

1 REDWOOD CITY, CALIFORNIA FEBRUARY 21, 2018

2 AM SESSION

3 P R O C E E D I N G S

4 THE COURT: Good morning, everybody.

5 MR. GUZZETTA: Good morning, your Honor.

6 MR. McCANDLESS: Good morning.

7 THE COURT: And everyone is present at  
8 counsel table.

9 MR. McCANDLESS: Our client is coming.  
10 She's parking. She will be here.

11 THE COURT: No problem. I assume the  
12 line is still out the door so...

13 MR. McCANDLESS: The parking is the  
14 problem.

15 THE COURT: Parking is the problem too,  
16 yes.

17 I see you got your badges on. Those are  
18 something I'd ask you to wear when you're walking  
19 around the building during the breaks, to kind of  
20 let's people know who you are and keep their  
21 distance, if you will.

22 One of my responsibilities in a trial is  
23 to be the one that gives you the laws that apply,  
24 the rules that you're to use to decide the case.  
25 Those are called jury instructions. And most of  
26 them I will read to you at the end before you

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1 start to deliberate, but there's a few I'm gonna  
2 read now just to give you some introductory  
3 information about the case or, I should say,  
4 about the process. These are written by lawyers  
5 and judges so there can be a little bit wordy,  
6 but these are the rules. I will give you copies  
7 of them to take into the jury room when you go,  
8 so you won't have to memorize all this, but it's  
9 just an introduction.

10           At this time I'll give you some basic  
11 jury instructions to you before we hear from the  
12 attorneys and get the witnesses started.

13           You've been sworn in as jurors in this  
14 case. I want to impress on you the seriousness  
15 and importance of serving on a jury. Trial by  
16 jury is a fundamental right in California. The  
17 parties have a right to a jury that is selected  
18 fairly that comes to the case without bias and  
19 will attempt to reach a verdict based on the  
20 evidence presented.

21           Before we begin, I want to explain to  
22 you how you should conduct yourself during the  
23 trial. Do not allow anything that happens  
24 outside the courtroom to affect your decision.  
25 During the trial do not talk about this case or  
26 the people involved in it with anyone including

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1 family and persons living in your home, friends,  
2 coworkers, spiritual leaders, advisors or  
3 therapists. You may say that you're on a jury  
4 and how long the trial will take, but that is  
5 all.

6           You must not even talk about the case  
7 with the other jurors until I tell you that it is  
8 time for you to decide the case. This  
9 prohibition is not limited to face-to-face  
10 conversations, it also extends to all forms of  
11 electronic communication. Do not use any  
12 electronic device or media such as a cell phone,  
13 Smartphone, computer, Internet, any text or text  
14 messaging services, etcetera, to send or receive  
15 any information to or from anyone about this case  
16 or your experience as a juror until after you  
17 have been discharged from jury duty.

18           During the trial you must not listen to  
19 anyone else, talk about the case or the people  
20 involved in the case. You must avoid any contact  
21 with the parties, lawyers, witnesses and anyone  
22 else who may have a connection to the case. If  
23 anyone tries to talk to you about this case, tell  
24 that person you cannot discuss it because you are  
25 a juror. If he or she keeps talking to you,  
26 simply walk away and report the incident to the

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1 Court or bailiff as soon as you can.

2           After the trial is over and I've  
3 released you from jury duty, you may discuss the  
4 case with anyone but you are not required to do  
5 so. Do not do any research on your own or as a  
6 group. Do not use dictionaries, the Internet or  
7 other reference materials. Do not investigate  
8 the case or conduct any experiments. Do not  
9 contact anyone to assist you such as an  
10 accountant, doctor or lawyer. Do not visit or  
11 view the scene of any event involved in this case  
12 or use any Internet maps or mapping programs to  
13 search for or view any place discussed in the  
14 testimony. If you happen to pass by the scene,  
15 do not stop or investigate.

