GLENN J. PLATTNER (SBN 137454)
glenn.plattner@bryancave.com
DEBORAH P. HEALD (SBN 246385)
deborah.heald@bryancave.com
DAVID HARFORD (SBN 270696)
david.harford@bryancave.com
BRYAN CAVE LLP
120 Broadway, Suite 300
Santa Monica, CA 90401
Tel.: (310) 576-2130
Fax: (310) 576-2200

Attorneys for Defendants,
JPMORGAN CHASE BANK, N.A., for itself and
as successor by merger to Chase Home Finance, LLC
(sued incorrectly as "Chase Home Finance – TX"); and
WAMU ASSET ACCEPTANCE CORP.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

JOHN C. MANOS, individually and on behalf of all similarly situated individuals

Plaintiff,

v.

THE WOLF FIRM, A LAW CORPORATION; RCO LEGAL, P.S. f/k/a ROUTH, CRABTREE & OLSON P.S.; NORTHWEST TRUSTEE SERVICES INC.; JP MORGAN CHASE BANK, N.A.; CHASE HOME FINANCE-TX; SELECT PORTFOLIO SERVICING INC.; AND DOES 1-10

Defendants.

Case No.

(Orange County Superior Court Case No. 30-2016-00885625-CU-BC-CJC)

NOTICE OF REMOVAL OF ACTION BY DEFENDANT JPMORGAN CHASE BANK, N.A. UNDER 28 U.S.C. §§ 1441(a), 1441(c), and 1446(b)(3) (FEDERAL QUESTION)

BRYAN CAVE LLP
3161 MICHELSON DRIVE, SUITE 1500
IRVINE, CALIFORNIA 92612-4414

1 **TO THE HONORABLE JUDGES OF THE UNITED STATES**
2 **DISTRICT COURT, FOR THE CENTRAL DISTRICT OF CALIFORNIA,**
3 **AND TO THE CLERK OF THE ABOVE-ENTITLED COURT:**
4 **PLEASE TAKE NOTICE** that pursuant to 28 U.S.C. section 1441(a),
5 Defendant JPMorgan Chase Bank, N.A. ("Chase"), removes the above-referenced
6 action from the Superior Court of the State of California, for the County of Orange,
7 Case No. 30-2016-00885625-CU-BC-CJC, to the United States District Court, for
8 the Central District of California, Southern Division. Federal jurisdiction of this
9 action is proper on the basis of federal question under 28 U.S.C. section 1441(c).
10 Removal is based on the following grounds:
11 **Timeliness of Removal**
12 1. On December 25, 2017, Plaintiff John C. Manos ("Plaintiff") filed a
13 Third Amended Complaint ("TAC") in the Orange County Superior Court against
14 Chase and other defendants, styled *Manos v. The Wolf Firm, et al.*, Case No. 30-
15 2016-00885625-CU-BC-CJC (the "State Action"). A true and correct copy of the
16 TAC and its exhibits served on Chase is attached to this Notice as **Exhibit 1**.
17 2. The TAC alleges six causes of action about an alleged wrongful
18 foreclosure and related claims, including, for the first time, a claim for violation of
19 the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq*. (Exh. 1, pp. 51-52.)
20 3. Plaintiff's previous complaints did not include any causes of action
21 arising under federal law. A true and correct copy of the original complaint, without
22 its exhibits, is attached to this Notice as **Exhibit 2**. A true and correct copy of the
23 First Amended Complaint, without its exhibits, is attached to this Notice as **Exhibit**
24 **3**. A true and correct copy of the Second Amended Complaint, without its exhibits,
25 is attached to this Notice as **Exhibit 4**.
26 4. Plaintiff served Chase with the TAC on December 25, 2017. A true
27 and correct copy of the proof of service is attached to this Notice as **Exhibit 5**.
28 5. This Notice is timely as it is filed within 30 days of the receipt by

BRYAN CAVE LLP
3161 MICHELSON DRIVE, SUITE 1500
IRVINE, CALIFORNIA 92612-4414

Chase of a copy of the TAC in this action. *See* 28 U.S.C. § 1446(b)(3).

Federal Question

6. This is a civil action of which this Court has original jurisdiction under 28 U.S.C. section 1331, and is properly removable pursuant to the provisions of 28 U.S.C. sections 1441(a) and (c) and 28 U.S.C. section 1446(b)(3) in that the TAC includes a claim that arises under federal statute – violation of the Fair Debt Collection Practices Act, 15 U.S.C. § 1692 *et seq*. – and is the first complaint that includes such a claim.

Pleadings and Process

7. Parties: Chase brings this Notice of Removal on its own behalf and on behalf of all other defendants. Chase's counsel (which is also counsel for WAMU ASSET ACCEPTANCE CORP.) has conferred with counsel for THE WOLF FIRM, A LAW CORPORATION; RCO LEGAL, P.S. f/k/a ROUTH, CRABTREE & OLSON P.S.; NORTHWEST TRUSTEE SERVICES INC.; and SELECT PORTFOLIO SERVICING INC. Each defendant has agreed to this removal. The TAC also names as defendants "DOES 2-10." Chase is informed and believes and on that basis alleges that none of the fictitiously-named defendants has been served with a copy of the TAC. Therefore, the fictitiously-named defendants are not parties to the above-captioned action and need not consent to removal. *See* 28 U.S.C. § 1441(b)(1); *Fristoe v. Reynolds Metals Co.*, 615 F.2d 1209, 1213 (9th Cir. 1980) ("Does" need not be joined in a removal petition).

8. Proper Court: Removal to this Court is proper under 28 U.S.C. section 1441(a) because the Superior Court of California, in and for the County of Orange, is geographically located within this Court's district and division.

9. Notice: Chase is serving a copy of this Notice of Removal on all adverse parties (*i.e.* Plaintiff via his counsel) and is filing a copy with the clerk of the state court pursuant to 28 U.S.C. § 1446(d). A true and correct copy of the

BRYAN CAVE LLP
3161 MICHELSON DRIVE, SUITE 1500
IRVINE, CALIFORNIA 92612-4414

Notice to Plaintiff of Removal (without exhibits) is attached to this Notice as **Exhibit 6**.

10. Pleadings: Numerous documents have been filed in the State Action since it was initiated on November 7, 2016. All documents served upon Chase are attached hereto as **Exhibit 7**.

11. Signature: This Notice of Removal is signed pursuant to Rule 11 of the Federal Rules of Civil Procedure. *See* 28 U.S.C. § 1446(a).

12. By removing on the basis of federal question jurisdiction, Chase does not concede or make any admissions relating to the merit and/or value of Plaintiff's allegations, claims or damages. Chase denies the material allegations contained in the TAC, generally and specifically.

WHEREFORE, Chase respectfully requests that the State Action be removed from the state court in which it was filed to the United States District Court, in and for the Central District of California, and further requests that this Honorable Court issue all necessary orders and process and grant such other and further relief as in law and justice that Chase may be entitled to receive.

Dated: January 24, 2018

Respectfully submitted,

BRYAN CAVE LLP
Glenn J. Plattner
Deborah P. Heald

By: */s/ Deborah P. Heald*
Deborah P. Heald
Attorneys for Defendant
JPMORGAN CHASE BANK, N.A., for itself and as successor by merger to Chase Home Finance, LLC (sued incorrectly as "Chase Home Finance – TX"); and WAMU ASSET ACCEPTANCE CORP.

EXHIBIT 1

Larry R Glazer Esq. (CSBN 200644)
larry@glazerandglazer.com
Nicolette Glazer Esq. (CSBN 209713)
nicolette@glazerandglazer.com
LAW OFFICES OF LARRY R GLAZER
1875 Century Park East #700
Century City, California 90067
T:310-407-5353
F:310-388-3833
ATTORNEYS FOR PLAINTIFF

SUPERIOR COURT OF THE STATE CALIFORNIA
COUNTY OF ORANGE

JOHN C. MANOS, individually and on behalf of all similarly situated individuals PLAINTIFF vs. THE WOLF FIRM, A LAW CORPORATION; RCO LEGAL, P.S. f/k/a ROUTH, CRABTREE & OLSEN P.S.; NORTHWEST TRUSTEE SERVICES INC.; JP MORGAN CHASE BANK N.A.; CHASE HOME FINANCE-TX; SELECT PORTFOLIO SERVICING INC; WAMU ASSET ACCEPTANCE CORP. AND DOES 2-10 DEFENDANTS	No. 30-2016-00885625-CU-BC-CJC Assigned for all purposes to Hon. James CRANDALL **THIRD AMENDED COMPLAINT FOR DAMAGES, DECLARATORY AND INJUNCTIVE RELEIF [individual and representative claims asserted]** **DEMAND FOR JURY TRIAL**

John C. MANOS, on behalf of himself and all similarly situated individuals as specified below, and in support of the relief requested, respectfully alleges to the Court as follows:

1 1. This is a complaint for damages and to obtain permanent declaratory and injunctive
2 relief, rescission, or reformation of contracts and recorded documents, restitution, the refund of
3 monies paid, disgorgement of ill-gotten monies, and other equitable relief to remedy Defendants'
4 unlawful and/or unfair acts and/or practices.

5 **PARTIES, JURISDICTION, AND VENUE**

6

7 2. Plaintiff John Manos was at all times relevant to this Complaint a citizen of the State of
8 California and a resident of the county of Los Angeles.
9 3. This Complaint is timely filed within the applicable statute of limitations.
10 4. At all times relevant to this Complaint Defendant The Wolf Firm, A Law Corporation
11 [hereinafter 'the Wolf Firm'], was a law firm and a California corporation with its principal
12 place of business in Irvine, California. The principal purpose of the firm's legal practice and
13 ancillary business is the collection of debts owed or alleged to be owed others and the
14 enforcement of security interests. The Wolf Firm also regularly uses the mails and other
15 instrumentalities of interstate commerce in its business as described above and to regularly
16 extend credit and collect debts owed and due, or asserted to be owed or due, another. Since
17 January 2012 the Wolf Firm has been one of only nine law firms in the State of California
18 approved by Fannie Mae, Freddie Mac, and numerous mortgage servicers and lenders to
19 perform default related services for delinquent mortgage loans and to conduct foreclosures,
20 bankruptcy proceedings, loss mitigation, evictions, and REO closings on behalf of its servicer
21 clients. In each of the four years immediately preceding the initial filing of this Complaint the
22 Wolf Firm initiated at least 175 foreclosures in the state of California.
23 5. At all times relevant to this Complaint Defendant RCO Legal, PS f/k/a Routh, Crabtree
24 & Olsen P.S. [hereinafter 'RCO'], was registered, authorized, and qualified to do business in the
25

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

state of California. RCO is a law firm with a principal place of business in Irvine, California. The principal purpose of the firm's legal practice and ancillary business is the collection of debts owed or alleged to be owed others and the enforcement of security interests. RCO also regularly uses the mails and other instrumentalities of interstate commerce in its business as described above and to regularly extend credit and collect debts owed and due, or asserted to be owed or due, another. Since January 2012 RCO has been one of only nine law firms in the State of California approved by Fannie Mae, Freddie Mac, lenders, and servicers to perform default related services for delinquent mortgage loans and to conduct foreclosures, bankruptcy proceedings, loss mitigation, evictions, and REO closings on behalf of its servicer clients. In each of the four years immediately preceding the initial filing of this Complaint RCO initiated at least 175 foreclosures in the state of California.

6. At all times relevant to this Complaint Defendant Northwest Trustee Services Inc. [hereinafter 'Northwest'] was a Washington corporation which was registered, authorized, and qualified to do business in the state of California. Northwest is owned, operated, and controlled by RCO and has a principal place of business in Irvine, California.

7. At all times relevant to this Complaint Defendant JP Morgan Chase Bank N.A. [hereinafter 'JP Morgan'] was a national banking association with its main offices in Ohio. At all times relevant to this Complaint Defendant JP Morgan was registered, authorized, and qualified to do business in the state of California and regularly conducted business throughout the State of California, including in Orange County. JP Morgan is the successor in interest to Washington Mutual Bank [hereinafter 'WMB'].

8. Plaintiff believes and hereby alleges that at all times relevant to this Complaint Defendant Chase Home Finance-TX [hereinafter 'CHF-TX'] was a direct subsidiary of Chase

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 Home Finance Inc. and was registered, authorized, and qualified to do business in the state of
2 Texas. At all times relevant to this Complaint CHF-TX was conducting business in California
3 by overseeing and managing default related services in California and interstate commerce
4 through its vendors such as the Wolf Firm, RCO, Northwest, and others.

5 9. JP Morgan and CHF-TX are separate and distinct legal entities that do business under
6 the name 'Chase'.

7 10. Plaintiff believes and hereby alleges that CHF-TX is a different and separate entity than
8 Chase Home Finance LLC and as such did not merge with JP Morgan on 1 May 2011.

9 11. At all times relevant to this Complaint Defendant Select Portfolio Servicing [hereinafter
10 'SPS'] was an approved default services provider of JP Morgan specializing in the subservicing
11 of delinquent non-agency securitized single family residential mortgages with its main offices in
12 Salt Lake City, Utah. At all times relevant to this Complaint Defendant SPS was registered,
13 authorized, and qualified to do business in the state of California and regularly conducted
14 business throughout the State of California, including in Orange County.

15 12. Until 25 September 2008 Defendant WaMu Asset Acceptance Corporation ("WaMu
16 Asset") was a subsidiary of WMB and was principally located at 1301 Second Avenue, WMC
17 3501A, Seattle, Washington 98101. WaMu Asset served as depositor and filed registration
18 statements and accompanying prospectuses with respect to all of WMB securitizations. Based
19 on information uncovered after the filing of this lawsuit Plaintiff believes and hereby alleges
20 that WaMu Asset is now an indirect subsidiary of JP Morgan. WaMU Asset is a separate and
21 distict corporate entity from JP Morgan. At all times relevant to this Complaint Defendant
22 WaMu Asset was registered, authorized, and qualified to do business in the state of California
23 and regularly conducted business throughout the State of California, including in Orange

County. Plaintiff is naming WaMu Asset instead of Doe 1. WaMu Asset is also named as a necessary party to this lawsuit.

13. The true names or capacities, whether individual, corporate, associate or otherwise, of the Defendants named herein as Does 2 through 10 are still unknown to Plaintiff, who therefore sues said Defendants by such fictitious names, and Plaintiff will amend this Complaint to show their true names and capacities when ascertained.

14. This Court has subject matter jurisdiction over this action pursuant to the California Constitution, Article VI, Section 10, granting the Superior Court of the State of California "original jurisdiction in all causes except those given by statute to other courts." The statutes under which this action arises do not specify any mandatory alternative jurisdiction.

15. The matter in controversy, exclusive of interest and costs, exceeds the jurisdictional minimum for unlimited civil cases.

16. This Court has personal jurisdiction over each named Defendant because each named Defendant is either a citizen of California, has sufficient minimum contacts with the state of California, or has otherwise intentionally availed itself of the California stream of commerce so as to render the exercise of *in personam* jurisdiction consistent with traditional notions of fair play and substantial justice.

