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9
10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12

13 TAQUELIA WASHINGTON TOLAND and
14 GEORGIA TOLAND, individually and on
behalf of All Others Similarly Situated,

15 Plaintiffs,

16 vs.

17 NATIONSTAR MORTGAGE LLC, a
Delaware limited liability company;
18 VERIPRO SOLUTIONS INC., a Delaware
corporation, and DOES 1 through 20,
19

20 Defendants.

Case No.

**NOTICE OF REMOVAL TO FEDERAL
COURT UNDER THE CLASS ACTION
FAIRNESS ACT [28 U.S.C. 1332(d),
1453(b)]**

21 PLEASE TAKE NOTICE that pursuant to 28 U.S.C. §§ 1441, 1446, 1332(d), and 1453(b),
22 defendants Nationstar Mortgage LLC (“Nationstar”) and Veripro Solutions, Inc. (“Veripro”;
23 collectively with Nationstar “Defendants”) hereby remove the above-captioned action from the
24 Superior Court of the State of California, in and for the County of Alameda, to the United States
25 District Court, Northern District of California. Defendants allege that they are entitled to removal
26 pursuant to the Class Action Fairness Act (“CAFA”), 28 U.S.C. §§ 1332(d), 1453(b), as follows:

27 1. Defendants are named in the civil action filed on or about April 4, 2017, by
28 plaintiffs Taquelia Washington Toland and Georgia Toland in the Superior Court of the State of

California, in and for the County of Alameda, entitled *TAQUELIA WASHINGTON TOLAND and GEORGIA TOLAND, Individually and on Behalf of All Others Similarly Situated v. NATIONSTAR MORTGAGE LLC, a Delaware limited liability company, VERIPRO SOLUTIONS INC., a Delaware corporation, and DOES 1 through 20*, Case No. RG 17854212 (the “State Court Action”). The putative class action complaint consists of four counts alleged against Defendants for violation of California’s Rosenthal Fair Debt Collection Practices Act, Cal. Civ. Code § 1788 (the “Rosenthal Act”); violation of California’s Consumer Credit Reporting Agencies Act, Civil Code § 1785.1 *et seq.* (the “CCRA”); and two violations of California’s Unfair Competition Law, Cal. Bus. & Prof. Code, § 17200 *et seq.* and § 17500 *et seq.* (the “UCL”).

2. On April 4, 2017, Defendants were served with a copy of the Summons, Complaint, and Affidavit of Venue. True copies of these documents are attached hereto as **Exhibit A**. Defendants have not yet answered or otherwise responded to the Complaint in the State Court Action. Accordingly, the documents attached as **Exhibit A** constitute all pleadings, process, and orders served on Defendants in the State Court Action, as required by 28 U.S.C. § 1446(a).

3. Removal to this district court is proper because this is the district which embraces the county in which plaintiffs filed the State Court Action. 28 U.S.C. § 1441(a).

(a) *Intradistrict Assignment*: Assignment to the San Francisco or Oakland Division is appropriate under Local Rule 3-2(d) because this is alleged to be a civil action arising in the County of Alameda.

4. This action is a civil class action of which this Court has original jurisdiction under 28 U.S.C. §1332(d)(2) and is one which may be removed to this Court by Defendants pursuant to 28 U.S.C. §§1441(a), 1446, and 1453(b). “Federal jurisdiction under CAFA has three elements: (1) there must be minimal diversity of citizenship between the parties, (2) the proposed class must have at least 100 members and (3) the amount in controversy must ‘exceed[] the sum or value of \$5,000,000.’ ” *Kuxhausen v. BMW Financial Services NA LLC*, 707 F.3d 1136, 1139 (9th Cir. 2013) (*citing* 28 U.S.C. § 1332(d)) (footnote omitted). The Complaint alleges that Defendants had a common practice of sending sent uniform collection letters to all borrowers who obtained a

1 second mortgage or home equity line of credit secured by a deed of trust on a property in
2 California after a foreclosure sale and reporting such individuals' account as having an
3 outstanding balance owing or otherwise delinquent within the last four years. (Compl. ¶¶ 2, 17-
4 19, 23(a).) This case is a putative class action involving more than 100 alleged class members in
5 which at least one member of the alleged class is a citizen of a State different than at least one
6 defendant, Nationstar, and the amount that plaintiffs' allegations place in controversy exceeds
7 \$5,000,000, exclusive of costs and interest.

8 5. *Class Action.* This action is a class action within the meaning of 28 U.S.C. §
9 1332(d)(1)(B). Paragraph 1 of the Complaint alleges that plaintiffs are suing on their own behalf
10 and on behalf of a putative class of similarly situated persons.

11 6. *Numerosity.* Plaintiffs allege that Defendants have a common business practice of
12 sending improper collection letters to all borrowers who obtained second mortgages following a
13 foreclosure sale in which a deficiency resulted and improperly reporting the deficiency to the
14 credit reporting agencies. (Compl. ¶¶ 2, 17-19, 23(a).) Defendants serviced over 100 purchase-
15 money second mortgages or HELOCs between March 24, 2013 through March 24, 2017 that had
16 deficiencies remaining following a foreclosure of the first mortgage. Thus, assuming as true the
17 allegations in the complaint, the alleged class consists of more than 100 members. See
18 *Kuxhausen*, 707 F.3d at 1140.

19 7. *Minimal Diversity.* A member of the alleged class is a citizen of a different state
20 than Nationstar and Veripro.

21 (a) Plaintiffs are citizens of the state of California as Paragraph 1 of the
22 Complaint alleges that Plaintiffs reside in Alameda County, California. Moreover, all of the
23 alleged putative class members purportedly reside in California. (Compl. ¶ 2.)

24 (b) Nationstar is not a citizen of the state of California. Nationstar is a
25 Delaware limited liability company. A limited liability company is a citizen of every state in
26 which its members are citizens. *Johnson v. Columbia Properties Anchorage LP*, 437 F.3d 894,
27 899 (9th Cir. 2006); *GMAC Commercial Credit LLC v. Dillard Dept. Stores, Inc.*, 357 F.3d 827,
28 828-29 (8th Cir. 2004). Nationstar's members are Nationstar Sub1 LLC and Nationstar Sub2

1 LLC. Both members are also Delaware limited liability companies. Nationstar Sub1 and
 2 Nationstar Sub2 are wholly owned by Nationstar Mortgage Holdings, Inc., a Delaware corporation
 3 with its principal place of business located in Texas. A corporation is a citizen in both the state in
 4 which it is incorporated and the state in which its principal place of business is located. 28 U.S.C.
 5 § 1332(c)(1). Accordingly, Nationstar is not and, at the time plaintiffs filed their Complaint, was
 6 not, a citizen of the state of California, but of the states of Delaware and Texas, the States of which
 7 its members are citizens.

8 (c) Veripro is not a citizen of California. Veripro is a Delaware corporation
 9 with its principal place of business located in Texas. Accordingly, Veripro is not and, at the time
 10 plaintiffs filed their Complaint, was not, a citizen of the State of California, but of the States of
 11 Delaware and Texas,

12 (d) The citizenship of Does 1 through 20 is disregarded pursuant to 28 U.S.C. §
 13 1441(a). See *Cripps v. Life Ins. Co. of Am.*, 980 F.2d 1261, 1266 (9th Cir. 1992).

14 8. *Amount in Controversy.* The amount in controversy in this action exceeds the sum
 15 or value of \$5 million, exclusive of interest and costs, when the claims of all class members are
 16 aggregated as provided in 28 U.S.C. § 1332(d)(6). See *Standard Fire Ins. Co. v. Knowles*, 133 S.
 17 Ct. 1345, 1348, 185 L. Ed. 2d 439 (2013). “[A] defendant’s notice of removal need include only a
 18 plausible allegation that the amount in controversy exceeds the jurisdictional threshold...” *Dart*
 19 *Cherokee Basin Operating Co., LLC v. Owens*, 135 S. Ct. 547, 554 (2014).

20 (a) The Complaint does not explicitly allege the value of the matter in
 21 controversy in this action. Defendants deny they have any liability to plaintiffs or the putative
 22 class they seek to represent. Defendants need not concede liability to establish the amount in
 23 controversy, and it does not do so here by alleging the amount in controversy is satisfied. See
 24 *Lewis v. Verizon Commc’ns, Inc.*, 627 F.3d 395, 400 (9th Cir. 2010). Nevertheless, a fair reading
 25 of the allegations in plaintiffs’ Complaint demonstrates that it is more likely than not that the
 26 alleged amount in controversy exceeds the \$5 million threshold. See *Knowles*, 133 S. Ct. at 1348;
 27 *Rodriguez v. AT & T Mobility Servs. LLC*, 728 F.3d 975, 978-982 (9th Cir. 2013). Moreover, in
 28 determining the amount in controversy, a court must assume that “the allegations in the complaint

are true and that a jury would return a verdict for the plaintiff on all claims made in the complaint.” *Korn v. Polo Ralph Lauren Corp.*, 536 F.Supp.2d 1199, 1205 (C.D. Cal. 2008).