16           It is important that you keep an open  
17 mind during the trial. Evidence can only be  
18 presented a piece at a time. Do not form or  
19 express an opinion about this case while the  
20 trial is going on. You must not decide on a  
21 verdict until after you've heard all the evidence  
22 and have discussed it thoroughly with your fellow  
23 jurors in your deliberations.

24           Do not concern yourselves with the  
25 reasons for the ruling that I will make during  
26 the course of the trial. Do not guess what I may

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1 think your verdict should be or anything I might  
2 say or do.

3           When you begin your deliberations, you  
4 may discuss the case only in the jury room and  
5 only when all the jurors are present. You must  
6 decide what the facts are in this case. Do not  
7 let bias, sympathy, prejudice or public opinion  
8 influence your verdict.

9           At the end of the trial, I will explain  
10 the law to you that you must follow to reach your  
11 verdict. You must follow that law as I explain  
12 it to you even if you do not agree with the law.

13           I will explain now how the trial will  
14 proceed. You have already met the people  
15 involved in the case. First, each side may make  
16 an opening statement. An opening statement is  
17 not evidence. It is simply an outline to help  
18 you understand what that party expects the  
19 evidence will show. Also because it is often  
20 difficult to give you the evidence in the proper  
21 order, the opening statement allows you to keep  
22 an overview of the case in mind during the  
23 presentation of the evidence.

24           Next, you will hear the evidence. The  
25 Plaintiff will present evidence first. And when  
26 the Plaintiff is finished, the Defense will have

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1 an opportunity to present evidence. Each witness  
2 will be questioned first by the side who asked a  
3 witness to testify; that is called direct  
4 examination. Then the other side is permitted to  
5 question the witness; that is called  
6 cross-examination.

7 Documents or objects referred to during  
8 the trial are called exhibits. Exhibits are  
9 given numbers and letters so they may be clearly  
10 identified. Exhibits are not evidence unless I  
11 admit them in evidence, but during your  
12 deliberations, you will be able to look at all  
13 the exhibits that have been admitted in evidence.

14 There are many rules that govern whether  
15 something will be admitted into evidence. As one  
16 side presents evidence, the other side has the  
17 right to object and to ask me to decide if the  
18 evidence is permitted by the rules. Usually I  
19 will decide that immediately, but sometimes I may  
20 have to hear arguments outside of your presence.

21 After all the evidence has been  
22 presented by both sides, I will instruct you on  
23 the law that applies to the case. The attorneys  
24 will make -- and the attorneys will make closing  
25 arguments. What the parties say in closing  
26 arguments is not evidence. Those arguments are

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1 offered to help you understand the evidence and  
2 how the law applies to it. You've been given  
3 notebooks and may take notes during the trial.  
4 Do not take the notebooks out of the courtroom or  
5 jury room at any time during the trial. You may  
6 take your notes into the jury room during  
7 deliberations. You should use your notes only to  
8 remind yourself of what happened during the  
9 trial. Do not let your note-taking interfere  
10 with your ability to listen carefully to all the  
11 testimony and to watch the witnesses as they  
12 testify.

13           Nor should you allow your impression of  
14 a witness or other evidence to be influenced by  
15 whether or not other jurors are taking notes.  
16 Your independent recollection of the evidence  
17 should govern your verdict and you should not  
18 allow yourself to be influenced by the notes of  
19 other jurors if their notes are different from  
20 what you remember.

21           The court reporter is making a record of  
22 everything that is said. If during deliberations  
23 you have a question about what the witness said,  
24 you should ask the court reporter's records --  
25 you should ask that the court reporter's record  
26 be read to you and you must accept the court

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1 reporter's records as accurate.

2           At the end of the trial your notes will  
3 be collected and destroyed.

4           A corporation is a party in this  
5 lawsuit. A corporation is entitled the same and  
6 impartial treatment that you would give to an  
7 individual. You must decide the case with the  
8 same fairness that you would use if you were  
9 deciding the case between individuals. When I  
10 use words like "person" or "he" or "she" in these  
11 instructions, those instructions also apply to a  
12 corporation. You must not consider whether any  
13 of the parties in this case has insurance. The  
14 presence or absence of insurance is totally  
15 irrelevant. You must decide the case based only  
16 on the law and the evidence.

