

Reply to: 2566 Overland Avenue, Suite 730
Los Angeles, CA 90064
(424) 370-0250

April 24, 2023

All Members
Encino Oaks Homeowners Association

Re: Updated Escrow Litigation Disclosure

Dear Members:

As you know, our law firm is general counsel to the Encino Oaks Homeowners Association. This letter provides a litigation disclosure update for escrow and/or refinancing purposes only. The following are pending legal actions involving the Association.

Solomina Lawsuit

On April 14, 2023, Plaintiff, resident Tamara Solomina, sued PMP Management, and the Association, in an action entitled *Tamara Solomina v. PMP Management, et al.*, in the Superior Court of California, County of Los Angeles, Case No. 23VECV01620 (“Solomina Lawsuit”). In its complaint, Plaintiff alleged the following causes of action: (1) Negligence; (2) Statutory Breach of Implied Warranty of Habitability; and (3) Tortious Breach of Implied Warranty of Habitability. This lawsuit has not yet been served on the Association. The matter is currently scheduled for a Case Management Conference on September 6, 2023.

Lavie Lawsuit

On July 28, 2022, Plaintiff, owner Michael Z. Lavie, sued the Association, Witkin & Neal, Inc., Brad Watson, individually, and dba Property Management Professionals, LLC, Julie Heldt, Richard Donatone, Jeff Tola, and Miste Holloway, in an action entitled *Michael Z. Lavie v. Encino Oaks Homeowners Assn’, et al.* in the Superior Court of California, County of Los Angeles, Case No. 22VECV01077 (“Lavie Lawsuit”). In its complaint, Plaintiff alleged the following causes of action: (1) Breach of Fiduciary Duty; (2) Intentional Infliction of Emotional Distress; (3) Negligent Infliction of Emotional Distress; (4) Elder Abuse; (5) Breach of Contract – Written; and (6) Breach of Contract – Implied. The Association submitted defense of the Lavie Lawsuit to its insurance carrier, which has assigned the case to Teresa M. Beck, Esq. of Klinedinst. This matter is currently scheduled for a Case Management Conference on May 5, 2023.

Peterson Lawsuit

On June 20, 2022, Plaintiff, owner Laura Peterson, sued the Association, PMP Management, and Citiguard, Inc., in an action entitled *Laura Peterson v. PMP Management, et al.* in the Superior Court of California, County of Los Angeles, Case No. 22STCV20048 (“Peterson Lawsuit”). In its form complaint for personal injury, Plaintiff alleged the following causes of action: (1) General Negligence, and (2) Premises Liability. The Association submitted defense of the Peterson Lawsuit to its insurance carrier, which has assigned the case to Karen Johnson, Esq. of Law Offices of Karen M. Johnson. This matter is currently scheduled for a Final Status Conference on December 4, 2023, and Non-Jury Trial on December 18, 2023.

State Restoration Lawsuit (Dismissed)

On April 23, 2021, Plaintiff, vendor State Restoration, Inc., a California corporation, sued the Association in an action entitled *State Restoration, Inc. v. Encino Oaks Homeowners Assn’, et al.* in the Superior Court of California, County of Los Angeles, Case No. 21VECV00560 (“State Restoration Lawsuit”). In its first amended complaint, Plaintiff alleged the following causes of action: (1) Breach of Contract; (2) Quantum Meruit; (3) Open Book Account; (4) Unjust Enrichment; (5) Foreclosure of Mechanic’s Lien; and (6) Promissory Estoppel. The Association submitted defense of the State Restoration Lawsuit to its insurance carrier, which assigned the case to Alison Hurley, Esq. of Bremer Whyte Brown & O’Meara LLP.

The State Restoration Lawsuit was fully and finally resolved, and dismissed along with all related actions. A Release of Mechanic’s Lien was recorded with the County of Los Angeles on April 13, 2023. For a copy of the Release of Mechanic’s Lien contact the onsite Property Manager, Mark Johnson (majohnson@pmpmanage.com).

Board Petition

On May 15, 2018, then-Director Bitia O’Donnell in her capacity as President of the Association’s Board of Directors filed an *ex parte* court petition pursuant to Corporations Code §7225 in an action entitled *O’Donnell v. Encino Oaks Homeowners Assn.*, in the Superior Court of California, County of Los Angeles, Case No. LS030162 (“Board Petition”). The objective of the Board Petition was to have a provisional director appointed in order to break the deadlock among the 4-person Board. A provisional fifth director was appointed and has since been released by the Court. The Association continues to conduct its business to advantage. Acknowledging the Association’s positive progress, at the latest Status Conference, held on December 8, 2022, the presiding judge, Honorable Huey Cotton, signaled the Court’s readiness to close the Board Petition;

however, this matter will remain open pending resolution of the related State Restoration Lawsuit. A further Status Conference is scheduled for May 19, 2023.

The Board will keep the membership informed of pending legal actions as appropriate and as needed. Other than discussing the information in this letter, please do not ask the Board questions regarding these matters as it may compromise the Association's interests. Other than the above, we are not aware of any other ongoing litigation or claims where the Association is a named party.

If you are in the process of selling your home or refinancing your mortgage or other loans encumbering your property, you may provide a copy of this disclosure letter to prospective purchasers, listing agents and brokers, and escrow and financial institutions, etc., as appropriate. Should you have questions or need additional information, please contact the Association's management company PMP, through their Division Vice President, Roger Crumrine (rcrumrine@pmpmanage.com).

Thank you.

Very truly yours,



Farah Nourmand, Esq.

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