(b) Plaintiffs allege that Defendants improperly sought to collect from them a deficiency balance of \$97,514.31 and that Defendants improperly reported said deficiency to the credit reporting agencies causing them actual damages. (Compl. ¶¶ 16-19.) Plaintiffs claim that the foreclosure sale on their property eliminated their obligation to repay the deficiency related to their second mortgage following their sale and thus, Defendants’ attempts to collect the \$97,514.31 deficiency, and the credit reporting related thereto, are wrongful. (*Id.*) Plaintiffs seek to represent a class of allegedly similarly situated persons who were sent certain collection correspondence or had their deficiencies reported to the credit reporting agencies between April 3, 2013 and the present. (*Id.* ¶ 2.) Plaintiffs’ causes of action for alleged violations of the Rosenthal Act, CCRA, and UCL show that the statutory damages, actual damages, injunctive relief, and other relief sought by plaintiffs in this case would more likely than not exceed the \$5 million amount in controversy limit.

(c) First, the Complaint seeks injunctive relief under the UCL. (Compl. ¶¶ 43, 46.) The Complaint seeks an order enjoining Defendants from engaging in the allegedly unfair practices. (*See id.*, prayer, ¶¶ (b) and (c).) In an action seeking injunctive relief, the amount in controversy is measured by the value of the object of the litigation. *Cohn v. Petsmart, Inc.*, 281 F.3d 837, 840 (9th Cir. 2002). In this case, the objects of the litigation are putative class members’ outstanding deficiencies owed to Nationstar. Plaintiffs allege they do not owe a deficiency balance in the amount of \$97,514.31 and seek to enjoin Nationstar from collecting on that balance. (Comp. ¶ 30(a)-(b).) Plaintiffs further allege they are typical of the class members. Therefore, the aggregate amount of outstanding balances owed by 100 similarly situated borrowers would easily exceed \$5 million. *See e.g., Nguyen v. Wells Fargo Bank, N.A.*, 749 F. Supp. 2d 1022, 1028-29 (N.D. Cal. 2010); *Delgado v. Bank of America Corp.*, 2009 WL 4163525, at *6 (E.D. Cal. 2009); *Duran v. Aurora Loan Services*, 2009 WL 1110645, *3 (E.D. Cal. 2009). Therefore, the amount in controversy is satisfied for that reason alone.

(d) Second, Plaintiffs allege negligent and willful violations of the CCRA,

1 which if proven, exposes Defendants to actual damages and punitive damages ranging between
 2 \$100 to \$5,000 per violation. (*Id.* ¶ 38; Cal. Civ. Code 1785.31(d).) Plaintiffs do not place a
 3 dollar amount on their actual damages resulting from this claim, but contend that Defendants'
 4 violation "impede[d] or prevent[ed] them from obtaining credit, and/or result[ed] in higher costs of
 5 credit." (Compl. ¶ 37.) Adding these statutory damages and any actual damages resulting from
 6 incurring costs of higher credit or being unable to obtain credit to the deficiency balance waiver
 7 plaintiffs seek further shows that the amount in controversy would more likely than not exceed the
 8 \$5 million threshold.

9 (e) Third, plaintiffs allege violations of the Rosenthal Act. The Rosenthal Act
 10 provides for actual damages. Cal. Civ. Code § 1788.30. Furthermore, if Plaintiffs were to prove
 11 that Defendants' actions were willful, the Rosenthal Act carries of statutory penalty ranging from
 12 \$100 to \$1,000, a total of which is not to exceed \$500,000 or 1% of the defendant's net worth in
 13 class actions. Cal. Civ. Code § 1788.30; 15 U.S.C.A. § 1692k(a)(2)(B); see also *McDonald v.*
 14 *Bonded Collectors, L.L.C.*, 233 F.R.D. 576, 577 (S.D. Cal. 2005) (explaining that the Rosenthal
 15 Act fully incorporates the remedy provisions of the 15 U.S.C.A. § 1692k). While Plaintiffs do not
 16 specifically identify the actual damages they incurred as a result of the alleged Rosenthal Act
 17 violation, the availability of additional actual and statutory damages under this claim further
 18 shows that the amount in controversy more likely than not exceeds \$5 million.

19 (f) Fourth, the Complaint seeks an award of attorneys' fees, which are properly
 20 considered since their award is allowable under the Rosenthal Act and the CCRA. Cal. Civ. Code
 21 § 1788.20(c) and Cal. Civ. Code § 1785.31(d). Though Defendants deny plaintiffs will prevail or
 22 have any right to recover attorneys' fees, the Court may consider an attorneys' fee award of 25%
 23 of the potential damages sought in determining whether CAFA's amount in controversy
 24 requirement is satisfied. See *Heejin Lim v. Helio, LLC*, CV 11-9183 PSG PLAX, 2012 WL
 25 359304, at *3 (C.D. Cal. Feb. 2, 2012) (citing *Guglielmino v. McKee Foods Corp.*, 506 F.3d 696,
 26 699 (9th Cir. 2007)).

27 9. This notice of removal is timely pursuant to 28 U.S.C. § 1446(b) because it is being
 28 filed and served within 30 days service of the Complaint on Defendants. See *Kuxhausen*, 707 F.3d

1 at 1139-43.

2 10. As required by 28 U.S.C. § 1446(d), Defendants will provide written notice of the
3 removal of this action to plaintiffs and to the Alameda County Superior Court.

4 WHEREFORE, Defendants pray that the State Court Action be removed from state court
5 to this Court and that this Court assume jurisdiction over the action and determine it on the merits.

6
7 DATED: May 4, 2017

SEVERSON & WERSON
A Professional Corporation

8
9 By: /s/ Mary Kate Kamka

Mary Kate Kamka

10
11 Attorneys for NATIONSTAR MORTGAGE LLC and
12 VERIPRO SOLUTIONS INC.

Exhibit A

SUMMONS (CITACION JUDICIAL)

SUM-100

NOTICE TO DEFENDANT: NATIONSTAR MORTGAGE LLC, a
(AVISO AL DEMANDADO): Delaware limited liability
company; VERIPRO SOLUTIONS INC., a Delaware
corporation, and DOES 1 through 20

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

ENDORSED
FILED
ALAMEDA COUNTY
MAR 24 2017

YOU ARE BEING SUED BY PLAINTIFF: TAQUELIA WASHINGTON

(LO ESTÁ DEMANDANDO EL DEMANDANTE): TOLAND and GEORGIA CLERK OF THE SUPERIOR COURT.
TOLAND, individually and on behalf of All Others.
Similarly Situated.

By Lanette Buffin, Deputy

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. NOTE: The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 o más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:
(El nombre y dirección de la corte es):

ALAMEDA COUNTY SUPERIOR COURT
1225 Fallon St., Room 209

CASE NUMBER:
(Número del Caso):

17854212

Oakland, CA 94612

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Kristin Kemnitzer Bar No. 278946

(415) 632-1900 (415) 632-1901

KEMNITZER, BARRON & KRIEG, LLP

445 Bush St., 6th Floor

San Francisco, CA 94108

DATE:

(Fecha)

Clerk, by

(Secretario)

Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

NOTICE TO THE PERSON SERVED: You are served

1. ☐ as an individual defendant.

2. ☐ as the person sued under the fictitious name of (specify):

3. ☒ on behalf of (specify): Nationstar Mortgage LLC, a Delaware limited liability

company

under: ☐ CCP 416.10 (corporation)

☐ CCP 416.20 (defunct corporation)

☐ CCP 416.40 (association or partnership)

☒ other (specify): Corps. C. 17701.16 (LLC)

4. ☒ by personal delivery on (date):

☐ CCP 416.60 (minor)

☐ CCP 416.70 (conservatee)

☐ CCP 416.90 (authorized person)

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Bryan Kemnitzer Bar No. 066401 Kristin Kemnitzer Bar No. 278946 KEMNITZER, BARRON & KRIEG, LLP 445 Bush Street, 6th Floor San Francisco, CA 94108 TELEPHONE NO.: (415) 632-1900 FAX NO.: (415) 632-1901 ATTORNEY FOR (Name): Taquelia Washington Toland and Georgia Toland		ENDORSED FILED ALAMEDA COUNTY MAR 24 2017 CLERK OF THE SUPERIOR COURT, By Lanette Buffin, Deputy
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA STREET ADDRESS: 1225 Fallon St., Room 209 MAILING ADDRESS: CITY AND ZIP CODE: Oakland, CA 94612 BRANCH NAME: NORTHERN DIVISION		
CASE NAME: TOLAND v. NATIONSTAR		
CIVIL CASE COVER SHEET <input checked="" type="checkbox"/> Unlimited (Amount demanded exceeds \$25,000) <input type="checkbox"/> Limited (Amount demanded is \$25,000 or less)		CASE NUMBER: RG 17854212 JUDGE: DEPT:
Complex Case Designation <input type="checkbox"/> Counter <input type="checkbox"/> Joinder Filed with first appearance by defendant. (Cal. Rules of Court, rule 3.402)		

Items 1-6 below must be completed (see instructions on page 2).

