May 8, 2026, Civil Law & Motion Tentative Rulings

1. CU0002491 Malin Kumar Ram vs. Rodney Andrews, et al.

Defendant Rodney Andrew's January 29, 2026, demurrer is sustained as to counts three, four, five, six, seven, eight, and nine and overruled as to count one. Plaintiff is granted leave to amend within ten (10) days of this Court's order.

Legal Standard

On demurrer, a court's function is limited to testing the legal sufficiency of the complaint. *Fremont Indemnity Co. v. Fremont General Corp.* (2007) 148 Cal.App.4th 97, 113-114. In determining a demurrer, the court assumes the truth of the facts alleged in the complaint and the reasonable inferences that may be drawn from those facts. *Miklosy v. Regents of the Univ. of Cal.* (2008) 44 Cal.4th 876, 883. A court must determine if the factual allegations of the complaint are adequate to state a cause of action under any legal theory. *Barquis v. Merchants Collection Assn.* (1972) 7 Cal.3d 94, 103.

Contentions, deductions and conclusions of law, however, are not presumed as true. *Aubry v. Tri-City Hospital Dist.* (1992) 2 Cal.4th 962, 967. A plaintiff is not required to plead evidentiary facts supporting the allegation of ultimate facts; the pleading is adequate if it apprises the defendant of the factual basis for the plaintiff's claim. *Perkins v. Superior Court* (1981) 117 Cal.App.3d 1, 6. A demurrer is not the appropriate procedure for determining the truth of disputed facts. *Fremont Indemnity Co.,* 148 Cal.App.4th at 113-114.

"If a complaint does not state a cause of action, but there is a reasonable possibility that the defect can be cured by amendment, leave to amend must be granted." *Milligan v. Golden Gate Bridge Highway & Transportation Dist.* (2004) 120 Cal.App.4th 1, 6

First Cause of Action – Fraud/Intentional Misrepresentation

Defendant Andrews argues the Complaint fails to allege fraud with the requisite specificity as to Andrews. The Court does not agree.

"The elements of fraud, which give rise to the tort action for deceit, are (a) misrepresentation (false representation, concealment, or nondisclosure); (b) knowledge of falsity (or 'scienter'); (c) intent to defraud, *i.e.*, to induce reliance; (d) justifiable reliance; and (e) resulting damage." *Lazar v. Superior Court* (1996) 12 Cal.4th 631, 638. "In California, fraud must be pled specifically; general and conclusory allegations do not suffice. … [¶] This particularity requirement necessitates pleading facts which 'show how, when, where, to whom, and by what means the representations were tendered.' " *Id*. at 645 (quotation marks and citations omitted).

At bar, the Complaint generally alleges: Defendant Rodney Andrews approached Plaintiff in November 2022 regarding an investment opportunity involving flipping the Subject Property at issue, promising Plaintiff would have 100% ownership of the property and would receive $60,000 of a projected profit after sale of the property, with Plaintiff and Defendant Rodney Andrews acting as partners in construction and paying the monthly mortgage. Complaint ¶¶ 13-

16. A Grant Deed was recorded to Defendant Isaiah Andrews for 75% and Plaintiff for 25% for the purchase price of $750,000, contrary to Defendant Rodney Andrews' representations that Plaintiff would receive 100% ownership. Complaint ¶¶ 20-21. Defendants (generically) fraudulently induced Plaintiff to transfer his 25% interest to Defendant Isaiah Andrews leaving Plaintiff with no title interest but liable for the $700,000 loan, and subsequently Defendant Rodney Andrews failed to remain current on the monthly mortgage loan payments. Complaint ¶¶ 23, 29. For the fraud claim itself, Plaintiff reiterates that Defendants Rodney and Isaiah Andrews falsely represented Plaintiff would receive 100 % ownership, describing when and where those representations were made. Complaint ¶ 36, 37. Finally, Plaintiff alleges that in reliance on these representations he contributed approximately $34,000 toward the purchase and assumed liability on the $700,000 loan.

This count adequately delineates who made specific representations (including when, where, to whom, and by what means) as well as reasonable reliance. The demurrer as to this cause of action is overruled.

In addition, the demurrer as to the punitive damages allegation is overruled. "[A] general demurrer cannot be used to test the adequacy of punitive damage allegations." *Sanowicz v. Bacal* (2015) 234 Cal.App.4th 1027, 1036, n. 6, *citing Grieves v. Superior Court* (1984) 157 Cal.App.3d 159, 164.