17. Venue is proper in this Court because the parties are either residents of this county, conduct business within this county, and/or made many of the representations, acts, and omissions giving rise to Plaintiff's claims within this county. Further, the Wolf Firm, RCO, Northwest, JP Morgan, and CHF-TX have now consented to venue and have expressly declined to have this matter transferred to the Superior Court for Los Angeles county.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Washington Mutual Lending and Securitization Practices

18. Prior to 26 September 2008 Washington Mutual Inc. [hereinafter 'WMI'] was a publicly traded multiple savings and loan holding company that owned WMB a/k/a Washington Mutual Bank F.A. and, indirectly, all of WMB's subsidiaries, including Washington Mutual Bank FSB [hereinafter 'WMB-FSB']. WMI also owned, directly or indirectly, several non-banking subsidiaries, including but not limited to WaMu Capital Corp., WaMu Asset Acceptance Corp., and WaMu Securities Corp.

19. In 2003 WMB implemented a mortgage securitization model, the purpose of which was to generate quick profits from the sale of risky mortgages on the secondary market while minimizing the company's risk exposure and losses when those mortgages became delinquent. To this end the company implemented liberal underwriting standards and relaxed risk controls; delegated the decision making process to loan originators and third party brokers; and implemented a compensation system favoring quantity over quality.

20. In 2006 WMB estimated that its internal profit margin from subprime loans would be more than ten times the profit generated from a government backed loan product and more than seven times the profit generated from a fixed rate loan product.

21. Qualifying borrowers using a lower initial interest rate and loans with negative amortization enabled banks such as WMB to qualify more borrowers for loans and more loans for larger amounts.

22. As a result of WMB's internal policies and compensation systems Plaintiff and other borrowers were steered towards higher risk loans that the bank knew would be difficult to repay.

23. WMI was able to conceal its predatory lending practices by controlling every step of the securitization process, from the origination and servicing of the mortgage loans, to the

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

sponsoring and structuring of the securitization, to the underwriting and marketing of the certificates.

24. WMB originated the mortgage loans through its own mortgage lending arm or through corresponding third party mortgage lenders and brokers. All non-prime mortgage loans were then pooled according to their characteristics and held on the books of WMB as loans 'for sale'.

25. WMB, as the lender-seller, sold, transferred, and conveyed the mortgages in the pools to a depositor. Defendant WaMu Asset, a subsidiary of WMB at the time, served as the depositor for the WaMu securitizations.

26. As the depositor WaMu Asset then conveyed and transferred the mortgage loan pools into a qualifying special-purpose entity (QSPE), typically a trust created specifically for each individual securitization.

27. U.S. Bank, Deutsche Bank, and Bank of America were appointed trustees to the WaMu QSPEs pursuant to pooling and servicing agreements.

28. The QSPE, through the trustee, issued certificates, commonly referred to as asset-backed securities.

29. The certificates were sold to an underwriter who resold the certificates at a profit to investors. WaMu Capital Corp. acted as the underwriter for the WaMu securitizations.

30. The QSPE used the proceeds from the sale of these securities to pay the depositor for the loans sold to the QSPE. WMI, through its affiliated depositor, earned a profit from the sales of certificates to the underwriter that exceeded the cost of purchasing the mortgage loans.

31. Once the loans were deposited into the QSPE, a servicer would be responsible for servicing and administering the mortgage loans by collecting the principal and interest payments

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

and distributing those remittances to certificate holders. WMB acted as the servicer for all QSPEs.

32. As the servicer WMB received a monthly fee calculated as a percentage of the monthly payments received from the borrowers.

33. WMB appointed WaMu Mortgage Securities Corp. as its “administrative agent” to perform servicing functions such as processing payments, posting notices and payments, and overseeing default providers.

The Fall of WMB

34. On 25 September 2008 the Office of Thrift Supervision (OTS), by order number 2008-36, closed WMB, appointed the FDIC as its receiver, and announced that the FDIC receiver was immediately taking possession of WMB’s assets. Immediately after its appointment as receiver, the FDIC sold substantially all WMB assets, including the stock of WMB-FSB, to JP Morgan pursuant to a ‘Purchase and Assumption Agreement, Whole Bank’ in exchange for the payment of 1.88 billion dollars and the assumption of all WMB’s deposit liabilities.

35. On 26 September 2008 WMI filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code in the Bankruptcy Court for the District of Delaware. In 2012, on the Effective Date of the Bankruptcy confirmation, WMI changed its corporate name to WMI Holdings Corp. [“WMIHC”]. WMIHC is not a named defendant.

36. As a result of the FDIC-JP Morgan transaction, JP Morgan acquired the assets of WMB, the direct subsidiaries of WMB, and substantially all of the business and accounting records of WMI. In addition, JP Morgan acquired and succeeded to all servicing rights retained by WMB during securitization.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25

37. Prior to the 2008 acquisition JP Morgan had an opportunity to review the records of the failed bank. In light of its own well-documented systemic predatory lending and securitization practices, JP Morgan knew or should have known of the true characteristics and credit quality of the mortgage loans serviced by WMB. JP Morgan knew that obtaining all records and subsidiaries would allow JP Morgan and its web of vendors to control and manipulate the loan level documentation and to ensure that the delinquent loans would produce a steady stream of default related profits once integrated into the foreclosure churning machine already used by JP Morgan to profit from its own delinquent, high risk loans.

38. On 14 May 2015 FDIC responded to a FOIA request made by Mr. Manos and confirmed that Defendant JP Morgan "purchased all of WaMu loans and loan servicing rights from the FDIC as receiver for WaMu. However, the FDIC does not have a list of the loans or loan servicing rights that were sold to JP Morgan Chase pursuant to the Purchase and Assumption Agreement." In the same FOIA response the FDIC produced a single power of attorney recorded on 29 September 2009 in Texas allowing Defendant JP Morgan to act as attorney-in-fact in specified limited circumstances. A copy of the FOIA response is attached as Exhibit A. The power of attorney expired on 25 September 2012.

39. Defendant JP Morgan has refused to produce any record showing that either of Plaintiff's loans, as opposed to the servicing rights over said loans, were ever sold, transferred, or conveyed to Defendant JP Morgan.

Defendants' Default Related Practices

40. Large banks such as WMB and JP Morgan expected that many risky loans foisted on investors would become delinquent, and the banks structured the securitization process to benefit from the anticipated future delinquencies.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

41. Non-performing loans do not generate income for the owners of the loans: as a result, the servicer of a non-performing loan does not receive base servicing fees. Instead, the Pooling and Servicing Agreements allow the servicer of the QSPE and its subservicers to retain all charges assessed on late payments and to recoup 'corporate advances' from the ultimate recoveries on modified loans or on liquidated properties before the sale proceeds are passed on to the owners/investors of the loan.

42. Since default generated fees dwarf the contractual base servicing fee paid by the QSPE, the servicer and its 'administrative agent' have little incentive to expend more than the bare minimum of effort to cure a default. Such efforts typically include sending out delinquency notices to borrowers who have not made timely payments, telephoning delinquent borrowers, and ultimately initiating foreclosure proceedings.

43. On delinquent loans the QSPE servicer's profitability depends on the stream of revenue derived from default related fees, including fees for late payments, phone payments, force-placed insurance, property preservation, payoff statements, loan modifications, and foreclosure actions.

44. QSPE servicers do not undertake these default related activities themselves. Instead, QSPE servicers replace in-house operations with affiliated subsidiaries or vertically integrated vendors who handle the various tasks associated with the management of defaulted loans.

45. The default subservicers are incentivized to impose as many fees on borrowers as possible. Because the QSPE servicer is not the ultimate payer of the fees charged by the vendors, the QSPE servicer has an incentive to use higher cost vendors that offer bigger kickbacks and/or other financial benefits. Further, the QSPE servicer has no incentive to make sure that work

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

billed by the vendor is necessary, actually performed, or reasonable as required by the mortgage contracts.

46. Vendors, force-placed insurers, and other outsourcers who specialize in providing subservicing, property preservation, force-placed insurance, title service, trustee services, legal services, and recordation work add a substantial mark-up to the actual costs for their services. The outsourcers then submit to the QSPE servicer invoices detailing the inflated, unreasonable, and/or unearned fees in order to create a paper trail to be used to justify the fees. The QSPE servicer then adds the marked-up fees to the principal balance of the borrower's debt.

47. Debtors have no choice over the selection and use of default service providers.

48. Debtors have no way to question or challenge the claimed fees and costs of default service providers. Defendants' scheme allows outsourcers to dictate costs for foreclosure-related services with no accountability.

49. Defendants' marked-up fees violate the mortgage contract: the fees exceed the actual cost of the services and are thus not reasonable and appropriate to protect either the note holder's interest in the property or rights under the security instrument. The marked-up fees are assessed for the sole benefit of the servicer and its default vendors.

50. The vertically integrated vendors, not the servicer, are in direct contact with the borrower and perform all collection functions on delinquent loans. These vendors are shielded from regulatory oversight and liability by using the name of the QSPE servicer and/or labeling themselves "trustee" or "servicer". In fact, these vendors are third party debt collection agencies and/or enforcers of security interests.

51. Pursuant to the written agreements between JP Morgan and its various vendors, each vendor undertakes to perform its obligations as an independent contractor and is neither an

employee, partner, or agent of JP Morgan. Further, Plaintiff believes and hereby alleges that each vendor agrees to indemnify JP Morgan for any and all losses caused by the collection activities performed by the default service provider.

Defendants Post-Foreclosure Related Collection Practices

52. Under California's anti-deficiency laws if a homeowner defaults on a mortgage loan or mortgage loan secured by the home in which he or she lives, all that the homeowner will be liable for in repaying the loans is the actual amount the underlying property can yield in a foreclosure sale. If a foreclosure sale yields less than the value of the defaulted loan or loans, the creditor and its debt-collectors cannot seek to recover the shortfall.

53. This is true even if the homeowner took out multiple loans for the purchase of the home. If the homeowner defaults on all loans that are secured by the home and a foreclosure sale yields enough money only to pay the first loan (or only part of the first loan), the creditors holding the remaining loans still cannot seek to recover any deficiency against the homeowner.

54. The California Legislature enacted CCP § 580b to, among other things: (1) prevent the over-evaluation of land; (2) encourage home ownership; and (3) prevent a downturn in the economy that would likely occur if purchasers of land were burdened with personal liability in the event of falling home values.

55. Although pursuant to California law foreclosed upon borrowers are no longer liable for debts covered by CCP § 580b, banks and their default service providers devised a practice whereby after foreclosure they would attempt to collect the deficiencies and report the debt negatively to credit reporting agencies in an attempt to force the borrowers to pay. Banks contended and represented to borrowers that although the debt could not be enforced because it was protected by CCP § 580b, the debt was still owed and thus, the banks could collect on it.

Law Offices of Larry R. Glazer
1875 Century Park East, Suite #700
Century City, California 90067

Borrowers who were unaware of the protections afforded by CCP § 580b and afraid of negative credit reports would pay on the debt.

56. Effective 1 January 2014, in an effort to end this misleading practice that was directly contrary to the purpose of CCP § 580b, the California Legislature amended CCP § 580b to explicitly prohibit the collection of any deficiency and any negative credit reporting related to an extinguished debt. Thus, if a loan on an owner-occupied home is not satisfied through a foreclosure sale, the debt is no longer owed and the creditor is prohibited from collecting on the debt, including reporting that debt to credit reporting agencies.

57. JP Morgan and its subsidiaries and affiliates, however, continued with their unlawful post-foreclosure debt collection practices even after 1 January 2014. Plaintiff believes and hereby alleges that this practice continues to this day.

58. RCO, other foreclosure firms, and debt collection agencies hired by Chase continue to routinely collect or attempt to collect "remaining balances" on junior liens that have been extinguished by foreclosures and on senior liens released prior to foreclosure and/or solely to allow the purported lien holder to claim that it is a "sold-out junior holder" .

59. Foreclosing trustees like the Wolf Firm and Northwest routinely pay off previously released senior liens from the proceeds of foreclosure sales.

60. Chase continues to inform borrowers, including Plaintiff and other similarly situated individuals, that despite Chase releasing the liens and foreclosing on their properties, the borrowers are still responsible for the debts on their released/extinguished mortgages. The form correspondences sent by Chase and its vendors to borrowers also inform the receipent that "[t]his communication is an attempt to collect a debt." Through this representation, which is

1 included in form letters sent to Plaintiff and others, Chase misrepresents that the debt is
2 enforceable and collectable when it is not.
3 61. Further, RCO, and other vendors continue to report and updates their clients' loan
4 servicing systems to show inaccurate and/or misleading information such as the balance owed,
5 the status of foreclosures, and the fees accrued with full knowledge that its clients, including but
6 not limited to CHF-TX and JP Morgan, would use the information in reports to the IRS, credit
7 reporting agencies, and other financial institutions.
8 62. As a result Chase routinely reports to credit reporting agencies post-foreclosure debts as
9 due and owing.
10 63. All defendants knew or should have known that by releasing its lien on the secondary
11 loans and/or by electing to foreclose on the underlying properties, Chase releases any ability to
12 legally enforce the debts in any action. Further, they knew or should have known that the
13 foreclosure sales extinguish all junior loans as a matter of law. Therefore, these debts are not
14 legally enforceable as a matter of law and are not due and owing by the borrowers.
15 64. Defendants scheme results in borrowers paying on debts, even though the debts are not
16 legally enforceable or collectable under CCP § 580b.
17 65. Plaintiff believes and hereby alleges that at least 23,376.00 California mortgagors were
18 subjected to defendants' unlawful post-foreclosure debt collections practices between July 2011
19 and July 2016.
20
21 **The Manos Loans**
22
23 66. On or about 19 September 1994 Plaintiff purchased the property located at 5630 Foothill
24 Drive, Agoura Hills, California for $285,000. Plaintiff subsequently improved the property by
25 constructing a seven bedroom custom house with a gross living area of 6,957 square feet. To

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

finance the construction project Plaintiff refinanced the property several times between 1994 and 2004.

67. In March 2007 Plaintiff entered into a Mortgage Loan Origination Agreement with e-Realtyloans.com/T.D. Financial, a licensed mortgage broker. At the time Mr. Manos entered into the Mortgage Loan Origination Agreement he had liens in the amount of $740,000 and sought a better interest rate to consolidate and refinance the existing mortgages in order to reduce his monthly payments. The broker promised to find the best available loan without stripping the property of its equity.

68. On 27 March 2007 Mr. Manos learned that his property was appraised for $3,150,000.

69. On 29 March 2007 WMB approved Mr. Manos for a $650,000 first mortgage and a $1,500,000 "credit line".

70. On 10 May 2007 the escrow company presented to Mr. Manos for his signature an ARM One note and deed of trust (1st mortgage) in the amount of $650,000 and a note and deed of trust for a WaMu Equity Plus ™ loan in the amount of $1,000.000. WMB-FA was identified as the lender and beneficiary in both mortgage agreements; California Reconveyance Company, a subsidiary of WMB, as the trustee.