1. Check one box below for the case type that best describes this case:

Auto Tort <input type="checkbox"/> Auto (22) <input type="checkbox"/> Uninsured motorist (46) Other P/PI/D/WD (Personal Injury/Property Damage/Wrongful Death) Tort <input type="checkbox"/> Asbestos (04) <input type="checkbox"/> Product liability (24) <input type="checkbox"/> Medical malpractice (45) <input type="checkbox"/> Other P/PI/D/WD (23) Non-P/PI/D/WD (Other) Tort <input type="checkbox"/> Business tort/unfair business practice (07) <input type="checkbox"/> Civil rights (08) <input type="checkbox"/> Defamation (13) <input type="checkbox"/> Fraud (16) <input type="checkbox"/> Intellectual property (19) <input type="checkbox"/> Professional negligence (25) <input type="checkbox"/> Other non-P/PI/D/WD tort (35) Employment <input type="checkbox"/> Wrongful termination (36) <input type="checkbox"/> Other employment (15)	Contract <input type="checkbox"/> Breach of contract/warranty (06) <input type="checkbox"/> Rule 3.740 collections (09) <input type="checkbox"/> Other collections (09) <input type="checkbox"/> Insurance coverage (18) <input type="checkbox"/> Other contract (37) Real Property <input type="checkbox"/> Eminent domain/inverse condemnation (14) <input type="checkbox"/> Wrongful eviction (33) <input type="checkbox"/> Other real property (26) Unlawful Detainer <input type="checkbox"/> Commercial (31) <input type="checkbox"/> Residential (32) <input type="checkbox"/> Drugs (38) Judicial Review <input type="checkbox"/> Asset forfeiture (05) <input type="checkbox"/> Petition re: arbitration award (11) <input type="checkbox"/> Writ of mandate (02) <input type="checkbox"/> Other judicial review (39)	Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403) <input checked="" type="checkbox"/> Antitrust/Trade regulation (03) <input type="checkbox"/> Construction defect (10) <input type="checkbox"/> Mass tort (40) <input type="checkbox"/> Securities litigation (28) <input type="checkbox"/> Environmental/Toxic tort (30) <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41) Enforcement of Judgment <input type="checkbox"/> Enforcement of judgment (20) Miscellaneous Civil Complaint <input type="checkbox"/> RICO (27) <input type="checkbox"/> Other complaint (not specified above) (42) Miscellaneous Civil Petition <input type="checkbox"/> Partnership and corporate governance (21) <input type="checkbox"/> Other petition (not specified above) (43)
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2. This case ☒ is ☐ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- a. ☐ Large number of separately represented parties d. ☒ Large number of witnesses
- b. ☒ Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve e. ☐ Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court
- c. ☒ Substantial amount of documentary evidence f. ☐ Substantial postjudgment judicial supervision
3. Remedies sought (check all that apply): a. ☒ monetary b. ☒ nonmonetary; declaratory or injunctive relief c. ☒ punitive
4. Number of causes of action (specify): 4.
5. This case ☒ is ☐ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case (Form may use form CM-015)
- Date: March 23, 2017

Bryan Kemnitzer

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

BY FAX

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rules.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

Short Title: TOLAND v. NATIONSTAR

Case Number:

CIVIL CASE COVER SHEET ADDENDUM

THIS FORM IS REQUIRED IN ALL NEW UNLIMITED CIVIL CASE FILINGS IN THE
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA☒ Oakland, Rene C. Davidson Alameda County Courthouse (446)☐ Hayward Hall of Justice (447)☐ Pleasanton, Gale-Schenone Hall of Justice (448)

Civil Case Cover Sheet Category	Civil Case Cover Sheet Case Type	Alameda County Case Type (check only one)
Auto Tort	Auto tort (22)	<input type="checkbox"/> 34. Auto tort (G) Is this an uninsured motorist case? <input type="checkbox"/> yes <input type="checkbox"/> no
Other PI /PD / WD Tort	Asbestos (04) Product liability (24) Medical malpractice (45) Other PI/PD/WD tort (23)	<input type="checkbox"/> 75 Asbestos (D) <input type="checkbox"/> 89 Product liability (not asbestos or toxic tort/environmental) (G) <input type="checkbox"/> 97 Medical malpractice (G) <input type="checkbox"/> 33 Other PI/PD/WD tort (G)
Non -PI /PD / WD Tort	Bus tort / unfair bus. practice (07) Civil rights (08) Defamation (13) Fraud (16) Intellectual property (19) Professional negligence (25) Other non-PI/PD/WD tort (35)	<input type="checkbox"/> 79 Bus tort / unfair bus. practice (G) <input type="checkbox"/> 80 Civil rights (G) <input type="checkbox"/> 84 Defamation (G) <input type="checkbox"/> 24 Fraud (G) <input type="checkbox"/> 87 Intellectual property (G) <input type="checkbox"/> 59 Professional negligence - non-medical (G) <input type="checkbox"/> 03 Other non-PI/PD/WD tort (G)
Employment	Wrongful termination (36) Other employment (15)	<input type="checkbox"/> 38 Wrongful termination (G) <input type="checkbox"/> 85 Other employment (G) <input type="checkbox"/> 53 Labor comm award confirmation <input type="checkbox"/> 54 Notice of appeal - L.C.A.
Contract	Breach contract / Wrnty (06) Collections (09) Insurance coverage (18) Other contract (37)	<input type="checkbox"/> 04 Breach contract / Wrnty (G) <input type="checkbox"/> 81 Collections (G) <input type="checkbox"/> 86 Ins. coverage - non-complex (G) <input type="checkbox"/> 98 Other contract (G)
Real Property	Eminent domain / Inv Cdm (14) Wrongful eviction (33) Other real property (26)	<input type="checkbox"/> 18 Eminent domain / Inv Cdm (G) <input type="checkbox"/> 17 Wrongful eviction (G) <input type="checkbox"/> 36 Other real property (G)
Unlawful Detainer	Commercial (31) Residential (32) Drugs (38)	<input type="checkbox"/> 94 Unlawful Detainer - commercial <input type="checkbox"/> 47 Unlawful Detainer - residential <input type="checkbox"/> 21 Unlawful detainer - drugs Is the deft. in possession of the property? <input type="checkbox"/> Yes <input type="checkbox"/> No
Judicial Review	Asset forfeiture (05) Petition re: arbitration award (11) Writ of Mandate (02) Other judicial review (39)	<input type="checkbox"/> 41 Asset forfeiture <input type="checkbox"/> 62 Pet. re: arbitration award <input type="checkbox"/> 49 Writ of mandate Is this a CEQA action (Publ.Res.Code section 21000 et seq) <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 64 Other judicial review
Provisionally Complex	Antitrust / Trade regulation (03) Construction defect (10) Claims involving mass tort (40) Securities litigation (28) Toxic tort / Environmental (30) Ins covrg from cmplx case type (41)	<input checked="" type="checkbox"/> 77 Antitrust / Trade regulation <input type="checkbox"/> 82 Construction defect <input type="checkbox"/> 78 Claims involving mass tort <input type="checkbox"/> 91 Securities litigation <input type="checkbox"/> 93 Toxic tort / Environmental <input type="checkbox"/> 95 Ins covrg from complex case type
Enforcement of Judgment	Enforcement of judgment (20)	<input type="checkbox"/> 19 Enforcement of judgment <input type="checkbox"/> 08 Confession of judgment
Misc. Complaint	RICO (27) Partnership / Corp. governance (21) Other complaint (42)	<input type="checkbox"/> 90 RICO (G) <input type="checkbox"/> 88 Partnership / Corp. governance (G) <input type="checkbox"/> 68 All other complaints (G)
Misc. Civil Petition	Other petition (43)	<input type="checkbox"/> 06 Change of name <input type="checkbox"/> 69 Other petition

Kemnitzer, Barron & Krieg, LLP
Attn: Kemnitzer, Bryan
445 Bush Street, Sixth Floor
San Francisco, CA 94108

Nationstar Mortgage LLC



Superior Court of California, County of Alameda
Rene C. Davidson Alameda County Courthouse

Toland

Plaintiff/Petitioner(s)

VS.

Nationstar Mortgage LLC

Defendant/Respondent(s)

(Abbreviated Title)

No. RG17854212

NOTICE OF HEARING

To each party or to the attorney(s) of record for each party herein:

Notice is hereby given that the above-entitled action has been set for:

Complex Determination Hearing
Case Management Conference

You are hereby notified to appear at the following Court location on the date and time noted below:

Complex Determination Hearing:

DATE: 05/16/2017 TIME: 03:00 PM DEPARTMENT: 30

LOCATION: U.S. Post Office Building, Second Floor
201 13th Street, Oakland

Case Management Conference:

DATE: 06/23/2017 TIME: 09:16 AM DEPARTMENT: 30

LOCATION: U.S. Post Office Building, Second Floor
201 13th Street, Oakland

Pursuant to California Rules of Court, Rule 3.400 et seq. and Local Rule 3.250 (Unified Rules of the Superior Court, County of Alameda), the above-entitled matter is set for a Complex Litigation Determination Hearing and Initial Complex Case Management Conference.

Department 30 issues tentative rulings on DomainWeb (www.alameda.courts.ca.gov/domainweb). For parties lacking access to DomainWeb, the tentative ruling must be obtained from the clerk at (510) 268-5104. Please consult Rule 3.30(c) of the Unified Rules of the Superior Court, County of Alameda, concerning the tentative ruling procedures for Department 30.

Counsel or party requesting complex litigation designation is ordered to serve a copy of this notice on all parties omitted from this notice or brought into the action after this notice was mailed.

All counsel of record and any unrepresented parties are ordered to attend this Initial Complex Case Management Conference unless otherwise notified by the Court.

Failure to appear, comply with local rules or provide a Case Management Conference statement may result in sanctions. Case Management Statements may be filed by E-Delivery, by submitting directly to the E-Delivery Fax Number (510) 267-5732. No fee is charged for this service. For further information, go to **Direct Calendar Departments** at

Y400 3111  <http://apps.alameda.courts.ca.gov/domainweb>.