Third and Fourth Causes of Action – Constructive Trust/Restitution and Unjust Enrichment

Defendant argues the constructive trust and unjust enrichment/restitution theories are inadequately pled, to wit: they fail to adequately allege facts establishing specific identifiable property or proceeds held by the specific Defendant to the demurrer, wrongful acquisition or detention by said Defendant, and a basis for equitable relief against this Defendant. The Court agrees.

"A constructive trust is an equitable remedy that compels a wrongdoer—one who has property or proceeds to which he is not justly entitled—to transfer same to its rightful owner." *Shoker v. Superior Court of Alameda County* (2022) 81 Cal.App.5th 271, 278. "[W]hen legal title has been acquired through fraud any number of remedies are available and appropriate," including making legal title holder constructive trustee for the benefit of the defrauded equitable titleholder. *Warren v. Merrill* (2006) 143 Cal.App.4th 96, 114.

An unjust enrichment claim is not a cause of action *per se*. *Jogani v. Superior Court* (2008) 165 Cal.App.4th 901, 911. "Rather, it is a general principle underlying various doctrines and remedies, including quasi-contract." *Ibid.* The elements of a quasi-contract unjust enrichment claim are: "receipt of a benefit and [the] unjust retention of the benefit at the expense of another." *Peterson v. Cellco Partnership* (2008) 164 Cal.App.4th 1583, 1593.

At bar, the Complaint includes the general allegations previously noted. It then alleges that: Defendants Rodney Andrews and Isaiah Andrews acquired and retained 100% possession and or title through fraudulent inducement. Defendants (generically) used Plaintiff's contribution for closing costs ($34,000) and loan proceeds ($700.000) "to acquire and hold title to the Property for their own benefit" rather than Plaintiff's benefit. Complaint ¶¶ 67-68. The Complaint then

seeks to: impose a constructive trust against Defendant Isaiah Andrews requiring reconveyance of 75% title to Plaintiff and restitution of all monies obtained by Defendants. Complaint ¶¶ 59, 61, 70.

These allegations are insufficient. Plaintiff has failed to allege any details as to what specific purported wrongdoing by defendant Rodney Andrews gives rise to the requested relief. In the absence of allegations of the "actionable wrong, there is no basis for relief" under a theory of unjust enrichment or imposition of a constructive trust. *See Hill v. Roll Intl Corp.* (2011) 195 Cal. App. 4th 1295, 1307 (no basis for unjust enrichment relief absent actionable wrong). The demurrer as to the third and fourth cause of action is sustained.

Plaintiff asserts, without detail, that any deficiency may be cured by amendment, but makes no showing of how cure is reasonably possible. This notwithstanding, the Court will allow the same given the liberality generally associated with amendment of pleadings.

Fifth Cause of Action – Breach of Contract

Defendant argues the fifth cause of action for breach of oral contract fails because it is barred by the statutes of limitations and frauds, and does not clearly allege the essential contract terms (*i.e.*, the contracting parties, the manner of breach by the moving defendant, or the resulting damages attributable to said defendant). The Court agrees.

First, "[a]n agreement for the sale of real property or an interest in real property comes within the statute of frauds." *Secrest v. Security National Mortgage Loan Trust 2002-2* (2008) 167 Cal.App.4th 544, 552; Civ. Code § 1624(a)(3). "A contract coming within the statute of frauds is invalid unless it is memorialized by a writing subscribed by the party to be charged or by the party's agent," *citing* Civ. Code § 1624.

Additionally, pursuant to Code of Civil Procedure section 339(1), "an action upon a contract, obligation or liability not founded upon an instrument of writing" must be commenced "[w]ithin two years."

At bar, the alleged oral contract appears to relate to an interest in real property and was made on or about December 2022. Complaint ¶ 72. That being the case, the agreement appears to be invalid under the statute of frauds and any legal action related thereto time-barred (given the complaint was filed in December 2025, after expiration of the limitations period in December 2024). Lastly, the Complaint fails to allege the manner of breach by Defendant Rodney Andrews.

Plaintiff again claims he can cure any defects. The Court will sustain the demurrer with leave to amend given the general preference to liberal amendment of pleadings.