71. On or about 18 May 2007 WMB funded the two loans closed by Mr. Manos on 10 May 2007.

72. As part of the refinancing transaction all prior liens were supposed to be paid off and discharged, including but not limited to the 26 October 1999, 26 October 2004, and 10 November 2004 recorded deeds of trust.

1 73. Plaintiff believes and hereby alleges that the ARM One and the Home Equity Plus loans
2 were securitized by WMB prior to 25 September 2008. Plaintiff further alleges that the ARM
3 One and the Home Equity Plus notes were never repurchased by either WMB or JP Morgan.
4 74. Plaintiff believes and hereby alleges that prior to 30 May 2008 the ARM One and Home
5 Equity Plus notes payable to WMB were sold, conveyed, and transferred unconditionally to
6 WaMu Asset pursuant to a 25 October 2005 Master Mortgage Loan Purchase Agreement
7 between WMB and WaMu Asset.
8
9 75. On or about 1 June 2007 WaMu Asset sold, conveyed, and transferred unconditionally
10 the Manos ARM One note and deed of trust in the amount of $650,000 to the WaMu Mortgage
11 Pass-Through Certificates Series 2007-HY7 Trust pursuant to the 1 June 2007 Pooling and
12 Servicing Agreement (PSA) by and among WaMu Asset as the depositor; LaSalle Bank
13 National Association as the QSPE trustee; Christiana Bank and Trust Company as Delaware
14 Trustee; and WMB as the Servicer.
15 76. As of 1 June 2007 the 2007-HY7 Trust was the sole and unconditional owner and holder
16 of all loans, notes, and mortgages/deeds of trust securitized as collateral for the mortgage backed
17 certificates sold to investors, including the Manos ARM One loan.
18
19 77. For all loans within the 2007-HY7 Trust the QSPE trustee held legal title to the notes
20 and mortgages in its capacity as trustee; the certificate holders held all beneficial interests in
21 those loans, notes, and mortgages/deeds of trust.
22 78. WMB-FSB was appointed the custodian of the 2007-HY7 Trust and its trustee pursuant
23 to a separate custodial agreement. In its capacity as the custodian WMB-FSB stored the wet ink
24 notes, deeds of trust, and title policies in its vault solely on behalf of the QSPE trust and other
25 note owners. WMB-FSB had no ownership or any other possessory, beneficial, or legal rights

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

over the notes, mortgages, and deeds of trust it stored as the designated custodian. WMB-FSB performed its designated custodian duties as an independent contractor; the QSPE trust had no right to control the activities of WMB-FSB when acting as the designated custodian. WMB-FSB was paid a fee for its custodial functions.

79. WMB, as the servicer of the 2007-HY7 Trust, neither owned nor held the mortgages. Since WMB had sold, transferred, and conveyed all notes and mortgages that it had originated, WMB was not the creditor on those loans and had no right to receive payments under those loans for its own benefit. WMB only retained the right to service the loans in exchange for a fee paid to it by the Trust.

80. Defendant JP Morgan has refused to identify the name, address, and servicer of the QSPE to which WaMu Asset sold, conveyed, and transferred the Manos Home Equity Plus loan and mortgage.

81. Plaintiff believes and hereby alleges that Deutsche Bank is the Trustee of said QSPE, name unknown, and Defendant JP Morgan is the servicer. WMB-FSB was likely the contractual custodian for the QSPE.

82. From July 2007 until July 2009 Plaintiff received monthly mortgage statements and made monthly payments to WMB and, thereafter, to JP Morgan.

83. Between November 2010 and May 2011 Plaintiff failed to make some monthly payments on time. Defendant JP Morgan assessed late fees and various other fees and later failed to properly credit some of Plaintiff's subsequent payments. JP Morgan imposed an escrow and advanced payments for taxes and force-placed insurance.

84. From June 2011 until May 2012 Plaintiff continued to make payments but did not bring his accounts current, in part because of Defendant JP Morgan's practice of pyramiding late fees on fees and inflating escrow advances and charges.

85. In August 2012 a subservicing agent for Defendant JP Morgan coded Plaintiff's ARM One mortgage as an account in default, accelerated the note, and referred the account to Black Night f/k/a LPS, a vendor retained and used by Defendant JP Morgan to review the mortgage file, confirm that there are no impediments to foreclosure, and "refer" accounts in default to foreclosure attorneys within the Chase attorney network.

86. In August 2012 a subservicing agent of Defendant JP Morgan prepared and recorded a bogus assignment of deed of trust in order to fabricate standing to foreclose in the name of Defendant JP Morgan.

87. On 28 November 2012 Black Nights f/k/a/ LPS prepared a foreclosure 'referral' package and referred the Manos loan to Defendant the Wolf Firm.

88. The 'referral' sent to the Wolf Firm directed that the foreclosure be conducted in the name of the Trustee of the 2007 HY7 Trust. The referral identified the date of the last full payment as 4 September 2012; the principal balance as $649,832.11; and the accumulated late fees as $2,115.92.

89. Plaintiff believes and hereby alleges that the note attached as Exhibit F was transmitted to the Wolf Firm with the referral.

90. On 26 December 2012 Defendant the Wolf Firm sent a letter to Plaintiff informing him that their client JP Morgan "has referred" his loan for foreclosure and urged Plaintiff to act immediately to seek alternatives to foreclosure. At the time it sent the 26 December 2012 letter to Plaintiff the Wolf Firm was neither the creditor nor the trustee for the Manos loan and

mortgage but was acting solely as an attorney-debt collector and default servicer hired by JP Morgan.

91. On 18 January 2013 Defendant the Wolf Firm prepared a substitution of trustee form and appointed itself as the substituted trustee.

92. From November 2012 until the present Defendant the Wolf Firm has acted or purported to act as the collection attorney for JP Morgan, a debt collector and default servicer for the Trustee of the 2007 HY7 Trust, and as the substitute trustee under the deed of trust.

93. On 11 February 2013 Defendant the Wolf Firm recorded a Notice of Default in which it stated that the past due amount on the note was $42,732.91. This amount inflated the actual amount due by more than $5,000. The Notice of Default also misrepresented that the date of the last full payment was prior to 1 June 2012, not 4 September 2012 as stated in the referral.

94. In July 2013 Defendant the Wolf Firm recorded a Notice of Trustee sale for 1 August 2013 and identified the estimated unpaid balance as $705,469.51.

95. After realizing that Plaintiff's property was still encumbered by the 10 November 2004 senior lien in favor of Chase Manhattan Mortgage Bank, USA, Defendants devised a series of fictitious acts and fraudulent schemes to proceed with the foreclosure as scheduled.

96. *First*, on 9 July 2013 a subservicing agent of Defendant JP Morgan prepared and recorded a second bogus assignment of deed of trust in order to fabricate Defendant JP Morgan's standing to seek payment under the Home Equity junior lien.

97. *Second*, on 1 August 2013 Defendant JP Morgan purported to refer the servicing rights over the ARM One loan to SPS, a debt collection agency and an approved default subservicer of JP Morgan. Plaintiff believes and hereby alleges that the 'onboarding' of the loan to SPS was done for the purpose of concealing the collusive foreclosure arrangement concocted by JP

Morgan, RCO, and the Wolf Firm to foreclose on Plaintiff's property. On 12 August 2013 SPS sent a validation of debt notice asserting that Plaintiff owes the Trustee of the 2007 HY7 Trust $732,040.86, including $2,321.76 in late charges, $27,027.64 in escrow advances, and corporate advances in the amount of $1,798.04. The communication inflated the purported debt by over $26,000 compared to the notice of sale recorded by the Wolf Firm.

98. *Third*, on 20 August 2013 Defendant JP Morgan, using the name Chase Bank USA, substituted itself as the trustee under the 10 November 2004 senior lien of record, "released" the lien, and recorded a deed of reconveyance, thereby clearing the way for the scheduled foreclosure sale to proceed as planned.

99. *Fourth*, on 23 August 2013 Defendant RCO sent a letter to Plaintiff informing him that their client CHF-TX "has referred" his home equity loan for foreclosure and urged Plaintiff to act immediately to seek alternatives to foreclosure. At the time it sent the 23 August 2013 letter to Plaintiff, RCO was neither the creditor nor the trustee for the Manos loan and deed of trust but was acting solely as an attorney-debt collector and default servicer hired by CHF-TX and/or JP Morgan.

100. On 16 September 2013 Defendant RCO prepared a substitution of trustee and appointed its alter ego Northwest Trustee Services as the substitute trustee.

101. From July 2013 until the present Defendant RCO has acted as the collection attorney for CHF-TX, a debt collector for JP Morgan, and as the substitute trustee under the junior deed of trust.

102. On 27 September 2013 Northwest recorded a Notice of Default.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

103. On that same day Northwest sent Plaintiff a notice under the Fair Debt Collection Practices Act and falsely stated that a debt in the amount of $970,749.11 was owed to the creditor, JP Morgan.

104. On or about 7 November 2013 the Wolf Firm conducted a foreclosure sale of Plaintiff's property.

105. On or about 8 November 2013 Ms. Tara Borelli called Defendant the Wolf Firm and spoke to a female employee who identified herself as Renae Murray. Ms. Borelli asked who had won the bid on Trustee sale No. 12-4301-11 and the amount of the winning bid. Ms. Murray told Ms. Borelli that the property "went to Strategic" and Peter Baer for $742,496.73.

106. On 18 November 2013 Defendant the Wolf Firm recorded a Trustee's Deed Upon Sale for the benefit of Make It Nice LLC, not Strategic. The amount of the debt, the consideration paid by the grantee, and the transfer tax paid have been truncated and a notice "off record" appears on the face of the recorded deed. (Exhibit H)

107. SPS reported to the credit reporting agencies that on 19 November 2013 it received $740,159 for the collateral sold during the foreclosure sale. SPS also reported on the 2013 1099-A, box 4, that the collateral was sold for $1,345,000.00.

108. In February 2014 Defendant JP Morgan sent a written response to Plaintiff in which Defendant asserted that the HELOC lien had been extinguished by the senior lien holder SPS. Further, Defendant JP Morgan asserted that it was "currently working with foreclosure counsel to obtain the surplus from the first lien" from the alleged $1,345,000 sale of the property to a third party.

109. On 12 November 2014 Tom Bosecker, Closing Department Manager of Defendant the Wolf Firm, sent an email response to Ms. Borelli's attorney asserting as follows:

Property sold for	$1,345,000.00
Total debt to first trust deed holder:	$742,496.73
Trustee fee, title and mailing costs:	$661.94
Disbursement to Junior Lien Holder:	$601,841.33
Balance Remaining:	$0.00

110. In an email dated 19 December 2014 addressed to Ms. Borelli's counsel, an attorney from Defendant the Wolf Firm asserted that a "check was issued on August 27, 2014 [to Chase] for $601,841.33 and has been cashed."

111. Defendant JP Morgan, however, informed Plaintiff that it had received $1,841.33, not $601,841.33, from Defendant the Wolf Firm.

112. Plaintiff believes and hereby alleges that Defendant JP Morgan has referred the Home Equity Plus loan, with an approximate balance of $1,001,774.31, for collection and recovery by RCO.

113. Plaintiff has repeatedly disputed that he owes any debt to JP Morgan.

114. As of at least 3 April 2017 Defendants CHF-TX, JP Morgan, and/or RCO continue to report that Plaintiff's Home Equity Plus loan has an outstanding principal balance of $402,060.00 and that "foreclosure proceeding [has] started." A copy of the relevant portion of Plaintiff's 17 April 2017 credit report is reproduced in Exhibit C.

CAUSES OF ACTION

FIRST CAUSE OF ACTION
QUASI-CONTRACT AND/OR TORT CLAIM FOR UNJUST ENRICHMENT
(against JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, and Northwest)

I. Quasi-Contract based claims

115. Plaintiff incorporates by reference all foregoing paragraphs.

116. From 1 June 2007 until the date of the 7 November 2013 foreclosure sale the 2007-HY7 Trust was the sole and unconditional owner and holder of the Manos ARM One loan, note, debt, and deed of trust securitized as collateral for the mortgage backed certificates sold to the investors of said Trust.

117. Non-party U.S. Bank, NA, successor in interest to Bank of America, NA, successor by merger to LaSalle Bank, NA, held legal title to the Manos ARM One note and deed of trust in its capacity as a trustee for 2007-HY7 Trust; the certificate holders held all beneficial interests in the loans, notes, and mortgages.

118. From 26 September 2008 until 1 August 2013 Defendant JP Morgan represented itself as the servicer for the Manos ARM One loan, note, and deed of trust.

119. From 1 August 2013 until the date of the 7 November 2013 foreclosure sale Defendant SPS purported to act as the default subservicer for the Manos ARM One loan, note, and deed of trust. At all relevant times to this complaint SPS has acted as an independent contractor debt-collector for the purported servicer of the Manos ARM One loan.

120. From November 2012 to the present Defendant the Wolf Firm has acted as an independent contractor debt-collector attorney for the purported servicer of the Manos ARM One loan. In such capacity the Wolf Firm was responsible for and actually performed all servicing functions for the Manos ARM One loan from the date of referral to resolution of the delinquency.

121. From 18 January 2013 until 18 November 2013 Defendant the Wolf Firm simultaneously acted as the 'substitute trustee' under the Manos ARM One deed of trust.

122. Plaintiff believes and hereby alleges that from no later than 30 May 2007 until the present, either Defendant WaMu Asset or a QSPE, the name of which has been withheld by

Defendant JP Morgan, was the sole and unconditional owner and holder of the Manos Home Equity Plus loan, note, debt, and deed of trust.

123. From 26 September 2008 until the present Defendant JP Morgan represented itself as the servicer for the Manos Home Equity Plus loan, note, and deed of trust.

124. From August 2012 until the present Defendant CHF-TX has acted as a default subservicer for the Manos Home Equity loan, note, and deed of trust.

125. From 1 August 2013 until the present Defendant RCO has acted as an independent contractor debt-collector attorney for Defendants JP Morgan and CHF-TX. In such capacity RCO is responsible for and actually performs all servicing functions for the Manos Home Equity Plus loan since the date of referral until resolution of the delinquency.

126. From 16 September 2013 until 18 November 2013 Defendant Northwest acted as the substitute trustee under the Manos Home Equity deed of trust.

127. As alleged in this complaint, Defendants enacted a scheme to increase their profits by assessing to Plaintiff and similarly situated individuals unearned fees, new debts, and impermissible kickbacks while collecting delinquent debts owed others and enforcing security interests in real property. Defendants either provided no services, or provided duplicative, unnecessary, or illusory services, in exchange for adding the unearned or grossly inflated fees to the accounts of Plaintiff and other similarly situated individuals.