All motions in this matter to be heard prior to Complex Litigation Determination Hearing must be scheduled for hearing in Department 30.

If the information contained in this notice requires change or clarification, please contact the courtroom clerk for Department 30 by e-mail at Dept.30@alameda.courts.ca.gov or by phone at (510) 268-5104.

TELEPHONIC COURT APPEARANCES at Case Management Conferences may be available by contacting CourtCall, an independent vendor, at least 3 business days prior to the scheduled conference. Parties can make arrangements by calling (888) 882-6878, or faxing a service request form to (888) 883-2946. This service is subject to charges by the vendor.

Dated: 03/29/2017

Chad Finke Executive Officer / Clerk of the Superior Court

By



Deputy Clerk

CLERK'S CERTIFICATE OF MAILING

I certify that the following is true and correct: I am the clerk of the above-named court and not a party to this cause. I served this Notice by placing copies in envelopes addressed as shown hereon and then by sealing and placing them for collection, stamping or metering with prepaid postage, and mailing on the date stated below, in the United States mail at Alameda County, California, following standard court practices.

Executed on 03/30/2017.

By



Deputy Clerk

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Bryan Kemnitzer Bar No. 066401 Kristin Kemnitzer Bar No. 278946 KEMNITZER, BARRON & KRIEG, LLP 445 Bush Street, 6th Floor San Francisco, CA 94108 TELEPHONE NO.: (415) 632-1900 FAX NO. (Optional): (415) 632-1901 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name): Taquelia Washington Toland and Georgia To		ENDORSEMENT CM-015 FOR COURT USE ONLY FILED ALAMEDA COUNTY MAR 24 2017 CLERK OF THE SUPERIOR COURT By Lanette Buffin, Deputy
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA STREET ADDRESS: 1225 Fallon St., Room 209 MAILING ADDRESS: CITY AND ZIP CODE: Oakland, CA 94612 BRANCH NAME: NORTHERN DIVISION		
PLAINTIFF/PETITIONER: TAQUELIA WASHINGTON TOLAND, et al. DEFENDANT/RESPONDENT: NATIONSTAR MORTGAGE LLC, et al.		CASE NUMBER: RG17854212
NOTICE OF RELATED CASE		JUDICIAL OFFICER: DEPT.:

Identify, in chronological order according to date of filing, all cases related to the case referenced above.

1. a. Title: *Banks v. JP Morgan Chase Bank, N.A.*
 b. Case number: RG12614875
 c. Court: ☒ same as above
☐ other state or federal court (name and address):
 d. Department: 21
 e. Case type: ☐ limited civil ☒ unlimited civil ☐ probate ☐ family law ☐ other (specify):
 f. Filing date: January 30, 2012
 g. Has this case been designated or determined as "complex?" ☒ Yes ☐ No
 h. Relationship of this case to the case referenced above (check all that apply):
☐ involves the same parties and is based on the same or similar claims.
☒ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
☐ involves claims against, title to, possession of, or damages to the same property.
☒ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
☒ Additional explanation is attached in attachment 1h.
 i. Status of case:
☒ pending ☐ dismissed ☐ with ☐ without prejudice
☐ disposed of by judgment
2. a. Title:
 b. Case number:
 c. Court: ☐ same as above
☐ other state or federal court (name and address):
 d. Department:

CM-015

PLAINTIFF/PETITIONER: TAQUELIA WASHINGTON TOLAND, et al.	CASE NUMBER:
DEFENDANT/RESPONDENT: NATIONSTAR MORTGAGE LLC, et al.	

2. (continued)

e. Case type: ☐ limited civil ☐ unlimited civil ☐ probate ☐ family law ☐ other (specify):

f. Filing date:

g. Has this case been designated or determined as "complex?" ☐ Yes ☐ No

h. Relationship of this case to the case referenced above (check all that apply):

- ☐ involves the same parties and is based on the same or similar claims.
☐ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
☐ involves claims against, title to, possession of, or damages to the same property.
☐ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
☐ Additional explanation is attached in attachment 2h

i. Status of case:

- ☐ pending
☐ dismissed ☐ with ☐ without prejudice
☐ disposed of by judgment

3. a. Title:

b. Case number:

c. Court: ☐ same as above
☐ other state or federal court (name and address):

d. Department:

e. Case type: ☐ limited civil ☐ unlimited civil ☐ probate ☐ family law ☐ other (specify):

f. Filing date:

g. Has this case been designated or determined as "complex?" ☐ Yes ☐ No

h. Relationship of this case to the case referenced above (check all that apply):

- ☐ involves the same parties and is based on the same or similar claims.
☐ arises from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact.
☐ involves claims against, title to, possession of, or damages to the same property.
☐ is likely for other reasons to require substantial duplication of judicial resources if heard by different judges.
☐ Additional explanation is attached in attachment 3h

i. Status of case:

- ☐ pending
☐ dismissed ☐ with ☐ without prejudice
☐ disposed of by judgment

4. ☐ Additional related cases are described in Attachment 4. Number of pages attached:

Date: March 23, 2017

Bryan Kemnitzer

(TYPE OR PRINT NAME OF PARTY OR ATTORNEY)

(SIGNATURE OF PARTY OR ATTORNEY)

CM-015

PLAINTIFF/PETITIONER: TAQUELIA WASHINGTON TOLAND, et al.	CASE NUMBER:
DEFENDANT/RESPONDENT: NATIONSTAR MORTGAGE LLC, et al.	

**PROOF OF SERVICE BY FIRST-CLASS MAIL
NOTICE OF RELATED CASE**

(NOTE: You cannot serve the Notice of Related Case if you are a party in the action. The person who served the notice must complete this proof of service. The notice must be served on all known parties in each related action or proceeding.)

1. I am at least 18 years old and **not a party to this action**. I am a resident of or employed in the county where the mailing took place, and my residence or business address is (specify):

2. I served a copy of the *Notice of Related Case* by enclosing it in a sealed envelope with first-class postage fully prepaid and (check one):

- a. ☐ deposited the sealed envelope with the United States Postal Service.
- b. ☐ placed the sealed envelope for collection and processing for mailing, following this business's usual practices, with which I am readily familiar. On the same day correspondence is placed for collection and mailing; it is deposited in the ordinary course of business with the United States Postal Service.

3. The *Notice of Related Case* was mailed:

- a. on (date):
- b. from (city and state):

4. The envelope was addressed and mailed as follows:

a. Name of person served:

Street address:
City:
State and zip code:

c. Name of person served:

Street address:
City:
State and zip code:

b. Name of person served:

Street address:
City:
State and zip code:

d. Name of person served:

Street address:
City:
State and zip code:

☐ Names and addresses of additional persons served are attached. (You may use form POS-030(P).)

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

(TYPE OR PRINT NAME OF DECLARANT)

(SIGNATURE OF DECLARANT)

ATTACHMENT 1h

Plaintiffs respectfully request, pursuant to California Rule of Court 3.300(a), that the instant matter be treated as a related case to the matter of *Banks v. JP Morgan Chase Bank, N.A.*, Case No. RG12614875, and assigned to Hon. Winifred Smith. Pursuant to CRC 3.300(a)(2), this case “[a]rise[s] from the same or substantially identical transactions, incidents, or events requiring the determination of the same or substantially identical questions of law or fact” as the *Banks* case. Further, pursuant to CRC 3.300(a)(4), this case is “likely . . . to require substantial duplication of judicial resources if heard by [a] different judge” than the assigned Judge in the *Banks* case.

Like this case, the *Banks* case challenged collection letters attempting to collect deficiency balances remaining on purchase money mortgages and purchase money home equity lines of credit after the borrowers homes had been foreclosed or short sold; and the post-sale credit reporting of those deficiency balances.

Banks was designated complex and is assigned to Judge Smith. Judge Smith presided over the class action settlement approval in *Banks*. On December 9, 2016, Judge Smith granted final approval of the class action settlement. Final approval came after nearly five years of hard-fought litigation. *Banks* is still active and has a compliance hearing on calendar for June 21, 2017.

The legal and factual disputes addressed by the parties in *Banks* relate directly to the issues in the *Toland* case. *Banks* and *Toland* involve identical causes of action based on substantially similar collection and credit reporting practices and present substantially identical questions of law. The causes of action in the two cases are the same, namely, violations of the Rosenthal Fair Debt Collection Practices Act, Civil Code § 1788 *et seq.*; the Consumer Credit Reporting Agencies Act, Civil Code §§ 1785.1 *et seq.*; and Unfair Coemption Law Business & Professions Code §§ 17200 *et seq.*

The causes of action in both cases arise out of collection letters attempting to collect deficiency balances remaining on purchase money mortgages and purchase money home equity lines of credit after the borrowers homes had been foreclosed or short sold, and the post-sale credit reporting of those deficiency balances. Both cases present the application of California Code of Civil Procedure section 580b to collection practices under the Rosenthal Act, and to credit reporting practices under the Consumer Credit Reporting Agencies Act. Under §580b, borrowers have no personal liability to pay deficiency balances on mortgage loans and home equity lines of credit used to purchase owner occupied residential property, regardless of how the security is extinguished, by foreclosure sale, short sale, or otherwise.