Sixth Cause of Action – Breach of Fiduciary Duty

Defendant argues the Complaint fails to state facts sufficient to allege a cause of action for breach of fiduciary duty against Defendant because there are no facts alleged that any breaches

of fiduciary duty were committed by Defendant Rodney Andrews specifically. The Court agrees.

"A fiduciary relationship is ' " ' any relation existing between parties to a transaction wherein one of the parties is in duty bound to act with the utmost good faith for the benefit of the other party. Such a relation ordinarily arises where a confidence is reposed by one person in the integrity of another, and in such a relation the party in whom the confidence is reposed, if he voluntarily accepts or assumes to accept the confidence, can take no advantage from his acts relating to the interest of the other party without the latter's knowledge or consent. . . .' " ' " *Wolf v. Superior Court* (2003) 107 Cal.App.4th 25, 29 (internal citations omitted).

At bar, the Complaint alleges "Defendant RODNEY ANDREWS and CHARLES HASBUN" knowingly acted "as Plaintiff's financial consultant, investment adviser, and partner in the acquisition and financing of the real property at issue," and "Defendant" (without specifying which defendant) consistently represented to Plaintiff he had "special expertise in real estate investment, financing, and project development, and that he would act for Plaintiff's benefit in structuring the transaction, securing financing, managing the investment, and protecting Plaintiff's interests." Complaint ¶ 80. The Complaint goes on to allege various breaches of fiduciary duty, again without specifying which Defendant allegedly engaged in which breach. Complaint ¶ 83.

Here, the allegations do not clearly delineate the nature of the fiduciary relationship between Plaintiff and Defendant Rodney Andrews, or how this Defendant specifically breached any of his purported fiduciary obligations. The demurrer as to the sixth cause of action is sustained.

Plaintiff states he can distinguish allegations regarding Rodney Andrews and Isaiah Andrews on amendment to cure any deficiency. Even though the requisite showing as to leave is lacking, the Court concludes that there is some reasonable possibility of cure and grants leave to amend.

Seventh Cause of Action – Conversion

Defendant argues the Complaint fails to clearly identify the personal property allegedly converted by the moving defendant as well as facts showing the same exercised wrongful dominion over it. The Court agrees in limited part.

"Conversion is the wrongful exercise of dominion over the property of another. The elements of a conversion claim are: (1) the plaintiff's ownership or right to possession of the property; (2) the defendant's conversion by a wrongful act or disposition of property rights; and (3) damages." *Lee v. Hanley* (2015) 61 Cal.4th 1225, 1240. "To prove a cause of action for conversion, the plaintiff must show the defendant acted intentionally to wrongfully dispose of the property of another." *Duke v. Superior Court* (2017) 18 Cal.App.5th 490, 508. "The tort of conversion applies to personal property, not real property." *Salma v. Capon* (2008) 161 Cal.App.4th 1275, 1295.

At bar, the Complaint alleges Plaintiff contributed approximately $34,000 towards the acquisition of the property; however, he fails to sufficiently allege how the moving defendant

acted intentionally to wrongfully dispose of such. The demurrer as to this cause of action is sustained.

Plaintiff suggests (in a conclusory fashion) that any deficiency may be cured. The Court will permit amendment given the possibility of cure.

Eighth Cause of Action – Violation of Bus. & Prof. Code Section 17200

Defendant argues Plaintiff's Complaint makes allegations to all defendants collectively as to a "scheme" but does not identify what the moving defendant specifically did, when they did it, what they said, and how Plaintiff relied on such. The Court agrees this claim is inadequately pled.

"A plaintiff alleging unfair business practices … must state with reasonable particularity the facts supporting the statutory elements of the violation." *See Khoury v. Maly's of California, Inc.* (1993) 14 Cal. App. 4th 612, 619; *see also Mueller v. San Diego Ent. Partners, LLC*, 260 F. Supp. 3d 1283, 1299 (S.D. Cal. 2017) (dismissing UCL claim where plaintiff "merely" alleged "'[b]y reasons of Defendants' fraudulent, deceptive, and unfair conduct as herein alleged, Defendants have violated California Business and Professions Code section 17200'").

Here, Plaintiff alleges that "Defendants" (generically) engaged in seven purported unlawful, unfair and fraudulent practices. Complaint ¶ 97. Plaintiff, however, has failed to allege with any particularity what unlawful practices were conducted or promoted by defendant Rodney Andrews specifically. The demurrer as to the eighth cause of action is sustained.