128. Assuming the two mortgages were accelerated and all payments were credited as claimed by Defendants, on 7 November 2013 Plaintiff's combined debt owed to the 2007 HY-7 Trust and to WaMu Asset or a QSPE, name unknown, was at most $1,681,314.48. No portion of this alleged debt was ever owed to either SPS, JP Morgan, CHF-Tx, the Wolf Firm, RCO, or Northwest.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

129. On or about 7 November 2013 the Wolf Firm foreclosed on the Manos ARM one mortgage with a winning bid of $742,496.73 by a third party "Strategic" and Peter Baer. Between 7 November 2013 and 13 November 2013 Defendant the Wolf Firm received an undisclosed amount from a different entity, Make it Nice LLC. On 13 November 2013 the Wolf Firm issued a truncated trustee deed upon sale in favor of Make It Nice LLC while placing the amount of the debt, the consideration paid by the grantee, and the transfer tax paid "off record". (Exhibit H)

130. Plaintiff is unaware of the full consideration actually paid by Make It Nice LLC to the Wolf Firm but believe that the amount was more than the true debt owed to the respective lender under the Arm One and HELOC promissory notes.

131. Between 7 November 2013 and 27 August 2014 Defendants JP Morgan, CHF-TX, RCO, Northwest, SPS, and the Wolf Firm received and shared among themselves at least $1,345,000.00 received from Make It Nice LLC, Strategic, and/or Peter Baer. Plaintiff believes and hereby alleges that none of this amount was distributed to either the investors of the 2007 HY7 Trust or to WaMu Asset/QSPE (name unknown). As a result Plaintiff's debts were not paid off or discharged through the proceeds of the foreclosure sale.

132. Defendants received and retained at least $1,345,000.00 to which they were never entitled.

133. Defendants have refused to provide Plaintiff with an accounting for the proceeds from the 7 November 2013 foreclosure sale. Defendants have taken affirmative acts to conceal the illegality of the foreclosure sale and the wrongful conversion of the proceeds by truncating the amount of the debt and the sale price from the trustee's deed upon sale recorded on 18

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 November 2013; by providing misleading and contradictory responses to requests for
2 information; and by changing the terms of the final accepted bid.
3 134. The exact amounts received as alleged in counts one through four below is known to
4 each Defendant and could easily be ascertained by review of each Defendant's books and
5 records. Plaintiff reserves the right to amend this Complaint to reflect the full amount of funds
6 wrongfully received and retained by each named Defendant and to conform to the evidence after
7 discovery has concluded and forensic accounting is completed.
8
9 135. Defendants obtained the amounts alleged in counts one through seven below by using
10 the void corporate assignments of deeds of trust and substitutions of trustee recorded on 10
11 August 2012, 18 January 2013, 9 July 2013, and 16 September 2013. The four recorded
12 documents were used to create the illusion of standing to foreclose and to conceal that SPS, JP
13 Morgan, Northwest, and the Wolf firm had no contractual, legal, or statutory authority to collect
14 the mortgage debt or exercise the power of sale contained within the deeds of trust.
15 **Count One: Against JP Morgan and CHF-TX**
16 136. Neither JP Morgan nor CHF-TX (1) is the creditor entitled to receive payments under the
17 Manos ARM One and the Home Equity Plus notes; (2) holds the Manos ARM One or the Home
18 Equity Plus note for its own benefit; or (3) holds a beneficial interest in either the Manos ARM
19 One or the Home Equity Plus deed of trust.
20
21 137. The Court ruled on 6 July 2017 that neither JP Morgan nor CHF-TX is a party to either
22 the Manos ARM One or the Manos Home Equity Plus mortgage contract.
23 138. Since JP Morgan and CHF-TX were not the "note holder" as defined in the Manos ARM
24 One and Home Equity Plus notes, neither Defendant is entitled to collect from Plaintiff any
25 costs or expenses allegedly incurred in enforcing either note or for protecting its own interests.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

139. Since neither JP Morgan nor CHF-TX was the original lender or a successor of interest of the original lender under either of the Manos deeds of trust, Defendants cannot add expenses and costs incurred to protect their respective mortgage servicing rights as additional mortgage debt to Plaintiff under either of the two mortgage contracts. Further, JP Morgan cannot receive directly from the proceeds of any foreclosure sale disbursement as compensation for 'loan charges' as defined in the deeds of trust that JP Morgan as the servicer incurred solely for its own benefit.

140. Plaintiff believes and hereby alleges that JP Morgan and CHF-TX have been unjustly enriched by $74,997.00 and have retained the following sums to which they were never entitled:

a) between 12 November 2012 and 1 August 2013 JP Morgan added or caused to be added $3,800.00 to Plaintiff's ARM One loan and debt in the form of post acceleration late charges, 'corporate advances', and servicer's fees. These amounts were not authorized by the terms of the mortgage contract and were not earned or actually incurred for services provided by JP Morgan for the benefit of the Lender/Note Holder or to enforce the note and deed of trust.

b) between June 2012 to 1 August 2013 JP Morgan added or caused to be added $3,235.00 for unauthorized, unnecessary, and excessive lender-placed insurance premiums without proper notice, disclosure, or consent from Plaintiff. JP Morgan also did not disclose to Plaintiff that when it 'pays' these premiums the insurer or one of its affiliates then kicks back a set percentage of each payment to a shell company created by JP Morgan or its corporate parent to receive "commissions" under contractual arrangements with its force-placed insurers.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

c) on 1 August 2013, prior to transferring the ARM One note to SPS, Defendant JP Morgan inflated Plaintiff's debt by approximately $29,258.00 for its own financial benefit.

d) between 6 August 2012 and 3 July 2014 Defendants JP Morgan and/or CHF-TX added or caused to be added $9,704.00 to Plaintiff's Home Equity Plus loan and debt in the form of post acceleration late charges, 'corporate advances', legal fees, and servicer's fees. These amounts were not authorized by the terms of the mortgage contract and were not earned or actually incurred for services provided by JP Morgan/CHF-TX for the benefit of the Lender/Note Holder or to enforce the note and deed of trust.

e) between 6 August 2012 and 7 November 2013 Defendants JP Morgan and CHF-TX inflated Plaintiff's Home Equity Plus debt by approximately $29,000.00.

141. Plaintiff believes and hereby alleges that JP Morgan wrongfully received and retained for itself the amounts identified in paragraphs 126 from the proceeds of the 7 November 2013 foreclosure sale.

142. Plaintiff believes and hereby alleges that JP Morgan also received directly from the proceeds of the foreclosure sale $200,000.00 as a payment under the 10 November 2004 senior lien which JP Morgan had released 45 days prior to the 7 November 2013 foreclosure sale.

143. Plaintiff believes and hereby alleges that in late August 2014 JP Morgan also received from the proceeds of the foreclosure sale and actually retained $601,841.33 as a disbursement under the Home Equity junior lien. JP Morgan, however, is not the "Junior Lien Holder" and thus has no right to receive and retain that payment.

Count Two: Against SPS

144. Plaintiff believes and hereby alleges that Defendant SPS (1) is not the creditor entitled to receive payments under the Manos ARM One note; (2) does not own or hold the Manos ARM One note for its own benefit; and (3) does not own or hold a beneficial interest in the Manos ARM One deed of trust.

145. The Court ruled on 6 July 2017 that SPS, as the servicer, is not a party to the Manos ARM One mortgage contract.

146. Since SPS was not the "note holder" as defined in the Manos ARM One note Defendant SPS is not entitled to collect from Plaintiff and retain for itself any costs or expenses it allegedly incurred in enforcing the note or for protecting its own interests.

147. Since it is not the original lender or a successor of interest of the original lender under the Manos ARM One deed of trust, Defendant SPS cannot add expenses and costs incurred to protect its mortgage servicing rights as additional contractual mortgage debt to Plaintiff. Further, SPS cannot receive directly from the proceeds of any foreclosure sale disbursement as compensation for 'loan charges' that SPS as the servicer incurred solely for its own benefit.

148. Plaintiff believes and hereby alleges that between 1 August 2013 and 15 August 2013 SPS added or caused to be added $4,120.00 to Plaintiff's ARM One loan and debt in the form of post acceleration late charges, 'corporate advances', and servicer's fees. These amounts were not authorized by the terms of the mortgage contract and were not earned or actually incurred for services provided by SPS for the benefit of the Lender/Note Holder or to enforce the note and deed of trust.

149. Plaintiff believes and hereby alleges that between 1 September 2013 and 7 November 2013 SPS added or caused to be added $10,450.00 for unauthorized, unnecessary, unearned, and excessive attorney fees, expenses, and other charges to the balance of Mr. Manos's loan.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

150. Plaintiff believes and hereby alleges that SPS received and retained for itself $8,112.00 directly from the proceeds of the 7 November 2013 foreclosure sale as compensation for services it never performed and expenses it never actually incurred.

151. Plaintiff believes and hereby alleges that in 2014 SPS paid approximately $732,047.00 to JP Morgan rather than to the investors of the 2007 HY7 Trust.

152. SPS continued to "service" the ARM One loan and to claim status as the "mortgagee" under said loan until at least 5 March 2015. Any fees and charges assessed to Mr. Manos between 7 November 2013 and 5 March 2015 are unlawful and in violation of California anti-deficiency laws.

Count Three: Against the Wolf Firm

153. The Court ruled on 6 July 2017 that the Wolf Firm is not a party to the Manos ARM One mortgage contract.

154. Plaintiff believes and hereby alleges that the Wolf Firm has been unjustly enriched by $4,322.00 and has retained the following sums to which they were never entitled:

a) The Wolf Firm has not filed a judicial foreclosure, an interpleader action, or any other legal action between November 2012 and 7 November 2013 to enforce the Manos ARM One note or to protect the interests of the Lender/Note Holder. Plaintiff believes and hereby alleges that without performing any legal work, Defendant the Wolf Firm received 'attorney fees' in the amount of $1,750.00. Once added to the ARM One loan these 'attorney fees' became Plaintiff's additional debt.

b) As a 'substitute trustee' the Wolf Firm was entitled to receive, and did in fact receive, $661.94 for "trustee fee, title and mailing costs." The Wolf Firm, however,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

also retained an additional amount of $2,337.73 directly from the proceeds of the foreclosure sale for unauthorized, unlawful, and unearned trustee fees.

155. The exact amount the Wolf Firm received from either Strategic/Peter Baer, the successful bidder at the 7 November 2013 auction, or Make it Nice LLC, the grantee under the trustee deed upon sale, has been deliberately concealed by the Wolf Firm from Plaintiff and the general public. *See* Exhibit H. Any and all amounts received by Defendant the Wolf Firm as cash, kickbacks, or other consideration from either Strategic, Peter Baer, or Make It Nice LLC beyond the $1,345,000.00 identified in the 12 November 2014 email described in paragraph 109 has also been retained by the Wolf Firm. Any such amount received is illegal as a matter of law.

Count Four: Against RCO and Northwest

156. Neither RCO nor Northwest is a party to the Manos Home Equity mortgage contract.

157. RCO has not filed a judicial foreclosure, a collection action, or any other legal action between August 2013 and the present to enforce the Manos Home Equity Plus note or to protect the interests of the Lender/Note Holder. RCO also did not participate or bid at the 7 November 2013 foreclosure sale to protect the junior lien on the Plaintiff's property. Plaintiff believes and hereby alleges that, without performing any legal work, Defendant RCO received attorney fees in the amount of $1,000.00. This amount was added to and became additional debt under Plaintiff's Home Equity loan.

158. Northwest did not prepare or record a notice of sale under the Home Equity Plus deed of trust, did not foreclose on the junior lien held by Defendant WaMu Asset, and did not participate in the 7 November 2013 foreclosure sale. As the alleged 'substitute trustee' of record Northwest received and retained $1,000.00 as trustee compensation; the amount was added to and became additional debt under Plaintiff's Home Equity loan.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

159. Since the true junior beneficiary WaMu Asset/QSPE (name unknown), never filed a claim against the proceeds of the November 2013 sale, never received a payment from the proceeds of the sale, and the Wolf Firm never filed an interpleader action as required by section 2924j(b) and (c), the amounts identified in paragraphs 140-43, 148-52, 154-55, and 157-58 would have to be disbursed to Plaintiff pursuant to section 2924k(a)(4).

160. The new and unauthorized debts identified in paragraphs 140-43, 148-52, 154-55, and 157-58 each constitutes a finance charge under 12 C.F.R. § 226.18 (b) and (d).

161. Nothing in the California statutory non-judicial foreclosure scheme authorizes the Wolf Firm to disburse, and for the Defendants to retain, from the proceeds of a foreclosure sale amounts that do not form part of the obligation secured by the deed of trust. The new debts identified in paragraphs 140-43, 148-52, 154-55, and 157-58 which had been extended by Defendants and assessed against Plaintiff without notice, contractual or legal authority, cannot be satisfied under section 2924k directly from the proceeds of the foreclosure sale.

162. Equity requires restitution to Plaintiff and similarly situated individuals.

II. Tort or statutory based claims

163. Defendants have abused the California non-judicial foreclosure statutory scheme to reap financial benefits without legal or contractual authority. Specifically, as related to the 7 November 2013 foreclosure sale, Defendants the Wolf Firm, SPS, and JP Morgan have exploited the fragmented rights secured by securitized mortgage notes and deeds of trust to foreclose wrongfully on Plaintiff's property, convert the proceeds and surplus of funds obtained from the foreclosure sale, and extinguish and release senior and junior liens without authority and without paying the proceeds to the actual lien holders.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

164. Plaintiff has standing to challenge the 7 November 2013 foreclosure sale and the 13 November 2013 trustee deed pursuant to *Yvanova v New Century Mortgage Corp.* (2106) 62 Cal4th 919: "A beneficiary or trustee under a deed of trust who conducts an illegal, fraudulent or willfully oppressive sale of property may be liable to the borrower for wrongful foreclosure." (*Yvanova, supra,* 62 Cal.4th at p. 929.)

165. The right to challenge the foreclosure sale does not accrue until the completion of the sale, which in this case occurred on 18 November 2013 when the Wolf Firm recorded the illegal trustee deed upon sale.

Count Five: Wrongful Foreclosure against the Wolf Firm, SPS, and JP Morgan

166. Under California law, "only the original beneficiary, its assignee or an agent of one of these has the authority to instruct the trustee to initiate and complete a nonjudicial foreclosure sale." (*Yvanova, supra,* 62 Cal.4th at 929; Civ. Code, §2924, subd. (a)(6).)

167. On 25 September 2008 FDIC did not acquire any rights or benefits over the Manos ARM One and the Home Equity Plus loans, notes, and deeds of trust because WMB, the original lender and beneficiary, had already sold, assigned, and transferred all of its rights in said mortgages to the 2007 HY7 Trust and to the QSPE (name unknown)/WaMu Asset. Accordingly, on 25 September 2008 and thereafter FDIC had nothing to convey to either JP Morgan or any other party vis-a-vis the Manos mortgages.