The two cases arise out of the same factual and legal predicates. In each case, Plaintiffs and class members “obtained a second mortgage, or home equity line of credit, secured by a deed of trust on property located in California (a) to secure payment of the purchase price of a dwelling (b) for not more than four families and which (c) was occupied entirely or in part by the purchaser, and, after a foreclosure or short sale of the dwelling, any of the defendants

- (1) sent the person a [collection letter] within the period beginning four years preceding the filing of this action and continuing until the date of Judgment; and/or
- (2) reported such person's second mortgage loan or home equity line of credit to one or more of the credit reporting agencies Experian, Equifax, or TransUnion as having an outstanding balance owing and/or otherwise as currently delinquent within the period beginning four years preceding the filing of this action and continuing until the date of Judgment."

See, Toland Complaint, ¶2 (class definition).

It would serve judicial economy to relate the *Banks* and *Toland* cases to one another. Plaintiffs respectfully request that the *Toland* case be assigned to Judge Smith, the assigned Judge in the *Banks* case.

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 7 Tel. (415) 632-1900

8 Attorneys for Plaintiffs TAQUELIA WASHINGTON TOLAND AND GEORGIA TOLAND
 9 Individually and on Behalf of All Others Similarly Situated

ENDORSED
 FILED
 ALAMEDA COUNTY
 MAR 24 2017

CLERK OF THE SUPERIOR COURT
 By Lanette Buffin, Deputy

10
 11
 12 IN THE SUPERIOR COURT OF CALIFORNIA

13 IN AND FOR THE COUNTY OF ALAMEDA

14 TAQUELIA WASHINGTON TOLAND and)
 15 GEORGIA TOLAND, individually and on)
 behalf of All Others Similarly Situated,)

16 Plaintiffs,)

17 vs.)

18 NATIONSTAR MORTGAGE LLC, a)
 Delaware limited liability company;)
 19 VERIPRO SOLUTIONS INC., a Delaware)
 corporation, and DOES 1 through 20,)

20 Defendants.)

Case No.

17854212

CLASS ACTION

CLASS ACTION COMPLAINT FOR
 VIOLATIONS OF THE ROSENTHAL
 FAIR DEBT COLLECTION PRACTICES
 ACT, CONSUMER CREDIT REPORTING
 AGENCIES ACT, AND UNFAIR
 COMPETITION LAW; DEMAND FOR
 JURY TRIAL

Unlimited Civil Case

JURY TRIAL DEMANDED

BY FAX

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 CLASS ACTION COMPLAINT FOR VIOLATIONS OF THE ROSENTHAL FAIR DEBT COLLECTION
 PRACTICES ACT, CONSUMER CREDIT REPORTING AGENCIES ACT, AND UNFAIR COMPETITION
 LAW; DEMAND FOR JURY TRIAL

1 Plaintiffs TAQUELIA WASHINGTON TOLAND and GEORGIA TOLAND,
2 individually and on behalf of all members of the proposed plaintiff Class defined below, allege as
3 follows:

4 **GENERAL ALLEGATIONS**

5 1. At all times relevant herein, Plaintiffs TAQUELIA WASHINGTON TOLAND
6 and GEORGIA TOLAND have been and are residents of Alameda County, California.

7 2. Plaintiffs bring this action as a class action on behalf of all natural persons who
8 obtained a second mortgage, or home equity line of credit, secured by a deed of trust on property
9 located in California (a) to secure payment of the purchase price of a dwelling (b) for not more
10 than four families and which (c) was occupied entirely or in part by the purchaser, and, after a
11 foreclosure or short sale of the dwelling, any of the defendants

12 (1) sent the person a letter in the form of Exhibits "A" and/or "C" within the period
13 beginning four years preceding the filing of this action and continuing until the
14 date of Judgment; and/or

15 (2) reported such person's second mortgage loan or home equity line of credit to one
16 or more of the credit reporting agencies Experian, Equifax, or TransUnion as
17 having an outstanding balance owing and/or otherwise as currently delinquent
18 within the period beginning four years preceding the filing of this action and
19 continuing until the date of Judgment.

20 3. Defendant NATIONSTAR MORTGAGE LLC ("NATIONSTAR") is a limited
21 liability company organized under the laws of the state of Delaware. NATIONSTAR was at all
22 relevant times and is qualified to do business in the State of California and transacts business in
23 Alameda County.

24 4. Defendant VERIPRO SOLUTIONS INC. ("VERIPRO") is a corporation
25 organized under the laws of the state of Delaware. VERIPRO was at all relevant times and is an
26 affiliate of NATIONSTAR and, in committing the acts alleged below, acted as the agent,
27 representative, or otherwise on behalf of NATIONSTAR, within the course and scope of its
28

1 authority. VERIPRO is qualified to do business in the State of California and transacts business in
2 Alameda County.

3 5. Defendants Does 1 through 20 are persons or entities whose true names and
4 capacities are currently unknown to Plaintiffs, and who are therefore sued by fictitious names.
5 Each of these fictitiously-named defendants has some interest in the purchase money second
6 mortgages and purchase money home equity lines of credit of Plaintiffs and the Class, authorized
7 or benefited from the acts of NATIONSTAR and/or VERIPRO alleged in this Complaint, or is
8 other responsible for the practices alleged. Plaintiffs will amend this complaint to allege the true
9 names and capacities of these fictitiously-named defendants when they have been both identified
10 and the factual basis for their liability has been ascertained.

11 6. On November 2, 2006, Plaintiffs bought a condominium located at 1318 B Street,
12 Unit B208 in Hayward, California as their personal residence. The gross amount due on account
13 of the purchase was \$429,162.77. Countrywide Bank, N.A. provided a purchase money first
14 mortgage for \$332,000.00, and a purchase money second mortgage for \$83,000.00. Plaintiffs
15 deposited \$5,305.63 in escrow on account. The seller covered \$8,500.00 in closing costs.

16 7. Plaintiffs moved into the condominium and occupied it as a personal residence.

17 8. Bank of America, N.A.; thereafter became the successor to Countrywide Bank,
18 N.A. and to Countrywide's ownership of the two mortgages.

19 9. Bank of America thereafter transferred the first mortgage to the Federal National
20 Mortgage Association (the "FNMA").

21 10. In May 2012, the FNMA conducted a non-judicial foreclosure sale of Plaintiffs'
22 home based on non-payment of the first mortgage. The foreclosure sale extinguished both the first
23 and second mortgage liens against the property. However, the foreclosure sale did not yield
24 sufficient funds to pay off the second mortgage, leaving an unsatisfied balance (a "deficiency")
25 on the second mortgage loan.

26 11. After the foreclosure, Bank of America transferred the second mortgage loan to
27 NATIONSTAR. NATIONSTAR has attempted to collect an unsecured deficiency balance it
28

1 claims Plaintiffs still owe on their second mortgage loan. These collection efforts include, but are
2 not limited to, NATIONSTAR's affiliate, VERIPRO, seeking to collect the claimed deficiency.

3 12. On or about October 10, 2016, VERIPRO, acting on behalf of NATIONSTAR,
4 sent Plaintiff GEORGIA TOLAND at her home in Oakland, California the form letter attached as
5 Exhibit "A," seeking to collect the claimed deficiency under Plaintiffs' second mortgage loan.
6 The letter claimed that Plaintiff had a "balance due" of \$97,514.31, but that NATIONSTAR was
7 willing to make a "reduced payoff offer" of \$24,378.58. The letter stated that Plaintiff should
8 "Pay the reduced payoff amount listed above to settle this debt in full" and that "YOU [Plaintiff]
9 SAVE \$73,135.73." Under the "Why should you pay?" section, the letter claimed that if Plaintiff
10 paid the amount allegedly due, the following would occur:

- 11 • **"Satisfaction of Mortgage"** -- The mortgage satisfaction will be recorded with the
12 property county recorder's office, releasing the lien for this mortgage debt from your
13 property."
- 14 • **"Eliminate Debt"** -- This loan will be closed with no further balance due."
- 15 • **"Step Towards Creating Equity"** -- Reducing your total mortgage debt will only help
16 you towards creating positive equity on your property investment."
- 17 • **"Peace of Mind"** -- After you pay, the final communication you will receive from anyone
18 regarding this debt will be our 'settled in full' confirmation letter, reflecting a \$0.00
19 balance."

20 13. In or about January 12, 2017, VERIPRO, acting on behalf of NATIONSTAR, sent
21 the same form letter, attached as Exhibit "B", to Plaintiff TAQUELIA WASHINGTON
22 TOLAND at her home in Oakland, California, seeking to collect the claimed deficiency under
23 Plaintiffs' second mortgage loan. The only difference between Exhibit "A" and Exhibit "B" is the
24 amount of the "reduced payoff offer". Exhibit "B" claimed that Plaintiff TAQUELIA
25 WASHINGTON TOLAND owed \$97,514.31, but that NATIONSTAR was willing to accept
26 \$29,254.29.

27 14. On or about February 9, 2017, VERIPRO sent each Plaintiff the matching form
28

1 letter attached as Exhibit "C" to the Complaint.

2 15. The February 2017 VERIPRO letter began as follows: "After review of the above
3 referenced account, you remain responsible for \$97,514.31 mortgage lien that is still active and
4 filed on the above referenced property address." (Emphasis in original). It offered Plaintiffs two
5 options to "settle" their account: a "lump sum settlement" payment of \$24,378.58 and a "multi-
6 part settlement" of 12 equal payments totaling \$29,254.29. The letter stated "[t]his offer is only
7 good for 15 days" from its date, and told Plaintiffs to call "today" at a toll-free number "to discuss
8 these options before it is too late." (Emphasis in original).