Plaintiff summarily contends that any deficiency may be cured. Even though the requisite showing has not been made, the Court will permit amendment.

Ninth Cause of Action – Conspiracy

Defendant argues the Complaint lacks specific allegations for any properly plead underlying tort against Rodney Andrews, and as such, the conspiracy claim fails. The Court agrees.

> "A civil conspiracy however atrocious, does not per se give rise to a cause of action unless a civil wrong has been committed resulting in damage." *Unruh v. Truck Insurance Exchange* (1972) 7 Cal.3d 616, 631 "The elements of an action for civil conspiracy are the formation and operation of the conspiracy and damage resulting to plaintiff from an act or acts done in furtherance of the common design. ... In such an action the major significance of the conspiracy lies in the fact that it renders each participant in the wrongful act responsible as a joint tortfeasor for all damages ensuing from the wrong, irrespective of whether or not he was a direct actor and regardless of the degree of his activity."

Doctors' Co. v. Superior Court (1989) 49 Cal.3d 39, 44 (parentheses and citations omitted).

At bar, the Complaint alleges "Plaintiff was harmed by the underlying tortious conduct committed by Defendants – including fraud, intentional misrepresentation, conversion, unjust

enrichment, and breach of fiduciary duty – and that each Defendant named in this cause of action is liable as a co-conspirator to those torts." Complaint ¶ 104. The Complaint further alleges, "[t]wo or more Defendants," including Defendant Rodney Andrews, "formed and operated a coordinated agreement[] to commit the wrongful acts alleged herein." Complaint ¶ 107. Plaintiff also alleges Defendants' "cooperation and unity of action show a 'meeting of the minds,' " and that Defendant Rodney Andrews induced the investment and loan. Complaint ¶ 111.

Here, the cause of action for civil conspiracy alleges tortious conduct including fraud, intentional misrepresentation, conversion, unjust enrichment, and breach of fiduciary duty, but fails to allege sufficient facts as to what act or acts were performed by Defendant Rodney Andrews that furthered the common design or conspiracy in connection with these claims. The demurrer is well taken.

For the reasons noted previously, the Court will permit leave to amend.

2. CU0002221 Bill Sinor, Jr. vs. B & W Resorts, Inc., et al.

On the Court's motion, the hearing on Defendants' motion to compel responses to Special Interrogatories, Set One and for sanctions is continued to Friday, June 5, 2026, at 10:00 a.m., in Department 6, and the parties are directed to meet and confer as specified herein.

Legal Standard

Under Code of Civil Procedure section 2030.300(a), a court may order a party to serve a further response to an interrogatory when the court finds: "(1) An answer to a particular interrogatory is evasive or incomplete[;] (2) An exercise of the option to produce documents under Section 2030.230 is unwarranted or the required specification of those documents is inadequate[; or] (3) An objection to an interrogatory is without merit or too general."

Upon receipt of a response, the propounding party may move to compel further response if it deems an answer to a particular interrogatory is evasive or incomplete, an exercise of the option to produce documents under Section 2030.230 is unwarranted or the required specification of those documents is inadequate, or an objection to an interrogatory is without merit or too general. Code Civ. Proc. § 2030.300(a). Any motion to compel further answers to interrogatories must be filed within forty-five (45) days of receipt of response, unless the parties agree to extend the time in writing. Code Civ. Proc. § 2030.300 (c). When such a motion is filed, the Court must determine whether responses are sufficient under the Code, and the burden is on the responding party to justify any objections made and/or its failure to fully answer the interrogatories. *Coy v. Sup. Ct.* (1962) 58 Cal.2d 210, 220-21; *Fairmont Ins. Co. v. Sup. Ct.* (2000) 22 Cal.4th 245, 255.

Timeliness

Plaintiff argues Defendants' motion is untimely. Not so.

Pursuant to Code of Civil Procedure section 2030.300(c), notice of a motion to compel further responses to interrogatories must be given within 45 days of service of the verified response.

Under Code of Civil Procedure section 1010.6, two court days are added to response deadlines when legal documents are served electronically. Code Civ. Proc. § 1010.6(a)(3)(B).

Plaintiff served responses on December 19, 2025 (and reportedly sent a signature authentication on December 31 as a courtesy). Even if the Court utilizes the former date, the deadline for filing a motion to compel would be February 4, 2026 (45 days after December 19, 2025, plus 2 court days for electronic service). Defendants served and filed their motion on February 3, 2026. The motion is timely.

