and valid. Essentially, Plaintiff is making a second motion for summary adjudication which the Court has already denied.

The Plaintiff’s **motion to determine validity is DENIED, without prejudice.**

### **C. Motion to Dismiss**

Lemp moves for an order dismissing both cases on the grounds that Plaintiff is not a licensed contractor and therefore cannot sue for failure to pay based on a contractor’s job. (Bus.& Prof.Code §7031.)

Bus. & Prof. Code section 7031 provides:

(a) Except as provided in subdivision (e), no person engaged in the business or acting in the capacity of a contractor, may bring or maintain any action, or recover in law or equity in any action, in any court of this state for the collection of compensation for the performance of any act or contract where a license is required by this chapter without alleging that they were a duly licensed contractor at all times during the performance of that act or contract regardless of the merits of the cause of action brought by the person...

Lemp argues that Plaintiff originally brought his claims against Arellanes for breach of contract and alleged that he had a contract to build a home for Arellanes for compensation and that she breached that contract. Lemp argues that it was only after Plaintiff became aware of the restrictions of section 7031 that he argued that he and Arellanes were domestic partners and he was exempt as a builder-owner. Lemp asserts it is unfair to allow Plaintiff to continue pursuing his claims because he has never produced evidence of a contractor’s license and shouldn’t be allowed to go back on his original allegations.

While it is true that the original complaint was for breach of contract, it is not as simple as stating that it was only a complaint for breach of a construction contract. First, it is clear from that Complaint that the “compensation” was the transfer of half of the ownership of the property to Plaintiff. The alleged breach was also related to Arellanes borrowing money from Plaintiff and failing to pay it back. There were also allegations of the failure to quitclaim the property to him, and the costs associated with moving Arellanes. Finally, there were allegations of fraud which again go beyond a garden-variety dispute over money owed to an unlicensed contractor. Plaintiff alleged that he did things beyond construction – including moving Defendant, loaning her money, and paying for her storage – all under the belief that he would eventually own half the property. Thus, Lemp’s categorization of this Complaint as a simple claim for fees arising out of a construction contract is overly simplistic.

Accordingly, at this juncture and based on the pleadings currently before it, the Court declines to dismiss Plaintiff’s complaint.

The Defendant’s **Motion to Dismiss is DENIED, without prejudice.**

#### **IV. Conclusion**

Plaintiff’s motion for summary judgment is denied, without prejudice.

Plaintiff’s motion to declare contract valid is denied, without prejudice.

Lemp’s motion for an order of dismissal is denied, without prejudice.

The clerk shall provide notice of this ruling to the parties forthwith. Plaintiff to submit formal Orders complying with Rule 3.1312 in conformity with this Ruling on his Motions and Defendant the same as to her motion.