9 16. Under California Code of Civil Procedure section 580b, borrowers are not
10 personally liable to pay deficiency balances on mortgage loans and home equity lines of credit
11 used to purchase owner occupied residential property, regardless of how the security is
12 extinguished, by foreclosure sale, short sale, or otherwise. (E.g., Coker v. JPMorgan Chase Bank,
13 N.A. (2015) 62 Cal.4th 667, 685-86; Alborzian v. JPMorgan Chase Bank, N.A. (2015) 235
14 Cal.App.4th 29, 36-38; Spangler v. Memel (1972) 7 Cal.3d 603, 609-612; Brown v. Jensen
15 (1953) 41 Cal.2d 193, 197-99.)

16 17. Defendants sent all members of the Class, like Plaintiffs, a debt collection letter in
17 the form of Exhibits "A" and/or "C" after a foreclosure or short sale of a first mortgage on a home
18 seeking to collect a claimed deficiency balance on a purchase money second mortgage or
19 purchase money home equity line of credit.

20 18. These collection letters press Class members to make substantial payments on
21 purchase money deficiencies after foreclosures and short sales by stating and/or clearly implying
22 that Class members remain personally liable to pay balances section 580b shields them from
23 being personally liable to pay.

24 19. Defendants have continued to report Plaintiffs' and the Class's purchase money
25 second mortgages and purchase money home equity lines of credit to Experian, Equifax, or
26 TransUnion as having an outstanding balance owing and/or otherwise as currently
27 delinquent after a foreclosure or short sale.

28

CLASS ACTION ALLEGATIONS

20. Plaintiffs bring this action as a class action on behalf of themselves and all members of the proposed plaintiff Class defined above.

21. The Class is ascertainable because its members can be determined from Defendants' business records and/or the above definition of the Class is sufficient to enable members of the Class to identify themselves as members of the Class.

22. The members of the Class are so numerous that individual joinder of all Class members is impracticable. Plaintiffs are informed and believe, and on that basis allege, that there are numerous members in the Class, although the precise size of the Class has not yet been ascertained.

23. Class-wide common questions of law and fact exist and predominate over questions affecting only individual Class members. Common questions include, but are not limited to:

- a. Defendants' common business practice of sending collection letters in the form of Exhibits "A" and "C" to Plaintiffs and the Class.
- b. Whether Defendants' uniform collection letters to Plaintiffs and the Class violate Civil Code section 1788.17 by using false, deceptive, and misleading representations or means to collect a debt.
- c. Whether Defendants' uniform collection letters to Plaintiffs and the Class constitute an unlawful and/or fraudulent business practice, and/or false or deceptive advertising, in violation of Business & Professions Code §§ 17200 et seq. and §§ 17500 et seq.
- d. Whether Defendants' credit reporting practices after foreclosures or short sales with respect to the purchase money second mortgages and purchase money home equity lines of credit of Plaintiffs and the Class violate Civil Code sections 1788.17 and 1785.25 and Business & Professions Code §§ 17200 et seq. and §§ 17500 et seq.

24. Plaintiffs' claims are typical of the claims of the members of the Class.

25. Plaintiffs are adequate representatives of the Class because (a) their interests do not conflict with the interests of the individual members of the Class they seek to represent; (b) they have retained counsel who are competent and experienced in complex class action litigation; and (c) they intend to prosecute this action vigorously. Plaintiffs and their counsel will fairly and adequately protect the interests of the Class.

26. A class action is superior to other available means for the fair and efficient adjudication of the claims of Plaintiffs and the Class. Their claims are too small to practicably permit pursuit on an individual basis, even though the Class members' rights have been violated by Defendants' practice. Hence, the Class members' common claims can only be economically adjudicated in a class action.

FIRST CAUSE OF ACTION

For Violations of the Rosenthal Fair Debt Collection Practices Act Civil Code §§ 1788 et seq.
(Against ALL DEFENDANTS)

27. Plaintiffs reallege and incorporate all of the preceding allegations as though stated in full in this cause of action.

28. In sending the uniform debt collection letters to Plaintiffs and the members of the Class, Defendants were acting and continue to act as persons who, in the ordinary course of business, regularly, on behalf of themselves or others, engage in debt collection. Defendants were and continue to be "debt collectors" within the meaning of Civil Code section 1788.2(c).

29. Defendants violated Civil Code section 1788.17 by using false, deceptive, and misleading representations and means in connection with the collection of the purchase money second mortgages and purchase money home equity lines of credit of Plaintiffs and the Class.

30. Defendants' form letters were false, deceptive, and misleading because:

- a. They falsely and deceptively represented to the least sophisticated consumer the character, amount, and legal status of a deficiency following a foreclosure or short sale because under section 580b, a borrower is not personally liable to pay any deficiency balance that may remain on a purchase money second mortgage or purchase money home equity line of credit after a foreclosure or short sale, no

1 amount is due from the borrower, and the loan balance owed by the borrower is
2 zero;

3 b. They falsely and deceptively represented to the least sophisticated consumer that
4 the borrower is personally liable to pay a deficiency balance, when in fact under
5 section 580b, a borrower is not personally liable to pay any deficiency balance that
6 may remain on a purchase money second mortgage or purchase money home
7 equity line of credit after a foreclosure or short sale, no amount is due from the
8 borrower, and the loan balance owed by the borrower is zero; and

9 c. They falsely and deceptively threatened to the least sophisticated consumer that
10 the lien securing the purchase money second mortgage or purchase money home
11 equity line of credit was still in place or "active," and that paying NATIONSTAR
12 would result in release of the lien, when in fact the lien had already been
13 extinguished by the prior foreclosure or short sale.

14 31. These false, deceptive, and misleading representations or means were likely to
15 deceive the least sophisticated consumer.

16 32. Plaintiffs have suffered general, specific, actual, and other damages as will be
17 shown at trial.

18 **SECOND CAUSE OF ACTION**

19 For Violation of Consumer Credit Reporting Agencies Act, Civil Code §§ 1785.1 et seq.
(Against ALL DEFENDANTS)

20 33. Plaintiffs reallege and incorporate all of the preceding allegations as though stated
21 in full in this cause of action.

22 34. Following foreclosures or short sales of the homes of Plaintiffs and the members
23 of the Class, Defendants engaged in a uniform business practice of reporting purchase money
24 second mortgages and purchase money home equity lines of credit covered by section 580b to
25 Experian, Equifax or TransUnion after a foreclosure or short sale as having an outstanding
26 balance owing and/or otherwise as currently delinquent.

27 35. Defendants' reports are incomplete, inaccurate, and misleading. Defendants'
28

1 reports indicate that the borrower owes a deficiency balance on a purchase money loan after a
2 foreclosure or short sale, remains personally liable to pay the balance, has failed to pay a debt for
3 which the borrower is personally liable, and is currently delinquent. In fact, under section 580b
4 after a foreclosure or short sale, the balance the borrower owes on a purchase money second
5 mortgage loan or purchase money home equity line of credit is zero, the borrower is not
6 personally liable to pay any amount, has not failed to pay a debt for which the borrower is
7 personally liable, and is not currently delinquent.

8 36. Defendants knew or should know that their reports are incomplete, inaccurate, and
9 misleading, but nevertheless have reported and continue to report purchase money second
10 mortgages and purchase money home equity lines of credit covered by section 580b to Experian,
11 Equifax or TransUnion as having an outstanding balance owing and/or otherwise as currently
12 delinquent, when in fact under section 580b after a foreclosure or short sale, the balance the
13 borrower owes on a purchase money second mortgage loan or purchase money home equity line
14 of credit is zero, the borrower is not personally liable to pay any amount, has not failed to pay a
15 debt for which the borrower is personally liable, and is not currently delinquent.

16 37. Defendants' practice of so reporting has caused and continues to cause damage to
17 Plaintiffs and the Class by reporting an inaccurate and/or incomplete trade line on their credit
18 reports indicating that they have outstanding balances owing and/or are otherwise currently
19 delinquent on their purchase money second mortgage loans or purchase money home equity lines
20 of credit after a foreclosure or short sale. These reports unlawfully reduce the credit scores of
21 Plaintiffs and the Class, impede or prevent them from obtaining credit, and/or result in higher
22 costs of credit.

23 38. Defendants' practice of so reporting willfully violates Civil Code § 1785.25, subd.
24 (a).

25 39. Plaintiffs have suffered general, specific, actual, and other damages as will be
26 shown at trial.

27 //

28

THIRD CAUSE OF ACTION

For Violation of the Unfair Competition Law – Unlawful Business Practice Business & Professions Code §§ 17200 et seq.
(Against ALL DEFENDANTS)

40. Plaintiffs reallege and incorporate all of the preceding allegations as though stated in full in this cause of action.

41. Defendants have engaged and continue to engage in unlawful business practices under California Business & Professions Code Section 17200 et seq. by violating the following statutes as alleged above: Civil Code § 1788.17 and Civil Code §1785.25, subd. (a).

42. Plaintiffs, or some of them, have suffered some injury in fact and lost some money or property as a result of these unlawful practices. Specifically, Plaintiffs have lost money or property attempting to determine the validity of the alleged debt, and attempting to remove the alleged deficiency balance from their credit reports.

43. Defendants will continue these unlawful practices unless restrained and enjoined by this Court. Under Business & Professions Code section 17203, restraining orders and preliminary and permanent injunctive relief are warranted and authorized to protect the public.