Meet and Confer

"A meet and confer declaration in support of a motion shall state facts showing *a reasonable and good faith attempt, either in person, by telephone, or by videoconference*, to informally resolve each issue presented by the motion." Code Civ. Proc. § 2016.040(a) (italics added).

At bar, Defendants sent Plaintiff a meet and confer letter on January 6, 2026 regarding the alleged inadequate responses. *See* Schramm Decl., Ex. E. The letter only requests amended responses, and makes no mention of attempting to set up further communication with Plaintiff's counsel. *See id.* There is no evidence that Plaintiff responded to Defendants' meet and confer letter. Moreover, there is no evidence that the parties actually discussed the same in person or remotely. In short, there was not a sufficient and reasonable attempt by both sides to informally resolve their dispute as required.

Failing to confer or to attempt to confer "in a reasonable and good faith attempt to resolve informally any dispute concerning discovery" is a "misuse" of the discovery process and is subject to a mandatory monetary sanction. Code Civ. Proc. §§ 2023.010(i) and 2023.020. Failing to participate in the meet and confer process is also sanctionable in the amount of $1,000.00 (after notice and an opportunity to be heard) pursuant to Code Civ. Proc. section 2023.050(a)(3).

Accordingly, the hearing on Defendants' Motion to Compel is continued to Friday, June 5, 2026, at 10:00 a.m., in Department 6. Within seven (7) days of this order, counsel for the parties are ordered to participate in meaningful meet and confer with respect to the issues giving rise to the pending motion. Thereafter, the parties shall file a Joint Status Report, no later than two weeks prior to the scheduled hearing, limited to five (5) pages, apprising the Court of the outcome of the meet and confer efforts and setting forth in succinct fashion each party's position at to what discovery issues remain outstanding in relation to the pending motions. The Report shall also include any request for discovery sanctions by any party. To the extent that any discovery disputes remain, the parties shall file an amended separate statement at least two weeks prior to the continued hearing date. Lastly, the Court is aware that a motion to consolidate is set for hearing in Department A on May 8, 2026 related to this matter and Case No. CU0002183. The Report shall apprise the Court of the outcome of the consolidation request.

3. CU0002670 Jose A. Valdovinos vs. DD Investments, LLC et al

Plaintiff Jose A. Valdovinos' motion for preliminary injunction is granted on condition that he post an undertaking of $66,335.10 within 5 days. The temporary restraining order shall remain in effect until a preliminary injunction issues.

Legal Standard

"A preliminary injunction may be granted at any time before judgment upon a verified complaint, or upon affidavits if the complaint in the one case, or the affidavits in the other, show satisfactorily that sufficient grounds exist therefor." Code Civ. Proc. § 527(a). "The purpose of a preliminary injunction is to preserve the status quo pending final resolution upon a trial." *Grothe v. Cortlandt Corp.* (1992) 11 Cal.App.4th 1313, 1316. Preliminary injunctive relief requires the use of competent evidence to create a sufficient factual showing on the grounds for relief. *See, e.g., ReadyLink Healthcare v. Cotton* (2005) 126 Cal.App.4th 1006, 1016; *Ancora-Citronelle Corp. v. Green* (1974) 41 Cal.App.3d 146, 150. Injunctive relief may be granted based on a verified complaint, sworn declarations, affidavits, or any combination of the foregoing provided facts sufficient for relief are contained there. Code Civ. Proc. §§ 527(a), (h); 2009; 2015.5.

The trial court considers two factors in determining whether to issue a preliminary injunction: (1) the likelihood the plaintiff will prevail on the merits of its case at trial, and (2) the interim harm the plaintiff is likely to sustain if the injunction is denied as compared to the harm the defendant is likely to suffer if the court grants a preliminary injunction. Code Civ. Proc. § 526(a). The balancing of harm between the parties "involves consideration of such things as the inadequacy of other remedies, the degree of irreparable harm, and the necessity of preserving the status quo." *Husain v. McDonald's Corp.* (2012) 205 Cal.App.4th 860, 866-867.