168. The 10 August 2012 corporate assignment executed by Melissa J Riley, purporting to "convey, grant, sell, assign, transfer, and set over" the Manos ARM One deed of trust together with all "rights, title, and interest secured thereby, all liens, and any rights due or to become due" from the FDIC to U.S. Bank NA as trustee for the 2007 HY7 Trust, is a legal nullity and thus void. (Exhibit D)

169. As disclosed by the FOIA response FDIC has no way to establish which, if any, mortgage servicing rights were actually sold to JP Morgan in 2008. Plaintiff alleges on information and belief that on or about 28 September 2008 or thereafter JP Morgan had not lawfully acquired the mortgage servicing rights over the Manos ARM One loan and was not an agent of the trustee for the 2007 HY Trust. (Exhibit A) As a stranger to the Manos Arm One note and deed of trust JP Morgan had no contractual or other legal right to appoint the Wolf Firm as substitute trustee. The bogus Substitution of Trustee prepared and recorded by the Wolf Firm on or about 18 January 2013 is a nullity and thus void.

170. On 18 January 2013 there was no recorded power of attorney appointing JP Morgan as the attorney-in-fact for U.S. Bank, NA as trustee for the 2007-HY7 Trust. (Exhibit A & D)

171. When, as here, the foreclosing entity had no legal authority to pursue a trustee's sale, "such an unauthorized sale constitutes a wrongful foreclosure." (*Yvanova, supra,*62 Cal.4th at 935.)

172. Plaintiff has the ability to tender the full value of the debt owed to the trustee of the 2007 HY7 Trust and intends to do so if required by law.

173. Defendant the Wolf Firm received trustee compensation of at least $661.94 and attorney fees as claimed in count three above (¶¶154-55) to which it had no right.

174. On or about 19 November 2013 Defendant SPS received $740,159.00 to which it had no right since it was not the “first lien holder.” Plaintiff believes that this amount was never remitted to the investors of the 2007 HY7 Trust but was received by JP Morgan. SPS also received and retained for itself the amount identified in paragraph 148-52 without the right to do so.

175. Plaintiff was prejudiced and sustained economic and actual damages as a result of Defendants' wrongful foreclosure. Further, despite having lost his home as a result of the 7 November 2013 foreclosure sale, Plaintiff continues to be indebted to the true holder of the ARM One note.

Count Six: Collusive Foreclosure against the Wolf Firm and JP Morgan

176. Plaintiff alleges that Defendants the Wolf Firm and JP Morgan caused the 10 November 2004 deed of trust in favor of Chase Bank USA and the 18 May 2007 Home Equity Plus deed of trust in favor of WaMu Asset Acceptance Corp to be extinguished without disbursing the proceeds from the Manos sale to the actual creditors to whom the debt may be owed and without disbursing the unclaimed surplus to Plaintiff. Defendants succeeded in doing so by using the void assignments of deed of trust reproduced in exhibits D and E.

177. The Wolf Firm, JP Morgan and its purported 'vice-presidents' also knew that, at the time FDIC took over the reigns of the failed bank, WMB had no ownership rights over either of the Manos notes and deeds of trust but had retained solely the right to service the loans on behalf of others.

178. As the attorney-in-fact for the FDIC Receiver JP Morgan can legally convey only the rights possessed by its principal. As of 25 September 2008 FDIC possessed and thus could only convey to JP Morgan servicing rights on loans actually owned and held by WMB. FDIC has conceded that it has no knowledge or means to ascertain what, if any, loans and servicing rights were sold and transferred to JP Morgan, a fact concealed from Plaintiff and the public through the bogus assignments. (Exhibit A)

179. To the extent an assignment was needed to document the true chain of ownership over the Manos notes and deeds of trust, JP Morgan, as the attorney-in-fact for the FDIC Receiver,

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 had the right to execute and record an intervening assignment from WMB to WaMu Asset
2 Acceptance Corp.; only WaMu Asset Acceptance Corp. or its agent, however, had the right to
3 execute an assignment documenting the transfer to the 2007 HY7 Trust or any other entity.
4 180. The bogus assignments prepared and recorded by JP Morgan and used by the Wolf Firm
5 to conduct the 7 November 2013 sale and to disburse at least $1,345,000.00 to itself, JP Morgan,
6 SPS, and RCO have no legal effect and are void.
7 181. The Wolf firm knew that SPS was not the "first lien holder" and thus had no right to the
8 proceeds of the 7 November 2013 sale. And yet, on or about 19 November 2013 the Wolf Firm
9 paid $740,159.00 to SPS. From November 2013 until December 2015 the Wolf Firm, JP
10 Morgan and/or SPS asserted repeatedly to Plaintiff and others that said amount was received by
11 SPS in its capacity as the "first lien holder".
12 182. The Wolf Firm knew that JP Morgan was not the Junior Lien Holder and thus had no
13 right to the proceeds of the 7 November 2013 sale. And yet, on or about 27 August 2014 the
14 Wolf Firm disbursed $601,841.33 to JP Morgan and CHF-TX from the "surplus".
15 183. JP Morgan, as an unsecured creditor by virtue of having released and reconveyed the
16 2004 senior lien 45 days prior to the foreclosure sale, has no right to receive any payments from
17 the proceeds of the Manos sale.
18 184. Plaintiff has the ability to tender and, if required to do so by law, will tender the full
19 value of the debt owed under the ARM One mortgage to the trustee of the 2007 HY7 Trust.
20 185. To the extent that the identity of the junior lien holder cannot be ascertained Plaintiff is
21 entitled to any and all surplus not actually paid to the investors of the 2007 HY7 Trust.
22 186. Plaintiff further alleges that by retaining and converting the proceeds from the
23 foreclosure sale Defendants have rendered the debt secured by the Home Equity Plus deed of
24
25

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

trust to be unsecured. JP Morgan has now referred the unsecured and charged off debt under the Home Equity loan to RCO for recovery from Plaintiff, who disputes that he owes those debts and that JP Morgan or any other party has the right to collect those debts. In September 2014 JP Morgan reported to the IRS $319,784.47 of the HELOC debt as "discharged" but routinely claims that said debts remain valid and collectible. JP Morgan continues to this day to claim to Plaintiff and to report to the credit bureaus that a principal balance of $402,060.00 under the HELOC remains due and owed and has taken actions to collect said amount. The amount is accruing interest and fees. (Exhibit B)

187. Plaintiff has been prejudiced by Defendants' actions.

188. Plaintiff sustained economic and actual damages as a result of Defendants' collusive foreclosure.

Count Seven: Irregular Foreclosure against the Wolf Firm

175. The Wolf Firm rushed to initiate a non-judicial foreclosure against Plaintiff without properly investigating and verifying the delinquency status of the loan. Further, before disbursing over $1,340,000.00 to SPS and JP Morgan, the Wolf Firm failed to investigate and identify the authority of said entities to claim lien holder status and to receive payments under section 2924j et seq.

189. The Wolf Firm acted as 'substitute trustee' while at the same time representing JP Morgan as foreclosure counsel. Defendant routinely performed all servicing functions for the loans it sought to foreclose, including but not limited to collecting payments from borrowers to reinstate, modify, or cure defaults; accepting, rejecting, and posting payments; imposing restrictions and limits on how, when, and in what form payments were to be made; accepting loan modifications; and preparing and issuing reinstatement quotes and beneficiary statements.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

These activities are incompatible with the limited and well-defined duties of a trustee under a deed of trust under California law.

190. Defendant the Wolf Firm, as the substitute trustee under the ARM One deed of trust, had a statutory duty and obligation to conduct a public foreclosure sale and to refrain from any act or practice that chills fair and open bidding.

191. Defendant the Wolf Firm manipulated, distorted, and abused the statutory non-judicial foreclosure procedures enacted by the California Legislature by (1) conveying Plaintiff's property to an entity other than the highest bidder and (2) recording a trustee's deed upon sale that concealed material terms of recorded deeds of sale, including but not limited to the principal amount of the outstanding debt, the consideration paid by the grantee, and the transfer tax paid.

192. Plaintiff suffered an injury in fact, prejudice, and pecuniary losses when Defendant the Wolf Firm wrongfully extinguished, diminished, or infringed on his property and pecuniary rights.

As to all seven counts for unjust enrichment:

193. As a direct and proximate result of Defendant's unfair, unlawful, and deceptive practices described in paragraphs 127 through 192 Plaintiff has suffered and will continue to suffer actual damages and financial losses, including but not limited to the loss of the equity in his house, non receipt of surplus funds not actually paid to the investors of the 2007 HY7 and WaMu Asset, credit damage, and continuing debt collection activities for debts that should be covered by the California anti-deficiency statutes. Plaintiff owes the debt, if any, under the ARM One and Home Equity Plus loans to the 2007 HY7 Trust and WaMu Assets/QPSE (name unknown), not to JP Morgan, CHF-TX, the Wolf Firm, RCO, Northwest, or the banks at large.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

194. Defendants JP Morgan, CHF-TX, the Wolf Firm, RCO, and/or Northwest have been unjustly enriched by $1,344,338.06 and must make restitution to Plaintiff for all surplus funds not actually paid to the investors of the 2007 HY7 Trust or to WaMu Asset/QPSE (name unknown) within the time frames mandated by section 2924j.

195. The actions and omissions described above are part of an uniform pattern and practice of the named Defendants that affected and continue to affect many California mortgagors struggling to retain their homes.

196. Mr. Manos is one of 3076 California mortgagors whose senior or junior mortgage loans had been released and/or charged off by JP Morgan and/or CHF-Tx as descried above and subsequently the loans have been referred to collectors like RCO, the Wolf Firm, Malcolm Cisneros, Time Resolution Inc. etc, in violation of California anti-deficiency laws. Mr. Manos has timely opted out of the *Terry v. JP Morgan et al.* class settlement. (Exhibit K)

197. Each named Defendant benefited from the schemes and deceptive practices funded unwittingly by Plaintiff and other struggling home owners. It is inequitable for Defendants to retain the money illicitly gained through the false and misleading representations, artifices, and deceptive practices described in this Complaint.

198. Plaintiff and all similarly situated borrowers are entitled to relief for this unjust enrichment in an amount equal to the benefits unjustly obtained by Defendants.

SECOND CAUSE OF ACTION
INTERFERENCE WITH CONTRACT
(against JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, and Northwest)

199. Plaintiff incorporates by reference paragraphs 2 to 114 above.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

200. Plaintiff and the 2007 HY7 Trust, as the successor in interest to the originally named Lender WMB, are the only contracting parties to the ARM One mortgage contract comprised of a promissory note and deed of trust. (Exhibits F & G)

201. Plaintiff and WaMu Assets and/or a securitization trust (name unknown) as the successor in interest to the originally named Lender WMB, are the only contracting parties to the Home Equity Plus mortgage contract comprised of a promissory note and deed of trust. (Exhibits I & J)

202. The contracting parties entered into valid contracts on or about 10 May 2007.

203. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, and Northwest are non-contracting parties under the two mortgage contracts identified above. No Defendant is a successor in interest to WMB or had previously assented to its control.

204. No Defendant is an agent of the holders of Plaintiff's notes. No Defendant is an agent of the true beneficiaries under the recorded deeds of trust. Neither JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, nor Northwest had assented to the control of the trustee of the 2007 HY7 Trust, WaMu Assets, and/or the trustee of the securitization trust (name unknown) as the successor in interest to the originally named Lender WMB. Plaintiff believes and hereby alleges that SPS, the Wolf Firm, RCO, and Northwest had all agreed to indemnify JP Morgan and CHF-Tx for any and all losses caused by their respective collection activities.

205. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, and Northwest all had knowledge of the existence of the ARM One and Home Equity contracts.

206. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, and Northwest knew that they had no right to change unilaterally the terms of the mortgage contracts, including who is considered a lender under the note; who is considered the beneficiary under the deed of trust;

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

who may obtain and keep payments under the note; or who is entitled to receive the proceeds of a foreclosure sale.

207. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, and Northwest knew that invoking the power of sale clause of the mortgage contract requires strict compliance with the California statutory rules applicable to non-judicial foreclosure, Cal Civ. Code §§2920-2944.10.

208. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO and Northwest knew that Plaintiff's mortgage notes give the note holder the right to accelerate the note upon default and to be reimbursed for costs and expenses in enforcing the promissory note. Similarly, all Defendants knew that Plaintiff's deeds of trust allow the lender-beneficiary to seek compensation for advances paid to protect its interests. No such rights were given by the mortgage contracts to servicers, debt collectors, trustees, attorneys, or other contract interlopers.

209. Defendants JP Morgan, CHF-TX, SPS, the Wolf Firm, RCO, and Northwest devised and participated in the following intentional acts designed to induce a breach and/or disruption of the contractual relationship between Plaintiff and his respective Lender:

JP Morgan and CHF-TX

208. In August 2012 Defendant JP Morgan directed one of its subservicing agents to code Plaintiff's ARM One mortgage as an account in default, accelerate the note, and refer the account to Black Night f/k/a LPS to prepare the account for referral to foreclosure attorneys within the Chase attorney network. Plaintiff alleges that Defendant JP Morgan had no legal, contractual, or other authority to accelerate the ARM One note in August 2012.

209. On or about 10 August 2012 a subservicing agent of Defendant JP Morgan prepared and recorded a bogus assignment of deed of trust in order to fabricate standing to foreclose in the name of Defendant JP Morgan. (Exhibit D) JP Morgan knew that FDIC had nothing to convey,

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

assign, or transfer to the Trustee of the 2007 HY Trust on 10 August 2012. Plaintiff alleges that the assignment is thus void and without legal validity.

210. On 28 November 2012 Black Nights f/k/a/ LPS, at the direction of Defendant JP Morgan, referred the ARM One loan to Defendant the Wolf Firm for servicing, collection, and foreclosure.

211. On 9 July 2013 a subservicing agent of Defendant JP Morgan prepared and recorded a second bogus assignment of deed of trust in order to fabricate Defendant JP Morgan's standing to seek payment under the Home Equity Plus lien. JP Morgan knew that FDIC had nothing to convey, assign, or transfer to JP Morgan on 9 July 2013. (Exhibits A & E)

212. In August 2013 Black Nights f/k/a/ LPS, at the direction of Defendant CHF-Tx, referred the Home Equity loan to Defendant RCO for servicing, collection, and foreclosure.

213. In February 2014 Defendant JP Morgan sent a written response to Plaintiff in which Defendant asserted that the HELOC lien had been extinguished by the senior lien holder SPS. Further, Defendant JP Morgan asserted that it was "currently working with foreclosure counsel [RCO] to obtain the surplus from the first lien" from the alleged $1,345,000 sale of the property to a third party. Plaintiff believes and hereby alleges that SPS was never the 'senior lien holder" and that neither SPS or JP Morgan has any right to obtain funds from the foreclosure sale.

214. On 3 July 2014 Defendant CHF-TX wrote to Plaintiff that his Home Equity Loan "is [a] valid and enforceable financial obligation with Chase." (Exhibit B) In the same correspondence Defendant asserted that the unpaid principal balance on the account was $921,625.80 and the debt accrued interest from "6/20/2014 to 7/3/2014" in the amount of $72,571.35.

