The second second 1 ROGER A. BROWN STATE BAR NO. 053235 2 Post Office Box 475 Sonora CA 95370 3 209-533-7755 209-533-7757 (fax) 4 Attorney for Plaintiff 5 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 IN AND FOR THE COUNTY OF TUOLUMNE 10 ODD FELLOWS SIERRA RECREATION Case No. CV 48735 11 ASSN, INC., **HEARING BRIEF** 12 Plaintiff, DATE: July 9, 2002 13 TIME: 2:00 p.m. V. DEPT: One 14 MANUEL SOARES, JR., et al., 15 Defendants. 16 17 INTRODUCTION 18 Plaintiff, ODD FELLOWS SIERRA RECREATION ASSOCIATION, INC., filed this 19 Quiet Title action after having purchased the subject property formerly owned by Manual Soares, Jr., at a trustee sale conducted in 1996. Plaintiff obtained title from the Trustee, Cimarron Service 20 21 Company, by Trustee's Deed dated April 5, 1996. 22 After the trustee sale, plaintiff realized that the Internal Revenue Service and California 23 Franchise Tax Board had recorded tax liens on the property. This action was filed to put to rest 24 any claims the taxing authorities, Mr. Soares, or anyone else might have to the property so 25 Plaintiff could have confidence that they owned the property unencumbered by any other claims 26 or liens. 27 Mr. Soares was personally served with complaint and summons and his default has been 28 entered. Both the IRS and the Franchise Tax Board were personally served and each of them has

HEARING BRIEF

filed a Disclaimer of Interest in the property. All unknown claimants were served by publication in a newspaper of general circulation as required by law and the order of this honorable court and the time for filing responsive papers has passed.

This Hearing Brief is intended to assist the court in resolving the claim of Plaintiff and its entitlement to a judgment quieting title as against the claims of all persons whether known or unknown.

II. PLAINTIFF'S CLAIM IS VALID

The court may not render judgment by default, but must determine plaintiff's title against the claims of all defendants. (Code of Civil Procedure section 764.010.) The court may not simply award a default judgment to Plaintiff without examining the evidence in support of their claim of title. However, since all defendants have either defaulted or disclaimed any interest in the property, there are no claims of any defendant before the court. Accordingly, the court may proceed upon the evidence presented by Plaintiff.

The evidence will show that Plaintiff acquired its title to the real property by purchasing the same at a trustee sale conducted on or about April 3, 1996. Plaintiff will present a certified copy of the Trustee's Deed Upon Sale, dated April 5, 1996, and recorded in the official records of the County of Tuolumne.

There is a common law presumption that a foreclosure sale has been conducted regularly and fairly. (Stevens v. Plumas Eureka Annex Mining Co. (1935) 2 Cal.2d 493, 497.)

In addition to the common law presumption, there is a statutory presumption of validity where the trustee's deed recites that all statutory requirements for notices of default and sale have been satisfied. (Civ. Code 2924) In relevant part, Civil Code section 2924 states:

A recital in the deed executed pursuant to the power of sale of compliance with all requirements of law regarding the mailing of copies of notices or the publication of a copy of the notice of default or the posting of copies of the notice of sale or the publication of a copy thereof shall constitute prima facie evidence of compliance with these requirements and conclusive evidence thereof in favor of bona fide purchasers and encumbrancers for value and without notice. (Emphasis added.)

The certified copy of the subject trustee's deed herein contains the following recitation:

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All requirements of law regarding the mailings of copies of notices or the publication of a copy of the Notice of Default or the personal delivery of the copy of the Notice of Default and the posting and publication of copies of the Notice of Sale have been complied with.

Other code provisions supply additional presumptions which may apply. Evidence Code section 622 states, "The facts recited in a written instrument are conclusively presumed to be true as between the parties thereto, or their successors in interest; but this rule does not apply to the recital of a consideration."

Evidence Code section 642 states, "A trustee or other person, whose duty it was to convey real property to a particular person, is presumed to have actually conveyed to him when such presumption is necessary to perfect title of such person or his successor."

Taken together, the certified copy of the Trustee's Deed which triggers these presumptions, unless contradicted by sufficient evidence, clearly establishes the plaintiff's good title to the subject property.

III. ALL DEFENDANTS, KNOWN AND UNKNOWN, HAVE BEEN PROPERLY SERVED WITH PROCESS AND HAVE EITHER DISCLAIMED ANY INTEREST OR DEFAULTED

Plaintiff asks the court to take judicial notice of its own records and the court file in this case pursuant to Evidence Code sections 450 and 452(2). The court file shows that the Complaint herein was filed on February 13, 2002. The complaint named as defendants, Manuel Soares, Jr., the State of California Franchise Tax Board, the Internal Revenue Service, and All Persons Unknown, Claiming Any Legal or Equitable Right, Title, Estate, Lien or Interest in the Property Described in the Complaint Adverse to Plaintiff's Title, or any Cloud on Plaintiff's Title Thereto.

The court file also shows that a Lis Pendens was filed on February 13, 2002, and recorded in the official records of the County of Tuolumne on February 13, 2002 as Document Number 3202, Book 1857, Page 0087.

The court file shows that on May 2, 2002, plaintiff filed their return on the Summons with proofs of service on all named defendants, including the IRS, Franchise Tax Board and Manuel

Soares, Jr.

The Franchise Tax Board filed and served a document entitled "Disclaimer of the Franchise Tax Board to the Complaint to Quiet Title" on or about March 6, 2002. By this document, the Franchise Tax Board disclaimed and relinquished any right, title or interest they might have had in the property.

The Internal Revenue Service also filed and served a document entitled "Disclaimer of Interest by United States of America for Internal Revenue Service" on or about March 19, 2002, by which they also disclaimed and relinquished any right, title or interest they might have had in the property.

Manuel Soares, Jr. did not file an answer or any other responsive pleading and his default was thereafter entered on May 2, 2002.

Upon the motion of plaintiff, the court issued an Order for Publication of Summons on March 22, 2002. The Order for Publication was intended to give notice and to effect service of process upon all unknown persons who may claim some right, title or interest in the property. The Summons was duly published in the Union Democrat, a newspaper of general circulation, on May 9, May 16, May 23, and May 30 as required by Code of Civil Procedure Section 415.50. A Proof of Publication of Summons was filed with this court on June 2, 2002.

The plaintiff complied with the provisions of Code of Civil Procedure section 763.020 by posting a copy of the summons in a conspicuous place on the property, recording the notice of pendency of the action and by describing in the publication the property involved. The only element required by Section 763.020 which cannot be established by reference to the court file is the requirement of posting. As to that element, plaintiff will present the testimony of Delwyn Wallis, the President of the Odd Fellows Sierra Recreation Association.

 IV. CONCLUSION

Plaintiff has complied in all respects with the requirements of the Code of Civil Procedure governing actions to quiet title to real property. While the code prohibits awarding judgment in a quiet title action by default, there are absolutely no claims by anyone of which we are aware that

could be adverse to plaintiff's claim of title.

Plaintiff claims title by virtue of its purchase of the property at a trustee sale, which is presumed to be valid pursuant to statutory and common law. There are no parties before the court in a position to challenge the presumption of validity. Accordingly, the court should find that the plaintiff has good title to the subject property and quiet plaintiff's title accordingly as against all named defendants and all unknown and unnamed persons as well.

Plaintiff has submitted herewith a proposed form of judgment for the court's consideration in granting the relief prayed.

Dated: July 2, 2002

ROGER A. BROWN, Attorney for Plaintiff