FOURTH CAUSE OF ACTION

For Violation of the Unfair Competition Law and False Advertising Law Fraudulent Business Practice and False Advertising. Business & Professions Code §§ 17200 et seq. & §§ 17500 et seq.
(Against ALL DEFENDANTS)

44. Plaintiffs reallege and incorporate all of the preceding allegations as though stated in full in this cause of action.

45. Defendants have engaged and continue to engage in fraudulent business practices and false and deceptive advertising in violation of California Business & Professions Code sections 17200 et seq. and sections 17500 et seq. by sending Plaintiffs and the members of the Class the collection letters in the form attached as Exhibits “A” and/or “C” and by reporting purchase money second mortgages and purchase money home equity lines of credit covered by section 580b to Experian, Equifax or TransUnion as having an outstanding balance owing and/or otherwise as currently delinquent after foreclosures or short sale.

46. Defendants will continue their fraudulent business practices and false and

1 deceptive advertising unless restrained and enjoined by this Court. Under Business & Professions
 2 Code section 17203, restraining orders and preliminary and permanent injunctive relief are
 3 warranted and authorized to protect the public.

4 47. Plaintiffs, or some of them, have suffered some injury in fact as a result of
 5 Defendants' fraudulent business practices and false and deceptive advertising.

6 **RELIEF SOUGHT**

7 Plaintiffs request relief for themselves and all members of the Class as follows:

- 8 a. An Order certifying the proposed Plaintiff Class under Code of Civil Procedure
 9 section 382 and appointing Plaintiffs and their counsel of record to represent the
 10 Class.
- 11 b. Preliminary and permanent injunctive relief enjoining Defendants from continuing
 12 to violate Civil Code § 1788.17, Civil Code §1785.25, subd. (a), Business &
 13 Professions Code § 17200, and Business & Professions Code § 17500 as alleged
 14 above.
- 15 c. An Order restoring to Plaintiffs and to the members of the Class all money or
 16 property Defendants have acquired by means of the practices alleged above.
- 17 d. An award of statutory damages to Plaintiffs and the Class pursuant to Civil Code §
 18 1788.17;
- 19 e. An award of general, actual, and other damages sustained by Plaintiffs and the
 20 members of the Class as a result of Defendants' violations of Civil Code § 1788.17
 21 and Civil Code §1785.25, subd. (a).
- 22 f. Punitive damages for Plaintiffs and the Class pursuant to Civil Code §1785.31,
 23 subd. (a)(2)(B).
- 24 g. Punitive damages for Plaintiffs and the Class pursuant to Civil Code §1785.31,
 25 subd. (c).
- 26 h. An award of attorney's fees and expenses of litigation to Plaintiffs' counsel as
 27 provided by law.
 28

- i. Pre-judgment interest.
- j. Costs of suit.
- k. Such other and further legal and equitable relief as this Court may deem proper.

DATED: March 23, 2017


ARTHUR D. LEVY (SB #95659)

NOAH ZINNER (SB #247581)

HOUSING AND ECONOMIC RIGHTS ADVOCATES

BRYAN KEMNITZER (SB # 66401)

KRISTIN KEMNITZER (SB # 278946)

KEMNITZER, BARRON & KRIEG, LLP

Attorneys for Plaintiffs TAQUELIA WASHINGTON
TOLAND and GEORGIA TOLAND Individually and on
Behalf of All Others Similarly Situated

DEMAND FOR JURY TRIAL

Plaintiffs demand trial by jury of each and every issue so triable.

DATED: March 23, 2017


ARTHUR D. LEVY (SB #95659)

NOAH ZINNER (SB #247581)

HOUSING AND ECONOMIC RIGHTS ADVOCATES

BRYAN KEMNITZER (SB # 66401)

KRISTIN KEMNITZER (SB # 278946)

KEMNITZER, BARRON & KRIEG, LLP

Attorneys for Plaintiffs

TAQUELIA WASHINGTON TOLAND and GEORGIA
TOLAND

Individually and on Behalf of
All Others Similarly Situated

EXHIBIT A

PO BOX 3572
COPPELL TX 75019
CHANGE SERVICE REQUESTED

REDACTED

PERSONAL & CONFIDENTIAL
GEORGIA TOLAND



What we do

Veripro Solutions is a debt recovery company focused on helping individuals and businesses recover money owed to them. We provide a variety of services to help you get your money back.

Solutions for You



Our experienced team of professionals will work with you to identify the best solution for your situation. We will help you resolve your outstanding debt. Our staff will help you with your financial situation and provide you with a clear path forward.

10/10/2016

Re: emailed request copy of original loan document 10/13/16
to email address noted below

Notice: Important state disclosure information on the back of this letter.

BALANCE DUE: \$97,514.31

REDUCED PAYOFF OFFER: \$24,378.58

YOU SAVE: \$73,135.73

Pay the reduced payoff amount listed above to settle this debt in full.

Why should you pay?

- **Satisfaction of Mortgage** – The mortgage satisfaction will be recorded with the property county recorder's office, releasing the lien for this mortgage debt from your property.
 - **Eliminate Debt** – This loan will be closed with no further balance due.
 - **Step Toward Creating Equity** – Reducing your total mortgage debt will only help you towards creating positive equity on your property investment.
 - **Peace of Mind** – After you pay, the final communication you will receive from anyone regarding this debt will be our "settled in full" confirmation letter, reflecting a \$0.00 balance due.
 - **Options for Payment** – We accept Check, Money Order, Cashier's Check, Bank Wire, Credit/Debit Card Payment. You can pay over the phone, send payment in the mail or pay online with no convenience fee to you.
- Other Options: Call us to discuss settling this debt in affordable monthly payments.
- We may be able to approve a lesser amount for reduced payoff if we have more details from you.
 - We also have options to help you resolve the debt such as balance reduction plans and match pay – call us now for details.

2nd Mortgage Debt

Veripro Account Number: [REDACTED]

Last 4 of Previous Loan Number: [REDACTED]

Original Creditor: Bank of America, N.A.

Property Address: 1318 B STREET UNIT
B208, HAYWARD, CA 94541

Call us 7a-8p CST M-Fr:
888.967.9700

Payment Address:

Veripro Solutions Inc.
P.O. Box 3244
Coppell, TX 75019

Email us:

correspondence@veriprosolutions.com

Visit us Online:

www.veriprosolutions.com

Please be sure to include Veripro Account
Number on the remittance

750 E Highway 121, Suite 100, Lewisville, TX 75067 | P.O. Box 3244, Coppell, TX 75019 | Phone: 888-967-9700 | Fax: 877-492-6160

| Business Hours: 8AM to 8PM CST | www.veriprosolutions.com | Se Habla Español

Veripro Solutions Inc. (formerly known as NSM Recovery Services Inc.) is a Nationstar Mortgage LLC company. Veripro is a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose. However, if you are currently in bankruptcy or have received a discharge in bankruptcy, this letter is not an attempt to collect a debt from you personally to the extent that it is included in your bankruptcy or has been discharged but is provided for informational purposes only. If you are represented by an attorney, please provide this notice to your attorney.



Veripro Solutions

NOTICE TO ALL CONSUMERS: THE FOLLOWING STATES REQUIRE US TO GIVE SPECIAL NOTICES TO THEIR RESIDENTS. CONSUMERS IN OTHER STATES MAY HAVE SIMILAR OR GREATER RIGHTS AND THESE STATE-SPECIFIC NOTICES DO NOT LIMIT OR RESTRICT THE RIGHTS AFFORDED BY FEDERAL LAW OR OTHER STATE LAWS.

No State Disclosure

Your acceptance of and performance under this offer assumes that the collateral property for this loan will not be sold or refinanced at any point during the duration of this settlement term. If at any point during the payment period under this offer and before the final due date as stated herein, we are asked to provide a payoff in connection with any transaction involving the collateral property for this loan including but not limited to the sale, transfer or refinance of said property we will provide the full balance due payoff, not the discounted settlement offer amount approved in this offer today. To the extent if we find that the funds received on this offer originated from proceeds involved in the sale, transfer or refinance of the collateral property for this loan, all sums paid will be credited to the unpaid principal balance, but Veripro will be under no obligation to release your lien.

Unless your debt was already included in a bankruptcy discharge, if we accept an amount as a reduced payoff or settlement that is less than the full balance you owe, we are required to report the portion of the balance that we cancelled or forgave to the IRS. The form you may receive is a 1099-C (Cancellation of Debt) form. Based on the Consolidated Appropriations Act of 2016, Public Law 114-113 (129 Stat. 2242; 887 pages), you may avoid or reduce the amount of cancelled debt on which you have to pay taxes due to the exclusion based on the cancellation of qualified principal residence indebtedness. The extension applies to debt discharged before January 1, 2017 and is retroactive to discharges since the beginning of 2015. Please contact your tax advisor for any other questions you may have regarding this.

750 E Highway 121, Suite 100, Lewisville, TX 75067 | P.O. Box 1244, Coppell, TX 75019 | Phone: 888-967-9700 | Fax: 877-492-6160
| Business Hours: 8AM to 8PM CST | www.veriprosolutions.com | *Se Habla Español*

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EXHIBIT B

PO BOX 3572
COPPELL TX 75019
CHANGE SERVICE REQUESTED

REDACTED

PERSONAL & CONFIDENTIAL
TAQUELIA N. WASHINGTON



What we do

Veripro Solutions is a debt recovery company focused on helping you in business. We
provide a variety of services including debt collection, credit repair, and more. We are
committed to helping you achieve your financial goals.