215. Defendant JP Morgan reported to IRS a discharge of debt in the amount of $319,784.47 on the Home Equity loan for 2014.

Law Offices of Larry R. Glazer
1875 Century Park East, Suite #700
Century City, California 90067

216. On or about 17 April 2017 JP Morgan or CHF-TX using the name 'Chase MTG' reported to Experian that Plaintiff's Home Equity loan has an unpaid principal balance of $402,060.00 and that "foreclosure proceeding [has] started."

217. Plaintiff believes and hereby alleges that the acts described in paragraphs 214 to 216 were taken in violation of California's anti-deficiency laws.

The Wolf Firm

218. On 18 January 2013 Defendant the Wolf Firm prepared a substitution of trustee form and appointed itself as the substitute trustee under the ARM One deed of trust. Defendant the Wolf Firm knew that JP Morgan was not the attorney-in-fact for the Trustee of the 2007 HY7 Trust and had no authority to act as the beneficiary or its agent. Plaintiff believes and hereby alleges that Defendant the Wolf Firm substituted itself as the trustee under the ARM One deed of trust without legal or contractual authority, as such the recorded substitution of trustee form is void and without legal effect.

219. From 28 November 2012 until 7 November 2013 Defendant the Wolf Firm performed all servicing functions in relation to the ARM One note and loan pursuant to a default services agreement with JP Morgan. At the same time the Wolf Firm masqueraded as the substitute trustee under the ARM One deed of trust.

220. On or about 7 November 2013 the Wolf Firm conducted a foreclosure sale of Plaintiff's property.

221. The Wolf firm accepted a bid from "Strategic" and Peter Baer for $742,496.73 at Trustee sale No. 12-4301-11.

222. On 18 November 2013 Defendant the Wolf Firm recorded a Trustee's Deed Upon Sale for the benefit of Make It Nice LLC, a different entity. (Exhibit H) The amount of the debt, the

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

consideration paid by the grantee, and the transfer tax paid have been truncated and a notice "off record" appears on the face of the recorded deed. (Exhibit H)

223. On 19 November 2013 the Wolf Firm, in response to a request from a surplus fund claimant, asserted that it disbursed $742,496.73 to SPS as the "lien holder"; no disbursement was identified to the Trustee of the 2007 HY7 Trust in whose name the Wolf Firm conducted the non-judicial foreclosure.

224. On 27 August 2014 the Wolf Firm disbursed the surplus of $601,841.33 to 'Chase', as "the junior lien holder", rather than to WaMu Asset/QPSE (name unknown), other section 2924j claimants, or Plaintiff.

225. Plaintiff believes and hereby alleges that the acts described in paragraph 218 to 224 are not permitted under the California statutory scheme and were taken in violation of sections 2920.5(a); 2923.5; 2923.55; 2924(a)(6); 2924.8; 2924.17; 2924a; 2924g; 2924j. 2934a; and 2937.

RCO Legal and Northwest

226. On 23 August 2013 Defendant RCO sent a letter to Plaintiff informing him that their client CHF-TX "has referred" his Home Equity Plus loan for foreclosure and urged Plaintiff to act immediately to seek alternatives to foreclosure.

227. On 16 September 2013 Defendant RCO prepared a substitution of trustee and appointed its alter ego Northwest Trustee Services as the substitute trustee. Defendant RCO knew that neither JP Morgan nor CHF-TX was the attorney-in-fact for WaMu Asset/QPSE (name unknown) and had no authority to act as the beneficiary or its agent. Plaintiff believes and hereby alleges that Defendant RCO substituted Northwest as the trustee under the Home Equity

1 deed of trust without legal or contractual authority, as such the recorded substitution of trustee
2 form is void and without legal effect.
3 228. From August 2013 until the present Defendant RCO has performed all servicing
4 functions in relation to the Home Equity Plus note and loan pursuant to a default services
5 agreement with JP Morgan and/or CHF-Tx. At the same time RCO's affiliate Northwest
6 masqueraded as the substitute trustee under the Home Equity Plus deed of trust.
7 229. From August 2013 to the present Defendant RCO has also acted as attorney-debt
8 collector on behalf of Defendant CHF-TX and/or Defendant JP Morgan.
9
10 230. On 27 September 2013 Northwest recorded a Notice of Default.
11 231. On 27 September 2013 Northwest sent Plaintiff a notice under the Fair Debt Collection
12 Practices Act and falsely stated that a debt in the amount of $970,749.11 was owed to the
13 creditor, JP Morgan.
14 232. On 13 February 2014 Northwest recorded a Rescission of Notice of Default and Election
15 to Sale.
16 233. After 8 March 2015 but before 17 April 2017 RCO and/or Northwest, at the direction of
17 Chase, appear to have "started a foreclosure" under the Home Equity deed of trust against Mr.
18 Manos. (Exhibit C)
19
20 234. Plaintiff believes and hereby alleges that the acts described in paragraph 226 to 233 are
21 not permitted under the California statutory scheme and were taken in violation of sections
22 2920.5(a); 2923.5; 2923.55; 2924(a)(6); 2924.8; 2924.17; 2924a; 2924g; 2924j. 2934a; and
23 2937.
24 **Select Portfolio Servicing (SPS)**
25

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

235. On 19 November 2013 SPS received $740,159.00 for the collateral sold during the 7 November 2013 foreclosure sale. Plaintiff believes and hereby alleges that SPS did not remit said amount to either the Trustee of the 2007 HY7 Trust or the investors.

236. Plaintiff believes and hereby alleges that SPS had no contractual or other authority to receive any proceeds from the foreclosure sale or to act as a lien holder under the ARM One note and deed of trust.

237. The acts of the named defendants identified in paragraphs 208 to 236 caused an actual disruption of the contractual relationship between Plaintiff and his Lenders as follows:

A. Defendants JP Morgan and the Wolf Firm wrongfully foreclosed on Plaintiff's property without authority and in violation of the provisions of the deeds of trust in violation of sections 2920.5(a); 2923.5; 2923.55; 2924(a)(6); 2924.8; 2924.17; 2924a; 2924g; 2924j. 2934a; and 2937.

B. Defendant the Wolf Firm conducted a collusive foreclosure whereby it issued a truncated deed upon sale to an entity different than the winning bidder of the 7 November 2013 auction.

C. Defendant SPS -- not the lien holder, the 2007 HY7 Trust -- received the proceeds of the 7 November 2013 foreclosure sale and retained the from the proceeds the amounts identified in paragraphs 148-52 above to which it was not entitled.

D. Defendant the Wolf Firm received and retained the proceeds identified in paragraphs 154-55 to which it was not entitled as well as other consideration from Make It Nice LLC.

E. Defendants JP Morgan and/or CHF-TX -- not the junior lien holder, WaMu Asset or securitization trust (name unknown) -- received and retained at least $601,841.33.

Law Offices of Larry R. Glazer
1875 Century Park East, Suite #700
Century City, California 90067

F. Defendant JP Morgan received in excess of $200,000 from the proceeds of the 7 November 2013 foreclosure sale to satisfy the senior lien on Plaintiff's property which Defendant JP Morgan released on 20 August 2013, 45 days before the foreclosure sale.

G. Defendants JP Morgan, CHF-TX, and RCO continue to collect on the Home Equity Plus mortgage and claim that the balance of at least $402,060.00 remains unpaid and accruing interest. (Exhibits B &C)

H. On or about 3 April 2017 Defendants JP Morgan, CHF-TX, and/or RCO reported to credit bureaus and other financial institutions that "foreclosure" had started under the Home Equity Plus mortgage despite the fact that said lien had been extinguished; Northwest recorded a notice of rescission of the 2013 Notice of default; and the collateral to said mortgage had been sold on or about 7 November 2013.

238. By the acts identified above Defendants frustrated the contractual relationship between Plaintiff and the lien holders of the two mortgages. Because of Defendants' actions Plaintiff lost his house with a market value of over $2,500,000.00 to foreclosure and each true lien holder lost the collateral and its secured lien. Neither Plaintiff nor the true lien holders received the proceeds of the foreclosure sale. After Defendants sold his property and pocketed $1,345,000.00 Plaintiff still remains in debt to the holder of the Home Equity Plus loan in excess of $721,844.47 with interest accruing.

239. Plaintiff was damaged by Defendants' willful and wrongful interference with the mortgage contracts.

THIRD CAUSE OF ACTION

VIOLATION OF THE ROSENTHAL FAIR DEBT COLLECTION PRACTICES ACT (CAL. CIV. CODE § 1788, ET SEQ.)

(Against Northwest, RCO Legal, JP Morgan, and CHF-Tx)

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 240. Plaintiff incorporates by reference paragraphs 2 to 214 above.
2 241. Defendants Northwest, RCO Legal, JP Morgan, and CHF-Tx are "debt collectors"
3 within the meaning of California Civil Code § 1788.2(c) because they regularly engage in debt
4 collection as described in paragraphs 5-10, 4-65, 97-103, 108, 111-14 above.
5 242. At all times relevant to this complaint Plaintiff's Home Equity Loan, the 2004 senior
6 loan, and the monies allegedly owed by Plaintiff were "debts" within the meaning of California
7 Civil Code § 1788.2(d).
8 243. California's Rosenthal Fair Debt Collection Practices Act ("Rosenthal Act") incorporates
9 by reference and requires compliance with the provisions of the federal Fair Debt Collection
10 Practices Act, 15 U.S.C. § 1692, et seq. Cal. Civil Code § 1788.17.
11 244. Defendants attempted to and collected debts from Plaintiff and similarly situated
12 individuals in violation of the Rosenthal Act as follows:
13
14 A. On 27 September 2013 Northwest sent Plaintiff a notice under the Fair Debt Collection
15 Practices Act and falsely stated that a debt in the amount of $970,749.11 was owed to the
16 creditor, JP Morgan. Northwest made the representations with full knowledge that JP Morgan
17 was neither the lender, the note holder, or the creditor under the Home Equity Loan.
18 B. In February 2014 Defendant JP Morgan or one of its vendors sent a written response to
19 Plaintiff in which Defendant asserted that the HELOC lien had been extinguished by the senior
20 lien holder SPS. Further, Defendant JP Morgan asserted that it was "currently working with
21 foreclosure counsel [RCO] to obtain the surplus from the first lien" from the alleged $1,345,000
22 sale of the property to a third party. Plaintiff believes and hereby alleges that SPS was never the
23 'senior lien holder" and that neither SPS or JP Morgan has any right to obtain funds from the
24 foreclosure sale.
25

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

C. On 3 July 2014 Defendant CHF-TX or one of its vendors wrote to Plaintiff that his Home Equity Loan "is [a] valid and enforceable financial obligation with Chase." (Exhibit B) In the same correspondence Defendant asserted that the unpaid principal balance on the account was $921,625.80 and the debt accrued interest from "6/20/2014 to 7/3/2014" in the amount of $72,571.35. Defendants knew that these representations were false: neither JP Morgan or CHF-TX was ever a creditor of Plaintiff; Plaintiff did not owe $921,625.80 to Chase, and neither Defendant was entitled to assess, collect, or obtain $72,571.35 in interest that had allegedly accrued in 13 days. These false representations were made in an attempt to force Plaintiff to remit monies towards the debt associated with the Home Equity loan and the released 2004 senior lien and/or to relinquish his claims to the surplus of the illegal 2013 foreclosure even though there was no debt owed under California law.

D. In violation of the California anti-deficiency statute RCO and/or Northwest obtained for JP Morgan directly from the proceeds of the foreclosure sale $200,000.00 as a payment under the 10 November 2004 senior lien which JP Morgan had released 45 days prior to the 7 November 2013 foreclosure sale.

E. In late August 2014 JP Morgan and/or CHF-Tx, thorough RCO and/or Northwest, also received from the proceeds of the foreclosure sale and actually retained $601,841.33 as a disbursement under the Home Equity junior lien. JP Morgan, however, is not the "Junior Lien Holder" and thus has no right to receive and retain that payment.

F. In 2015 Defendant JP Morgan reported to IRS a discharge of debt in the amount of $319,784.47 on the Home Equity loan for 2014. Plaintiff believes and hereby alleges that JP Morgan has directed RCO Legal to collect and/or attempt to collect the alleged "discharged" debt from Plaintiff.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

G. On or about 17 April 2017 RCO, JP Morgan, or CHF-TX using the name 'Chase MTG' reported to Experian that Plaintiff's Home Equity loan has an unpaid principal balance of $402,060.00 and that "foreclosure proceeding [has] started." Each Defendant knew that the information was false but made no effort to correct and/or update it.

H. After 8 March 2015 but before 17 April 2017 RCO and/or Northwest, at the direction of Chase, appear to have "started a foreclosure" under the Home Equity deed of trust against Mr. Manos in violation of California law. (Exhibit C)

245. As described above, Defendants JP Morgan, CHF-Tx, Northwest, and RCO Legal have violated California anti-deficiency laws and the Rosenthal Act by: (a) making false representations concerning the character, amount, or legal status of any debt in misrepresenting the identity of the creditor, the amount of the debts, and by asserting that the alleged debt were owed by Plaintiff even after foreclosure, 15 U.S.C. § 1692e(2), CCP §1788.13(a), (e),(i),(j),(l); §1788.14(b); (b) making false representations or using deceptive means to collect or attempt to collect on any debt, 15 U.S.C. § 1692e(10),CCP §1788.13(a), (e),(i),(j),(l); §1788.14(b); (c) using unfair or unconscionable means to collect or attempt to collect ay debt, including collecting amounts which were not expressly authorized by the agreement creating the debt or permitted by law, 15 U.S.C. § 1692f(1),CCP §1788.13(a), (e),(i),(j),(l); §1788.14(b); (d) threatening to take a non-judicial action in the form of self-remedy against Plaintiff which is prohibited by law, CCP §1788.10(f).

246. Pursuant to California Civil Code § 1788.30 and 1788.17, Plaintiff is entitled to recover actual damages sustained as a result of Defendants' violations of the Rosenthal Act.

247. Such damages include, without limitation, monetary losses and damages, out-of pocket expenses, mental anguish, and the loss of equity in the property lost during the unlawful 2013

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

foreclosure, which damages are in an amount to be proven at trial. In addition, pursuant to California Civil Code § 1788.30 and 1788.17, because Defendants' violation of the Rosenthal Act were committed willingly and knowingly, Plaintiff is entitled to recover penalties of at least $1,000 per violation as provided for in the Rosenthal Act. Plaintiff is also entitled to an award of attorneys' fees and costs pursuant to California Civil Code § 1780.30.

FOURTH CAUSE OF ACTION

VIOLATION OF THE FAIR DEBT COLLECTION PRACTICES ACT,
15 U.S.C. § 1692, ET SEQ.
(against Northwest, RCO, JP Morgan, and CHF-Tx)

248. Plaintiff incorporates by reference and re-alleges each and every allegation contained in paragraphs 240 to 247, as fully set forth herein.