"The decision to grant a preliminary injunction rests in the sound discretion of the trial court .... [B]efore the trial court can exercise its discretion the applicant must make a prima facie showing of entitlement to injunctive relief. The applicant must demonstrate a real threat of immediate and irreparable injury." *Triple A Machine Shop, Inc. v. State of Cal.* (1989) 213 Cal.App.3d 131, 138. "[A]n injunction is an unusual or extraordinary equitable remedy which will not be granted if the remedy at law (usually damages) will adequately compensate the injured plaintiff," and the party seeking injunctive relief bears the burden to prove its absence. *Department of Fish & Game v. Anderson-Cottonwood Irrigation Dist.* (1992) 8 Cal.App.4th 1554, 1564-1565.

Likelihood of Plaintiff Prevailing on the Merits

A preliminary injunction may not issue unless it is "reasonably probable that the moving party will prevail on the merits." *San Francisco Newspaper Printing Co., Inc. v. Superior Court* (1985) 170 Cal.App.3d 438, 442; *see Costa Mesa City Employees' Association v. City of Costa Mesa* (2012) 209 Cal.App.4th 298, 309 (no injunction may issue unless there is at least "some possibility" of success).

At bar, Plaintiff's complaint is verified. Additionally, Plaintiff filed a March 24, 2026, declaration in support of his application, including certain exhibits. Defendants, in opposition, filed declarations of Kerri Labosky and Thomas F. Donnell, as well as multiple exhibits.

Plaintiff argues he has demonstrated a probability of success on his cause of action for wrongful foreclosure. Per Plaintiff's initial motion, Defendants' foreclosure of his property is wrongful because the foreclosure proceeding is based upon a materially overstated debt. Specifically, Plaintiff contends: (1) the payoff demand issued by Placer Foreclosure incorporates an alleged $250,000 principal balance derived from a forged 2024 promissory note which Plaintiff alleges he never executed and for which no funds were advanced to him and (2) the payoff demand incorporates a balance on the 2019 Promissory Note which does not take into consideration a cashier's check Plaintiff alleges he tendered to Defendants. Motion, 5:21-6:18.

The basic elements of a tort cause of action for wrongful foreclosure are the same as those to set aside a foreclosure sale: "(1) the trustee or mortgagee caused an illegal, fraudulent, or willfully oppressive sale of real property pursuant to a power of sale in a mortgage or deed of trust; (2) the party attacking the sale…was prejudiced or harmed; and (3) in cases where the trustor or mortgagor challenges the sale, the trustor or mortgagor tendered the amount of the secured indebtedness or was excused from tendering." *Daniels v. Select Portfolio Servicing, Inc.* (2016) 246 Cal.App.4th 1150, 1184-1185. If the trustor or mortgagor can establish that there was no breach of condition or failure or performance on the mortgagor's or trustor's part which would have authorized the foreclosure, an action for the tort of wrongful disclosure is appropriate. *Miles v. Deutsche Bank National Trust Co.* (2015) 236 Cal.App.4th 394, 408. "Mere technical violations of the foreclosure process will not give rise to a tort claim; the foreclosure must have been entirely unauthorized on the facts of the case. *Id.*at 409.

In support of Plaintiff's request for a preliminary injunction based on wrongful foreclosure, Plaintiff provided the declaration of Plaintiff Jose Valdovinos, which provides, among other things, that:

> 7. Following the maturity of the 2019 Promissory Note, I sold a separate property and applied the net sale proceeds as a principal paydown on the loan. On March 30, 2022, I remitted a Wells Fargo cashier's check in the amount of $300,000.00, payable to D&K Investments, which Defendants accepted. …
>
> 8. Following this payment, the remaining principal balance on the 2019 Promissory Note, as modified, could not lawfully exceed $200,000.00, plus any legitimately accrued interest, fees, and costs.
>
> 9. On May 31, 2024, an alleged Promissory Note in the principal amount of $250,000.00, bearing interest at 5% per annum, was purportedly executed in favor of Defendant THOMAS F. DONNELL, referencing the Deed of Trust and purporting to require monthly interest payments of $5,000.00 beginning July 1, 2024, with principal due on or before May 31, 2025 (the "DD Note"). …
>
> 10. I never executed, signed, authorized, or received any funds pursuant to the DD Note, and the signature appearing on that document is not my signature.

…

14. On May 30, 2025, I tendered a cashier's check in the amount of $30,000.00, payable to DONNELL, as payment of the full annual interest on the legitimate loan obligation. Notwithstanding this tender, Defendants continued their foreclosure efforts. …

…

16. On or about January 9, 2026, PLACER FORECLOSURE issued a Payoff Demand setting forth an alleged unpaid principal balance of $510,266.64 and a total payoff amount as of January 21, 2026 of $538,271.22, figures that incorporate both the disputed DD Note obligation and a principal balance on the D&K Note that is irreconcilable with the $300,000.00 paydown Plaintiff tendered and Defendants accepted.