Solutions for You



Our goal is to help you achieve your financial goals. We provide a variety of services including debt collection, credit repair, and more. We are committed to helping you achieve your financial goals.

01/12/2017

BALANCE DUE: \$97,514.31

REDUCED PAYOFF OFFER: \$29,254.29

YOU SAVE: \$68,260.02

Pay the reduced payoff amount listed above to settle this debt in full.

Why should you pay?

• **Satisfaction of Mortgage** – The mortgage satisfaction will be recorded with the property county recorder's office, releasing the lien for this mortgage debt from your property.

• **Eliminate Debt** – This loan will be closed with no further balance due.

• **Step Toward Creating Equity** – Reducing your total mortgage debt will only help you towards creating positive equity on your property investment.

• **Peace of Mind** – After you pay, the final communication you will receive from anyone regarding this debt will be our "settled in full" confirmation letter, reflecting a \$0.00 balance due.

• **Options for Payment** – We accept Check, Money Order, Cashier's Check, Bank Wire, Credit/Debit Card Payment. You can pay over the phone, send payment in the mail or pay online with no convenience fee to you.

Other Options: Call us to discuss settling this debt in affordable monthly payments.

• We may be able to approve a lesser amount for reduced payoff if we have more details from you.

• We also have options to help you resolve the debt such as balance reduction plans and match pay – call us now for details.

Notice: Important state disclosure information on the back of this letter.

2nd Mortgage Debt

Veripro Account Number: [REDACTED]

Last 4 of Previous Loan Number: [REDACTED]

Original Creditor: Bank of America, N.A.

Property Address: 1318 B STREET UNIT
B208, HAYWARD, CA 94541

Call us 7a-8p CST M-Fr:
888.967.9700

Payment Address:
Veripro Solutions Inc.
P.O. Box 3244
Coppell, TX 75019

Email us:
correspondence@veriprosolutions.com

Visit us Online:
www.veriprosolutions.com

Please be sure to include Veripro Account
Number on the remittance

750 E Highway 121, Suite 100, Lewisville, TX 75067 | P.O. Box 3244, Coppell, TX 75019 | Phone: 888-967-9700 | Fax: 877-492-6160
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Veripro Solutions

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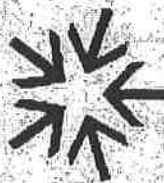
No State Disclosure

Your acceptance of and performance under this offer assumes that the collateral property for this loan will not be sold or refinanced at any point during the duration of this settlement term. If at any point during the payment period under this offer and before the final due date as stated herein, we are asked to provide a payoff in connection with any transaction involving the collateral property for this loan including but not limited to the sale, transfer or refinance of said property we will provide the full balance due payoff, not the discounted settlement offer amount approved in this offer today. To the extent if we find that the funds received on this offer originated from proceeds involved in the sale, transfer or refinance of the collateral property for this loan, all sums paid will be credited to the unpaid principal balance, but Veripro will be under no obligation to release your lien.

750 E. Highway 121, Suite 100, Lewisville, TX 75067 | P.O. Box 3244, Coppell, TX 75019 | Phone: 888-967-9700 | Fax: 877-492-6160
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EXHIBIT C



Veripro Solutions

Last of Previous Loan Number:
Original Creditor: Bank of America N.A.
Current Balance: \$97,514.31
Property Address: 1318 B STREET UNIT B308 HAYWARD, CA 94541

Dear Borrower:

After review of the above referenced account, you remain responsible for \$97,514.31 mortgage lien that is still active and filed on the above referenced property address. It is our desire to work with you to create a solution to eliminate this mortgage debt against your property.

Below are a few of the many possible payment options available in order to settle this account:

Lump Sum Settlement

1 Time Payment of \$24,378.58

Multi-Part Settlement

12 payments of \$2,378.86 for a total of \$29,244.29

The benefits of accepting our reduced payoff - Settlement options are:

- You will save thousands of dollars by paying off the balance at a fraction of what is owed
- You will avoid any further collection

Upon full payment of the settlement amount, the necessary documents will be forwarded to the trustee and/or County Recorder's Office to release our lien

If this is not feasible, we may still be able to help substantially reduce your balance owed and set up a repayment plan based on the new remaining balance.

Monthly Pay Plan

Down Payment of \$350.00, followed by monthly installments of \$250.00 until the full balance of \$97,514.31 is paid.

This offer is only good for 15 days from the date of this letter.

Thereafter the settlement amount is subject to change. Please be sure to include your Veripro Account number on the remittance.

Call us today at 808.967.9700 to discuss these options before it is too late.

Sincerely,
Veripro Solutions Inc.

We want to hear from you - If you don't have time to talk, send email questions at your convenience:

- Have a question about your account?
- Want to know more about your options?
- Want to give us information about your account or your situation?
- Want to submit an offer for us to review?

We will respond within 48 hours of receipt of your email

Email address: payments@veriprosolutions.com

Visit our website to explore options now at:

<http://www.veriprosolutions.com>

02/09/2017

Re: Veripro Account Number



Superior Court of California, County of Alameda Alternative Dispute Resolution (ADR) Information Packet

The person who files a civil lawsuit (plaintiff) must include the ADR Information Packet with the complaint when serving the defendant. Cross complainants must serve the ADR Information Packet on any new parties named to the action.

The Court *strongly encourages* the parties to use some form of ADR before proceeding to trial. You may choose ADR by:

- Indicating your preference on Case Management Form CM-110;
- Filing the Stipulation to ADR and Delay Initial Case Management Conference for 90 Days (a local form included with the information packet); or
- Agree to ADR at your Initial Case Management Conference.

QUESTIONS? Call (510) 891-6055. Email adrprogram@alameda.courts.ca.gov
Or visit the court's website at <http://www.alameda.courts.ca.gov/adr>

What Are The Advantages Of Using ADR?

- **Faster** – Litigation can take years to complete but ADR usually takes weeks or months.
- **Cheaper** – Parties can save on attorneys' fees and litigation costs.
- **More control and flexibility** – Parties choose the ADR process appropriate for their case.
- **Cooperative and less stressful** – In mediation, parties cooperate to find a mutually agreeable resolution.
- **Preserve Relationships** – A mediator can help you effectively communicate your interests and point of view to the other side. This is an important benefit when you want to preserve a relationship.

What Is The Disadvantage Of Using ADR?

- **You may go to court anyway** – If you cannot resolve your dispute using ADR, you may still have to spend time and money resolving your lawsuit through the courts.

What ADR Options Are Available?

- **Mediation** – A neutral person (mediator) helps the parties communicate, clarify facts, identify legal issues, explore settlement options, and agree on a solution that is acceptable to all sides.
 - **Court Mediation Program:** Mediators do not charge fees for the first two hours of mediation. If parties need more time, they must pay the mediator's regular fees.

Some mediators ask for a deposit before mediation starts which is subject to a refund for unused time.

- **Private Mediation:** This is mediation where the parties pay the mediator's regular fees and may choose a mediator outside the court's panel.
- **Arbitration** – A neutral person (arbitrator) hears arguments and evidence from each side and then decides the outcome of the dispute. Arbitration is less formal than a trial and the rules of evidence are often relaxed. Arbitration is effective when the parties want someone other than themselves to decide the outcome.
 - **Judicial Arbitration Program (non-binding):** The judge can refer a case or the parties can agree to use judicial arbitration. The parties select an arbitrator from a list provided by the court. If the parties cannot agree on an arbitrator, one will be assigned by the court. There is no fee for the arbitrator. The arbitrator must send the decision (award of the arbitrator) to the court. The parties have the right to reject the award and proceed to trial.
 - **Private Arbitration (binding and non-binding)** occurs when parties involved in a dispute either agree or are contractually obligated. This option takes place outside of the courts and is normally binding meaning the arbitrator's decision is final.

Mediation Service Programs In Alameda County

Low cost mediation services are available through non-profit community organizations. Trained volunteer mediators provide these services. Contact the following organizations for more information:

SEEDS Community Resolution Center

1968 San Pablo Avenue, Berkeley, CA 94702-1612

Telephone: (510) 548-2377 Website: www.seedscrc.org

Their mission is to provide mediation, facilitation, training and education programs in our diverse communities – Services that Encourage Effective Dialogue and Solution-making.

Center for Community Dispute Settlement

291 McLeod Street, Livermore, CA 94550

Telephone: (925) 373-1035 Website: www.trivalleymediation.com

CCDS provides services in the Tri-Valley area for all of Alameda County.

For Victim/Offender Restorative Justice Services

Catholic Charities of the East Bay: Oakland

433 Jefferson Street, Oakland, CA 94607

Telephone: (510) 768-3100 Website: www.cceb.org

Mediation sessions involve the youth, victim, and family members work toward a mutually agreeable restitution agreement.

Cal. Rules of Court,
rule 3.221(a)(4)

ALA ADR-001

PLAINTIFF/PETITIONER: DEFENDANT/RESPONDENT:	CASE NUMBER.:
--	---------------

Date:

(TYPE OR PRINT NAME) ► _____
(SIGNATURE OF DEFENDANT)

Date:

(TYPE OR PRINT NAME) ► _____
(SIGNATURE OF ATTORNEY FOR DEFENDANT)