249. Neither Northwest, RCO, JP Morgan, or CHF-Tx ever owned the debt underlying the Manos Home Equity loan.

250. Northwest, RCO, JP Morgan, and CHF-Tx are each a debt collector under the section 15 U.S.C. § 1692a. The principal purpose of Northwest, RCO, and CHF-Tx's respective business is the collection of debts owed or alleged to be owed others and the enforcement of security interests. Northwest, RCO, JP Morgan, and CHF-Tx also regularly use the mails and other instrumentalities of interstate commerce in their respective business as described above and to regularly collect debts owed and due, or asserted to be owed or due, another. In each of the four years immediately preceding the initial filing of this Complaint Northwest, RCO, JP Morgan, and CHF-Tx has each initiated at least 175 foreclosures in the state of California and each has attempted to collect on at least 500 accounts owed another.

251. In seeking to collect debts in violation of the California foreclosure and anti-deficiency laws and after a foreclosure sale Defendants violated the federal Fair Debt Collection Practices

Act ("FDCPA"), 15 U.S.C. § 1692e, which prohibits debt collectors from using any false, deceptive, or misleading representation or means in connection with the collection of any debt.

252. In seeking to collect debts in violation of the California foreclosure and anti-deficiency laws and after a foreclosure sale Defendants violated 15 U.S.C. § 1692e(2)(A) by misrepresenting the character, amount or legal status of deficiency balances that are not in fact legally owed by Plaintiff and other similarly situated individuals.

253. In seeking to collect debts in violation of the California foreclosure and anti-deficiency laws and after a foreclosure sale Defendants violated 15 U.S.C. § 1692e(10) by using false representations or deceptive means to collect or attempt to collect from Plaintiff and other similarly situated individuals debts purportedly owed under the mortgage agreements.

254. In seeking to collect debts in violation of the California foreclosure and anti-deficiency laws and after a foreclosure sale Defendants violated 15 U.S.C. § 1692f's prohibition of using unfair or unconscionable means to collect or attempt to collect any debt by collecting monies that were not expressly authorized by the mortgage agreement or permitted by law. *See* 15 U.S.C. § 1692f(1).

255. Defendants also violated 15 U.S.C. § 1692f(6) by threatening, initiating, and reporting to credit reporting agencies up and until April 2017 that foreclosure proceedings on the Home Equity deed of trust have been "started."

256. As a result of Defendants' violations of 15 U.S.C. § 1692, et seq., Plaintiff is entitled pursuant to 15 U.S.C. § 1692k to actual damages, statutory damages, and the costs of the action, together with attorney's fees.

FIFTH CAUSE OF ACTION
Individual and Representative Claims

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

Violation of California Business & Professions Code §17200*, et seq.*,
(against Defendants JP Morgan, CHF-TX, RCO, and Northwest)

257. Plaintiff incorporates by reference all foregoing paragraphs.

258. Plaintiff brings this action pursuant to Business and Professions Code Sections 17200, *et seq*.

259. California's Unfair Competition Law prohibits all unfair competition, which is defined as "any unlawful, unfair or fraudulent business act or practice."

260. Plaintiff has standing to bring this claim as he is a direct victim of Defendants' illegal, unfair, and fraudulent business practices engaged in solely for their financial benefit from August 2013 to the present.

261. Each Defendant is a "person" as defined under Business and Professions Code §17201. Each of the directors, officers, and/or agents of the named Defendants is equally responsible for the acts of the other directors, officers, employees and/or agents as set forth in the Business and Professions Code §17095.

262. Pursuant to §17203, Plaintiff brings this action in his own interest, in the interests of other borrowers injured by Defendants' prohibited acts and practices, and in the interest of the general public. Plaintiff believes and hereby alleges that Defendants' actions, practices, and omissions are unlawful, deceptive, and constitute unfair business practices under California Business and Professions Code Section 17200 et seq.

Count One: Assessment and Collection of Illegal Default-Related Fees
(against RCO and Northwest)

263. Foreclosure law firms such as the Wolf Firm and RCO agree to collect debts in default and to conduct foreclosures for their servicer clients for a maximum allowable fee and to seek reimbursement only for actual, necessary, and reasonable (i.e., market rate) costs from the

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

servicer, borrower, and investor. This maximum allowable fee is intended to compensate the law firm for all legal work required to complete a routine non-judicial foreclosure, including document preparation and review, title review, coordinating postings and filings, foreclosure sale, and overhead. These agreements distinguish between the maximum allowable fee for work performed on foreclosures and the costs incurred by the law firm in processing a foreclosure. The agreements and investor requirements mandate that costs incurred by the law firms and trustees and passed along to the servicer/investor be reasonable, actually incurred, and necessary to complete the foreclosure.

264. In order to circumvent the maximum allowable fees the Wolf Firm, RCO, and other such specialty law firms act both as legal counsel and substitute trustee (in their own name or through a law firm affiliate such as Northwest) in order to inflate foreclosure costs beyond allowable legal fees. Further, these Defendants create and use affiliated companies that they own or control to generate invoices with inflated costs for foreclosure services such as postings, title products, trustee guarantees, and trustee fees that were already compensated by the maximum allowable legal fee received.

265. In the course and conduct of their loan servicing and collection Defendants RCO and Northwest, in numerous instances, assessed and collected default-related fees that they were not legally authorized to assess and collect pursuant to the mortgage contracts and applicable law, including but not limited to post-acceleration late fees, unearned 'corporate advances' and default-related charges, and "accrued interest" not permitted under the mortgage contracts.

266. In communications sent to borrowers in connection with the collection of debts owed another Defendants failed to disclose adequately when and how fees, default-related charges, escrow deficiencies and shortages, and legal fees accrued or were added to their loans. For

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 example, on 27 September 2013 Northwest sent Plaintiff a notice under the Fair Debt Collection
2 Practices Act and falsely stated that a debt in the amount of $970,749.11 was owed to the
3 creditor, JP Morgan. At the time Northwest made these representations Defendant knew that JP
4 Morgan was not and has never been the creditor under the Manos Home Equity Loan.
5 Northwest also knew that the amount of the debt had been inflated by $38,704.00.
6 267. In numerous instances Mr. Manos and other similarly situated borrowers were not
7 obligated to pay the amounts specified in Defendants' communications for default-related
8 services. Defendants included in the amounts fees marked up beyond the actual cost of the
9 services and/or fees attributable to the performance of unnecessary or unreasonable services in
10 violation of the mortgage contracts and applicable state and federal laws.
11
12 268. In numerous instances Defendants failed to disclose adequately to borrowers the identity
13 of the creditors to whom the debts were owed and the actual relationship between the creditor,
14 the servicer, the default service providers, and the substitute trustees. For example, RCO and
15 Northwest have used and continue to use bogus assignments of deeds of trust in order to collect
16 debts due others without disclosing the true identity of the creditor and beneficiary under the
17 deeds of trust.
18
19 269. Defendants' actions have caused and will likely continue to cause substantial injury to
20 consumers. These injuries cannot be reasonably avoided and are not outweighed by
21 countervailing benefits to consumers or competition.
22 270. Defendants' acts, practices, and representations as set forth in paragraphs 263 to 267 are
23 false or misleading and constitute unfair and deceptive acts or practices in violation of 15 U.S.C.
24 §§ 45(a) & (n), 1692e(2) and (10),1692f(1) and (5) and Cal Civ. Code §§1788, et seq, 2924d,
25 2924e, 2924j, 2934a and 2937.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

Count II: Collusive and Wrongful Foreclosures
(against Northwest and RCO Legal)

271. In numerous instances Defendants manipulated, distorted, and abused the statutory non-judicial foreclosure procedures enacted by the California Legislature.

272. Plaintiff has standing to challenge the methods and means by which the 13 November 2013 non-judicial foreclosure was conducted pursuant to *Yvanova:* "We conclude a home loan borrower has standing to claim a nonjudicial foreclosure was wrongful because an assignment by which the foreclosing party purportedly took a beneficial interest in the deed of trust was not merely voidable but void, depriving the foreclosing party of any legitimate authority to order a trustee's sale." (*Yvanova, supra*,. at pp. 942-943.)

273. In connection with foreclosure filings RCO routinely rushed to initiate non-judicial foreclosures without properly investigating and verifying the delinquency status of the loan and the authority of the entity they named as the beneficiary under the deed of trust to initiate the foreclosure.

274. RCO, Northwest, and other such vendors conduct non-judicial foreclosure proceedings and record statutorily mandated documents in which they falsely claim that JP Morgan or CHF-TX was the owner of the beneficial interest under the deed of trust, when in fact JP Morgan had no ownership rights in the note and deed of trust and was not an agent of the beneficiary under the deed of trust: JP Morgan was simply a debt collector attempting to collect a debt owed or due another. In so doing Defendants intentionally concealed material facts from borrowers and the public in an effort to obtain quick foreclosure sales and reap financial benefits through "corporate advances" added to the principal owed by the borrower.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

275. In numerous instances Defendants concealed the fact that no valid agency relationship existed between Defendant JP Morgan and FDIC as receiver for WMB. In numerous instances Defendants concealed that no valid agency relationship existed between FDIC and individuals such as LeShonda Anderson, who signed as assistant secretary or vice president of CHF-TX, Chase Bank, JP Morgan Chase, and other lenders and servicers. Plaintiff believes and hereby alleges that those titles were given by lenders and servicers for the sole purpose of allowing such individuals to sign documents needed to collect debts due and owed another and came with no other duties or authority.

276. From August 2013 to the present Defendant RCO has acted as an independent contractor debt-collector attorney for the purported servicer of the Manos Home Equity loan, CHF-TX. In such capacity and pursuant to its contractual obligation with Chase RCO is responsible for and actually performs all servicing functions for the loan from the date of referral until the final resolution of the delinquency.

277. Northwest, an alter ego of RCO, acted as the substitute trustee for the Manos Home Equity Loan.

278. At all times relevant to this complaint Defendants RCO and Northwest knew or should have known that FDIC and JP Morgan have no means to determine which, if any, mortgages and mortgage servicing rights were owned by WMB, and as such Defendants have no means to confirm and establish an unbroken chain of title to such mortgages and mortgage servicing rights.

279. Specifically as it relates to Plaintiff's Home Equity mortgage, Defendants used the 9 July 2013 assignment executed by LeShonda Anderson, purporting to be a Vice President of JP

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

Morgan, to initiate a foreclosure on Plaintiff's Home Equity loan on 27 September 2013. (Exhibit E)

280. The 9 July 2013 assignment purports to sell, convey, assign, and transfer on behalf of FDIC, as the Receiver for WMB, the deed of trust together with all "rights, title, and interest secured thereby, all liens, and any rights due or to become due" under the Manos Home Equity Plus loan and note to Defendant JP Morgan.

281. At the time the assertions were made in the 9 July 2013 recorded assignment JP Morgan, RCO, and LeShonda Anderson all knew that WaMu Asset or QSPE Trust (name unknown) was the owner and holder of the Manos Home Equity note and mortgage since at least 30 May 2007.

282. Defendants did not complete the foreclosure they initiated because the 7 November 2013 foreclosure sale conducted by the Wolf Firm extinguished by operation of law the Home Equity Plus lien.

283. Defendant RCO used and relied on the 9 July 2013 recorded assignment to obtain $601,841.33 on behalf of their Clients CHF-TX and JP Morgan from the proceeds of the 7 November 2013 sale.

284. Defendant RCO also obtained in excess of $200,000 for the benefit of JP Morgan under the senior 2004 lien on Plaintiff's property which JP Morgan deliberately released 45 days prior to the 7 November 2013 sale.

285. At some point after 8 March 2015 but before 3 April 2017 RCO started a new foreclosure on the already extinguished Home Equity lien. Chase reported the "pending" foreclosure to the credit bureaus using information inputted into Chase mortgage servicing systems by RCO. (Exhibit C) The information reported is false or inaccurate.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

286. At the time RCO reported and inputted the inaccurate information into the Chase mortgage servicing system RCO knew that Chase would use the information to report credit information to consumer reporting agencies and the IRS. Similarly, in numerous instances, RCO failed to correct information that it knew was furnished to consumer reporting agencies once it determined that the information furnished was not complete or accurate.

287. The use of such bogus assignments by RCO and Northwest to foreclose on Plaintiff's property and collect the deficiency is illegal, fraudulent, and deceptive: the California Supreme Court admonished that California law allows "only the 'true owner' or 'beneficial holder' of a Deed of Trust [to] bring to completion a nonjudicial foreclosure under California law." *See Yvanova* , 62 Cal.4th at 919.

288. Plaintiff alleges that the acts and omissions attributed to Defendants in the preceding paragraphs are part of an uniform pattern and practice that has been applied to thousands of California mortgagors in the past and will continue unless enjoined by this court.

289. Defendants' actions caused, and are likely to cause, substantial injury to consumers. The injury to consumers cannot be reasonably avoided and is not outweighed by countervailing benefits to consumers or competition.

290. Defendants' practices as described in paragraphs 271-289 constitute unfair acts or practices in violation of 15 U.S.C. §§45(a) and 45(n), 1681s-2(a)(1)(A) and (a)(2), 1692e(2) and (10), 1692f(1) and (5), and Cal Civ. Code §§1788 et seq, 2923.55, 2924(a)(6), 2924.17, 2934q, and 2937.

Count III: Collecting deficiencies on foreclosed junior liens and previously released liens
(against Northwest, RCO Legal, JP Morgan, and CHF-Tx)

291. In numerous instances Defendants manipulated, distorted, and abused the statutory foreclosure and anti-deficiency laws enacted by the California Legislature. (Exhibit K)

289. On behalf of JP Morgan and CHF-Tx RCO and other foreclosure firms routinely collect or attempt to collect "remaining balances" on junior liens that have been extinguished by foreclosures, on senior liens that had previously been released, and on debts that had been reported as "discharged" to the IRS.

290. Further, RCO reports and updates its clients' loan servicing systems to show inaccurate and/or misleading information such as the balance owed, the status of foreclosures, and the fees accrued with full knowledge that its clients, including but not limited to CHF-TX and JP Morgan, would use the information in reports to the IRS, credit bureaus, and other financial institutions.

291. Specifically as related to Plaintiff's claims, when RCO undertook to represent JP Morgan RCO knew that JP Morgan was the lien holder under the 2004 senior deed of trust no. 000002918115 for a loan with a face amount of $250,000.00; the purported servicer of the junior ARM One deed of trust in the amount of $650,000.00; and the purported lien holder of the Home Equity Plus deed of trust for a loan with the face amount of $1,000.000.00.

292. On 27 September 2013 Northwest sent to Plaintiff a notice under the Fair Debt Collection Practices Act and falsely stated that a debt in the amount of $970,749.11 was owed to the creditor, JP Morgan.