3/24/26 Valdovinos Decl.

In opposition, Defendants assert there were two series of loans made to Plaintiff. First, D&K Investments, LLC ("D&K") loaned $300,000 to Plaintiff on February 8, 2019, which was secured by a Deed of Trust that encumbered Plaintiff's real property ("Subject Property"). Labosky Decl., ¶ 3, Ex. A. On August 1, 2019, D&K advanced another $200,000 also secured by the Deed of Trust, raising Plaintiff's loan obligation to $500,000, and which was reflected in an executed Promissory Note Modification. Labosky Decl., ¶ 4, Exs. B, K. On July 22, 2021, D&K advanced an additional $100,000 to Plaintiff which he repaid on August 18, 2021, keeping the principal balance at $500,000. Labosky Decl., ¶ 6, Ex. K. On November 11, 2021, D&K advanced another $100,000, increasing the principal loan balance to $600,000, evidenced by another Promissory Note and secured by the Deed of Trust on the Subject Property. Labosky Decl., ¶ 7, Exs. C, K. On March 16, 2022, Plaintiff paid $20,000 in principal reduction, resulting in a balance of $580,000, and on April 1, 2022, Plaintiff paid $300,000 in principal reduction resulting in a balance of $280,000 on the principal. Labosky Decl., ¶¶ 8-9, Ex. K. On June 1, 2024, Plaintiff and D&K acknowledged the unpaid balance of $280,000 in a promissory note modification. Labosky Decl., ¶ 10, Exs. E, K. In October 2024, D&K referred the Deed of Trust to Placer Foreclosure due to Plaintiff's default of interest payments, and Placer Foreclosure recorded a Notice of Default on October 4, 2024 and a Notice of Trustee's Sale on February 7, 2025. Labosky Decl., ¶¶ 11-12, Exs. F, G. Defendant DD Investments, LLC subsequently purchased the interest in the D&K Note and Deed of Trust on March 24, 2025. Labosky Decl., ¶ 13, Exs. I, K.

The second series of loans was between Defendant Thomas F. Donnell ("Donnell") and Plaintiff. Donnell agreed to loan Plaintiff $135,000 in exchange for a repayment of $150,000 by the end of June 2024. Donnell Decl., ¶ 7. Donnell indicates he was aware Plaintiff owed Defendant Scott Denty $100,000 for two separate loans, and Denty suggested combining the loans into a single promissory note for Plaintiff ("Combined Loan"). Donnell Decl., ¶¶ 9-10. On May 31, 2024, Plaintiff signed the promissory note for the Combined Loan of $250,000, which contained a May 31, 2025, maturity date (even though Plaintiff made an oral promise to repay the loan by June 2024), and references a Deed of Trust (but no Deed of Trust was associated with the note at the time). Donnell Decl., ¶¶ 11, 15-16; Ex. D. Donnell declares Plaintiff failed to repay any amount

by March 2025, when Donnell learned the Subject Property was scheduled for a foreclosure sale due to Plaintiff's default on a loan obligation to D&K. Donnell Decl., ¶¶ 20-21. As principal and owner of DD Investments, Donnell purchased the D&K Note and Deed of Trust on March 20, 2025, which were assigned to DD Investments. Donnell Decl., ¶ 24. Per Donnell, Plaintiff asked Donnell to postpone the March 26, 2025 foreclosure sale for 90 days in exchange for signing a new promissory note for the Combined Loan, including making the promissory note subject to and secured by the same deed of trust securing the D&K Note, and to pay $30,000 towards the accrued interest on the D&K Note, which was summarized in a written acknowledgement of the agreement. Donnell Decl., ¶¶ 25, Ex. M. Donnell asserts Plaintiff signed the new promissory note in late March 2025 in the presence of himself and witnesses Scott Denty and Richard Denty, and used his left hand to sign such. Donnell Decl., ¶¶ 28-29, Ex. H. Despite Donnell postponing the foreclosure sale as agreed, Plaintiff only paid $30,000 toward accrued interest on the D&K Note on May 30, 2025. Donnell Decl., ¶ 31. Donnell asserts Plaintiff offered to pay another $30,000 toward the balance of the Combined Loan in exchange for another postponement of the foreclosure, to which Donnell agreed, but Plaintiff only paid $21,000 in cash and never paid the remainder. Donnell Decl., ¶¶ 31-35. Donnell indicates he assigned the Combined Loan promissory note to DD Investments, LLC ("DD") on February 17, 2026. Donnell Decl., ¶ 36, Ex. J.