17           You must decide what the facts are in  
18 this case only from the evidence you see or hear  
19 during the trial. Sworn testimony, documents or  
20 anything else may be admitted in evidence. You  
21 may not consider an evidence anything that you  
22 see or hear when court is not in session. Even  
23 something done or said by one of the parties,  
24 attorneys or witnesses. What the attorneys say  
25 during the trial is not evidence. And in their  
26 opening statements and closing arguments, the



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1 attorneys will talk to you about the law and the  
2 evidence; what they say may help you understand  
3 the law and evidence but their statements and  
4 arguments are not evidence.

5           The attorneys' questions are not  
6 evidence. Only the witnesses' answers are  
7 evidence. You should not think that something is  
8 true just because the attorneys questions  
9 suggested it's true. However, the attorneys for  
10 both sides can agree that certain facts are  
11 true. This agreement is called a stipulation.  
12 No other proof is needed and you must accept  
13 those facts as true in this trial. If that  
14 happens, I will highlight it for you when it  
15 happens.

16           Each side has the right to object to  
17 evidence offered by the other side. If I do not  
18 agree with the objection, I will say it is  
19 overruled. If I overrule an objection, the  
20 witness will answer and you can consider the  
21 evidence. If I agree with an objection, I will  
22 say it is sustained. If I sustain an objection,  
23 you must ignore the question. If the witness  
24 does not answer, you must not guess what he or  
25 she might have said or why I sustained the  
26 objection. If a witness already answered, then

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1 you must ignore the answer.

2           A witness is a person who has knowledge  
3 related to this case. You will have to decide  
4 whether you believe each witness and how  
5 important each witness's testimony is to the  
6 case. You may believe all, part or none of a  
7 witness's testimony. In deciding whether to  
8 believe a witness's testimony, you may consider,  
9 among other factors, the following: (A) How well  
10 did the witness see, hear or otherwise sense what  
11 he or she described in court; (B) How well did  
12 the witness remember and describe what happened;  
13 (C) How did the witness look, act and speak while  
14 testifying; (D) Did the witness have any reason  
15 to say something that was not true. For example,  
16 did the witness show any bias or prejudice or  
17 have a personal relationship with any of the  
18 parties involved in the case or have a personal  
19 stake in how the case is decided; (E) What was  
20 the witness's attitude towards the case or about  
21 giving testimony?

22           Sometimes a witness may say something  
23 that is not consistent with something else he or  
24 she said. Sometimes different witnesses will  
25 give different versions of what happened. People  
26 often forget things or make mistakes in what they

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1 remember. Also two people may see the same event  
2 but remember it differently. You may consider  
3 these differences but do not decide that their  
4 testimony is untrue just because it differs from  
5 other testimony.

6           However, if you decide a witness did not  
7 tell the truth about something important, you may  
8 choose not to believe anything that witness  
9 said. On the other hand, if you think the  
10 witness did not tell the truth about some things  
11 but told the truth about others, you may accept  
12 the part you think is true and ignore the rest.  
13 Do not make any decision simply because there  
14 were more witnesses on one side than the other.  
15 If you believe it is true, the testimony of a  
16 single witness is enough to prove a fact.

17           Each one of us has biases about or  
18 certain perceptions or stereotypes of other  
19 people. We may be aware of some of our biases  
20 that we may not share with others. We may not  
21 fully be aware of some of our other biases. Our  
22 biases often affect how we act favorably or  
23 unfavorably towards someone. Biases can affect  
24 our thoughts how we remember or what we see and  
25 hear, whom we believe or disbelieve and how we  
26 make important decisions.