293. At all times relevant to this complaint RCO knew that JP Morgan had asserted complete and sole control over all loans and mortgages of Plaintiff. RCO also knew that JP Morgan alone decided on which lien to foreclose, when, and how.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

294. RCO also knew that even after JP Morgan "transferred" on paper the servicing rights over the junior lien to SPS, JP Morgan was still the single creditor of record under the 2004 senior lien and the purported beneficiary under the super junior Home Equity lien. To fix what it conceived to be the 'sold-out junior' problem and to circumvent the mandate of the one-action rule and section 580d RCO and JP Morgan "released" the senior 2004 lien and allowed the Wolf Firm to foreclose under the $650,000 lien.

295. Eight months after the 2013 foreclosure sale, on 3 July 2014 Chase responded to a Plaintiff's notice of disputed debt and "validated" that Plaintiff was indebted to "Chase" in the amount of $1,001,774.31. (Exhibit B)

296. Thereafter RCO obtained and caused JP Morgan to receive in excess of $200,000.00 on the released 2004 senior loan. RCO also obtained and caused JP Morgan to receive $601,841.33 under the Home Equity Plus junior loan, leaving approximately $199,932.98 due on said loan even under Chase's own grossly inflated calculations.

297. Both the Chase defendants and RCO knew or should have known that on 8 September 2014 Chase reported on Form 1099-C $319,784.47 as the amount of debt discharged on the Home Equity Loan. RCO knew or should have known that from 5 September 2014 until at least 8 March 2015 Chase continued to report that the Home Equity Loan had been charged off and that a balance of $402,060 remained. These two balances, in the amount of $721,844.47 had in fact been referred to RCO for collection in violation of the California anti-deficiency laws. (Exhibit K)

298. Both the Chase defendants and RCO knew or should have known that as of 3 April 2017 Chase reported to the Experian Credit Bureau that there is a principal balance of $402,060.00 on

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

Plaintiff's Home Equity loan, that "foreclosure proceeding [has] started", and that the 2004 senior loan was "legally paid in full for less than the full balance…"

299. To date Plaintiff has not been served with a judicial foreclosure complaint. Plaintiff believes and hereby alleges that judicial foreclosure cannot be initiated under the circumstances of this case as a matter of law.

300. Plaintiff alleges that Chase and RCO's pattern and practice of attempts to collect deficiencies in violation of section 580d has harmed at least 23,376 borrowers since July 2011. (Exhibit K)

301. Plaintiff believes and hereby alleges that Defendant JP Morgan has now referred the HELOC, with an proximate principal balance of $402,060.00 and the IRS discharged amount, for collection and recovery by RCO in his capacity as a debt collector. (Exhibit K)

302. Defendants' debt collections efforts will continue unless enjoined by this Court.

303. Plaintiff has repeatedly disputed the debt.

304. Plaintiff believes and hereby alleges that Defendants' conduct and business practices are unfair: (1) they are deceptive; (2) they expose borrowers in default to substantial additional financial burdens through means that are unethical, oppressive, unscrupulous, and/or substantially injurious to consumers; and (3) they interfere with the recordation statutes and create uncertainty regarding the validity of property titles. The harm caused to the victims outweighs any benefit that the conduct may have to Defendants. There were reasonably available alternatives to further Defendants' legitimate business interests, other than the conduct described herein.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

305. Plaintiff believes and hereby alleges that Defendants' conduct and business practices are also fraudulent because members of the public are likely to be deceived by the conduct as described in paragraphs 40 to 65, 97 to 103, 108, 111-14, 261-304.

306. Defendants knew that monthly mortgage statements, reinstatement quotes, debt validation notices, and payoff demands contained inflated, impermissible, and/or unearned fees and expenses. Defendants knew that statements made in recorded assignments of deeds of trust were false and/or misleading but used them with frequency and impunity.

307. Defendants devised the schemes described in paragraphs 40 to 65, 97 to 103, 108, 111-14, 261-304 to avoid the application of consumer protection laws and repeatedly violated 15 U.S.C. 1692b, 1692d(5) and (6), 1692e(2), (4), (8), (10), and (12), 1692f, and 1692g, 18 U.S.C. 1341, 1343, and California Civil Code sections 1788 et seq., 2932.5 and 2936.

308. Plaintiff and other similarly situated borrowers suffered an injury in fact and pecuniary losses in the form of depleted escrow accounts and additional debts generated by inflated, unreasonable, and/or unconscionable fees and charges. Further, Defendants deprived borrowers of their intangible rights to honest and fair services and informational rights; rendered title to property unmarketable; and wrongfully extinguished, diminished, or infringed on property and pecuniary rights. Plaintiff timely opted out of the *Terry v JP Morgan* settlement and hereby exercises his rights to add the *Terry* opt out claim as supplemental claims to this action.

309. Defendants' unlawful, unfair, and deceptive acts and practices occurred repeatedly and were capable of deceiving and have in fact deceived a substantial segment of the public.

310. As a direct and proximate result of Defendants' unfair, unlawful, and deceptive practices Plaintiff and the public suffered and will continue to suffer actual damages and financial losses.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

311. Defendants have been unjustly enriched and must make restitution pursuant to sections 17203 and 17204 of the Act.

312. Plaintiff reserves the right to allege further conduct which constitutes other fraudulent, unlawful or unfair business acts or practices. Such conduct is ongoing and continues to this date.

SIXTH CAUSE OF ACTION
DECLARATORY JUDGMENT ACT
(against all Defendants)

313. Plaintiff incorporates by reference all foregoing paragraphs.

314. An actual controversy exists between Plaintiff and each of the named Defendants.

315. Plaintiff believes and hereby alleges that Defendants foisted on borrowers unconscionable terms in the promissory notes and deeds of trust, breached the mortgage contracts, sought to collect debts in violation of the FDCPA, and schemed to contravene California's statutory non-judicial foreclosure and anti-deficiency laws and procedures.

316. Absent a declaration of rights and obligations Plaintiff and the public will continue to suffer irreparable injuries. (Exhibit K)

317. Plaintiff, on behalf of himself and similarly situated California homeowners, seeks a judicial declaration determining as follows:

Against JP Morgan and CHF-TX

A. Declaration that having released its senior lien recorded under instrument no. 2918115 prior to the 7 November 2013 foreclosure sale, JP Morgan is not entitled to receive and must return all amounts received from the proceeds of said sale to satisfy loan no. ****0382.

B. Declaration that JP Morgan is not the creditor under the Home Equity Plus Loan and as such cannot receive for its own benefit and account and must return the amount of

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

$601,841.33 it received from the Wolf Firm on or about 27 August 2014. The amount was wrongfully distributed from the proceeds of the 7 November 2013 foreclosure sale to JP Morgan as the purported "junior lien holder".

C. Declaration that JP Morgan and/or CHF-TX cannot seek a deficiency judgment against Plaintiff in the amount of $402,060.00 plus interest accrued on the Home Equity Plus loan because those Defendants are not "sold-out junior lien holders".

D. Declaration that JP Morgan and/or CHF-TX cannot initiate and pursue judicial or non-judicial foreclosure against Plaintiff unless title to the property located at 5630 Foothill Drive, Agoura Hills, CA 91301 has been restored to Plaintiff by a court order or otherwise.

E. The Court must enjoin Defendants JP Morgan and CHF-TX from collecting post-acceleration late charges; pyramiding late charges; collecting estimated amounts without disclosing that they are estimates and/or calculation methods used; collecting fees for services that were unnecessary or never performed; and from seeking deficiency judgments in violation of section 580d.

Against SPS

A. Declaration that SPS is neither the creditor under the ARM One Loan nor the lien holder under the corresponding deed of trust and, as such, cannot receive for its own benefit and account and must return the sum of $740,159.00 received from the Wolf Firm on or about 19 November 2014. The amount was wrongfully distributed from the proceeds of the 7 November 2013 foreclosure sale to SPS as the purported "senior lien holder".

B. Declaration that SPS must account for and disclose the true amount of the debt owed by Plaintiff to the Trustee of the 2007 HY7 Trust on 7 November 2013. SPS must also

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

disclose all fees, charges, and expenses assessed as new debt against Plaintiff, and return any amounts SPS retained for unearned or illegal fees, charges, and expenses.

C. Declaration that $740,159.00 be paid to the Trustee of the 2007 HY7 Trust to satisfy the true debt owed, with the remainder paid to either the true junior lien holder or returned to Plaintiff as a surplus.

D. The Court must enjoin Defendant SPS from collecting post-acceleration late charges; pyramiding late charges; collecting estimated amounts without disclosing that they are estimates and/or calculation methods used; collecting fees for services that were unnecessary or never performed; and from retaining proceeds from foreclosure sales to which it is not entitled.

Against WaMu Asset

A. Declaration that WaMu Asset, not JP Morgan, is the creditor, lien holder, and beneficiary under the Home Equity Mortgage contract.

B. Enjoin WaMu Asset from pursuing a deficiency judgment or foreclosure against Plaintiff.

318. Plaintiff believes and hereby alleges that, as a matter of practice, Defendants the Wolf Firm, RCO, Northwest and others charge the maximum fees allowed by Civil Code sections 2924c and 2924d for their trustee services, double dip by charging the maximum fees for legal services, then reap further profits by classifying services performed by affiliated or captive vendors as costs, thereby subverting the maximum fees imposed by law. To the extent that these fee arrangements involve kickbacks and rebates for the referral of business these agreements are illegal even if the total fee charged is below the statutory maximum. (§ 2924d(c).) Any fee which is not a charge for work performed is per se illegal.

319. The statute protects borrowers from being forced to pay consideration for the referral of business disguised in the form of a trustee or legal fee because such fee arrangements contravene public policy.

320. Plaintiff, even if in default, has the right to have the property securing any valid unpaid debt to be sold in accordance with the mortgage contract and applicable law at a public sale. Nothing in either the mortgage contract or the California statutory scheme permits the Wolf Firm to change the final bid, to substitute a different entity as a grantee, or to record a deed upon sale which places the material terms of the foreclosure sale "off record" in order to conceal illegalities and/or irregularities in the foreclosure sale.

321. The Wolf Firm has a contractual, statutory, and common law duty to disburse excess funds from a foreclosure sale only to a person having a lawful claim to such proceeds. Further, under section 2924j, Defendant has an obligation to process the surplus in the time frame prescribed. No interpleader action has been filed and the funds have not been disbursed to the actual secured creditors or to the Plaintiff.

322. Plaintiff seeks a declaration of rights against the Defendant the Wolf Firm and *in rem* as follows:

A. Declaration that the 13 November 2013 Trustee Deed Upon Sale recorded on or about 18 November 2013 in favor of Make It Nice LLC is void.

B. Declaration that the foreclosure sale conducted on or about 7 November 2013 is wrongful and not in compliance with California law and therefore rescind and cancel the recorded Trustee Deed Upon Sale.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

C. Declaration that the Wolf Firm, RCO, and Northwest must account for and return all sums and other consideration received in violation of Cal Civ. Code §2924d(c) and in excess of the amounts stated in Cal Civ. Code §§2924c(d), 2924d(a) & (b).

D. The Court must enjoin the Wolf Firm and RCO from servicing loans in default while at the same time pretending to be the trustee under the deed of trust; collecting post-acceleration late charges; collecting estimated amounts without disclosing that they are estimates and/or calculation methods used; collecting fees for services that were unnecessary or never performed; seeking deficiency judgments in violation of section 580d; recording trustee deeds upon sale in which the Defendant truncates material terms and deprives borrowers and the public from obtaining information about foreclosure auctions.

Section 2924.12 Request for Declaratory and Injunctive Relief against all Defendants

323. In addition to the request for Declaration of Rights stated above Plaintiff hereby requests that the Court issue declaratory and injunctive relief provided for in Section 2924.12.

324. Plaintiff notified the Wolf Firm, SPS, JP Morgan, and Northwest that these Defendants had engaged in a material violation of section 2924.17 and 2923.55 and have refused to provide Plaintiff with (1) the intervening assignments of his deeds of trust and (2) a copy of the full payment history.

325. Defendants knew that the recorded assignments of deed of trust and the substitution of trustee documents were not accurate or complete.

326. Defendant JP Morgan recorded the assignments of mortgage without reviewing competent and reliable evidence to substantiate that JP Morgan had the right to foreclose.

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

327. Defendants the Wolf Firm and Northwest recorded the substitutions of trustee, the notices of default, and the notices of sale without reviewing competent and reliable evidence to substantiate that JP Morgan had the right to foreclose.

328. As a result of Defendants' violations Plaintiff suffered economic damages, including but not limited to the loss of his home to a wrongful and collusive foreclosure and the loss of the equity in his home while continuing to be liable to the true creditors for the now unsecured debts. Further, as a result of Defendants' actions, Plaintiff's credit worthiness was destroyed and will continue to be damaged as a result of Defendants' erroneous reporting of financial information in violation of the Fair Credit Reporting Act. Said reporting violations continue to this day. (Exhibit C)

329. The Court should find that the material violations were intentional, reckless, and repeated. Said violations resulted from the willful misconduct of SPS, JP Morgan, Northwest and the Wolf Firm as described in this Complaint.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, on behalf of himself and all similarly situated individuals, demands judgment against Defendants as follows:

(1) Enjoining Defendants from continuing the acts and practices described above;

(2) Awarding damages sustained by Plaintiff as a result of Defendants' material violations of section 2923.55. and 2924.17, including treble damages or statutory damages;

(3) Finding that Defendants have been unjustly enriched and requiring Defendants to refund all unjust benefits to Plaintiff and all similarly situated individuals, together with prejudgment interest;

LAW OFFICES OF LARRY R. GLAZER
1875 CENTURY PARK EAST, SUITE #700
CENTURY CITY, CALIFORNIA 90067

1 (4) Awarding Plaintiff restitution, injunctive relief, declaratory relief, attorney fees, and costs
2 under section 17200 et seq.;
3 (5) Issuing the declarations of rights as requested; and
4 (6) Awarding such other and further relief as justice requires.
5
6 Respectfully Submitted by
7 _____*s/ Nicolette Glazer Esq.*________

Nicolette Glazer Esq.
8 LAW OFFICES OF LARRY R GLAZER
1875 Century Park East #700
9 Century City, CA 90067
T: 310-407-5353
10 F: 310-407-5354
nicolette@glazerandglazer.com
11 ATTORNEYS FOR PLAINTIFF
12
13

DEMAND FOR JURY TRIAL

14
15 Plaintiff John C. Manos requests a trial by jury on all claims and causes of action.
16 Respectfully Submitted by
17 _____*s/ Nicolette Glazer Esq.*________

18 Nicolette Glazer Esq.
LAW OFFICES OF LARRY R GLAZER
19 1875 Century Park East #700
Century City, CA 90067
20 T: 310-407-5353
F: 310-407-5354
21 nicolette@glazerandglazer.com
ATTORNEYS FOR PLAINTIFF
22
23
24
25

ClassAction.org

This complaint is part of ClassAction.org's searchable class action lawsuit database and can be found in this post: [Man Sues Over Allegedly Improper Foreclosure of His Home]