On January 9, 2026, Placer Foreclosure provided Donnell with a Payoff Demand for the foreclosure on the D&K Loan and the Combined Loan, which reflected the total amount due on both loans as of January 21, 2026, and took into account:

- Plaintiff's May 30, 2025 $30,000 cashier's check towards interest on the D&K Loan, Donnell Decl., ¶ 38, Ex. L; and
- Plaintiff's payment of $21,000 in cash for the Combined Loan, Donnell Decl., ¶ 39, Ex. L.

In summary, the record as it currently stands, suggests that Plaintiff is unlikely to prevail on a claim that he was not properly credited for his payment of $300,000.00. Moreover, the record is in relative equipoise as to the $250,000 Combined Loan: Defendants (via one witness) contends there was a valid secured note, Ex. H; Plaintiff contends (via one witness) the note was a forgery.

That said, it appears, at the very least, that Plaintiff is some reasonable possibility to prevail on a claim that the amount demanded for payoff is in excess of the amount owed, even if, *arguendo*, the latter $250,000 loan is considered valid. Defendants' January 9, 2026, payoff demand identifies an "Unpaid Principal Balance" of $510,266.64 and separately itemizes interest accruing at two distinct rates: "10% for $260,266.64" and "5% for $250,000." Ex. L. Defendants' exhibits D and H show two materially different promissory notes, both dated May 31, 2024, both in the amount of $250,000, and both attributed to Plaintiff. *See* Exs. D, H. Exhibit D purports to be a May 31, 2024, promissory note payable to Thomas Donnell, and states that interest accrues "at the rate of 0% percent per annum," while simultaneously requiring payments of "$5000.00 per month." In contrast, Exhibit H, also dated May 31, 2024, *but reportedly executed March 2025 per defendant Donnell*, expressly provides for interest "at the rate of 5% percent per annum," requires monthly installments of $5,000 commencing July 1, 2024, and, includes detailed language purporting to secure the obligation against the subject property. Of importance, the January 9, 2026, payoff demand then calculates interest on the $250,000 component at 5% *from May 31, 2024*. By Defendants' own evidence, thus, Defendants seek to charge interest for approximately

nine to ten months *before* the Exhibit H note was executed. Plaintiff, thus, has provided persuasive evidence that a foreclosure under these circumstances would be illegal and a reasonable possibility of success on the merits of his wrongful foreclosure cause of action.[1]

Irreparable Harm

Plaintiff argues the balance of hardships overwhelmingly favors Plaintiff because he will lose his home permanently and irreparably. Defendants argue comparative hardship due to Donnell suffering a medical condition and treatment, which would be exacerbated by prolonging repayment of Plaintiff's obligations.

On balance, both sides face significant potential harm in this case from an injunction or its absence as the case may be. That noted, Plaintiff has demonstrated the risk of significant and *irreparable* harm if an injunction does not issue. Where a piece of real property is under threat of sale under a deed of trust, "such damage may be considered irreparable for in equity each parcel of real property is considered unique." *Stockton v. Newman* (1957) 148 Cal.App.2d 558, 564.

Conclusion

In summary, on the current record, the Court grants the motion for a preliminary injunction. Plaintiff has demonstrated at least a reasonable possibility of prevailing on the merits. In addition, and of significance, the interim harm the Plaintiff is likely to sustain if the injunction is denied is *greater than* the harm the Defendants are likely to suffer if the Court grants a preliminary injunction.

The Court is required to set an undertaking under Code of Civil Procedure section 529. *See Bring Back the Kern v. City of Bakersfield* (2025) 110 Cal.App.5th 322, 360-361; *Maier v Luce* (1923) 61 Cal.App. 552, 557. In the exercise of its discretion the Court requires the posting of an undertaking in the amount of $66,335.10 (corresponding to two years of daily interest ($90.87 per day)) for any damage Defendants may sustain by reason of wrongful issuance of an injunction.

[1] The Court need not address the other claims for relief.