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1           As jurors, you're being asked to make  
2 very important decisions in this case. You must  
3 not let bias, prejudice or public opinion  
4 influence your decision. You must not be bias in  
5 favor of or against any party or witness because  
6 of his or her disability, gender, race, religion,  
7 ethnicity, sexual orientation, age, national  
8 origin or socioeconomic status. Your verdict  
9 must be based solely on the evidence presented.  
10 You must carefully evaluate the evidence and  
11 resist the urge to reach a verdict that is  
12 influenced by the bias for or against any party  
13 or witness.

14           From time to time during the trial, it  
15 may be necessary for me to talk with the  
16 attorneys out of the hearing of the jury, either  
17 by having a conference at the bench or by calling  
18 a recess to discuss a matter outside of your  
19 presence. The purpose of these conferences is  
20 not to keep relevant information from you but to  
21 decide how certain evidence is to be treated  
22 under the rules of evidence. Do not be concerned  
23 about our discussions or try to guess what is  
24 being said. I may not always just grant an  
25 attorney's request for a conference; do not  
26 consider my granting or denying a request for a

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1 conference as an indication of my opinion of this  
2 case or my view of the evidence.

3           One more. I know many of you are used  
4 to communicating, perhaps even learning by  
5 electronic communications and research; however,  
6 there are many good reasons why you must not do  
7 that with this trial. In court, jurors make  
8 important decisions and have consequences to the  
9 parties. Those decisions must be based only on  
10 the evidence that you hear in this courtroom.  
11 The evidence that's presented in court can be  
12 tested. It can be shown to be right or wrong by  
13 either side. It can be questioned. It can be  
14 contradicted by other evidence. What you might  
15 read or hear on your own could easily be wrong,  
16 out of date or inapplicable in this case.

17           The parties can receive a fair trial  
18 only if the facts and information on which you  
19 base your decision are presented to you as a  
20 group with each juror having the same opportunity  
21 to see, hear and evaluate the evidence.

22           Also, a trial is a public process. It  
23 depends on the disclosure in a courtroom of facts  
24 and evidence. Using information gathered in  
25 secret by one or more jurors would undermine the  
26 public process and violate the rights of the

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1 parties.

2           Those are some of the jury instructions  
3 that apply to this case. There are many others.  
4 I will, as I said, read them to you at the end,  
5 give you copies because as you can see from what  
6 I just read, it's a little bit hard to follow  
7 along. It's hard enough to read sometimes.

8           Okay. At this point, we're going to  
9 proceed to the opening statements of the  
10 attorneys. Opening statements are not actually  
11 evidence but an overview to let you see how  
12 things might fit together as we get into the  
13 actual testimony. However, the actual testimony  
14 is what you hear from witnesses on the witness  
15 stand.

16           Mr. McCandless, you're gonna go first?

17           MR. McCANDLESS: So we're going from --

18           THE COURT: Whatever you'd like. It's  
19 there if you want to use it. You don't have to.  
20 If it's in a bad spot, you can move it too a  
21 little bit. You probably can't stand behind it  
22 where it is now.

23           MR. McCANDLESS: Well, here we are.

24 Ladies and gentlemen of the jury, I want to thank  
25 you for participating in this case as jurors.

26 And I want to sympathize with one juror out, if

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1 you're still on the jury now or not, who said  
2 that he was on a jury and he had to be an  
3 alternate -- and that would be you -- and that it  
4 was the worst and most boring time of his life  
5 and it was the worst experience he ever had. And  
6 so with that in mind, I want you to know I don't  
7 take you for granted. It is a difficult task to  
8 take time out of your days and your life to  
9 consider our case and I want you to know my  
10 client appreciates it and I appreciate it.

11           I'll try to make this case interesting.  
12 After all it's about a homeowner who lost her  
13 home and that is interesting. That is part of  
14 the everyday experience. What we'll try to  
15 do with many facts, Wells Fargo, as the  
16 defendants, and Ms. Manantan as the Plaintiff,  
17 will try to stipulate to so that we can keep from  
18 introducing lots and lots of documents that might  
19 bore you.

20           At the end of the trial both the  
21 Plaintiff and the defendant will argue what we  
22 believe how the facts should be interpreted to  
23 the law. At this point, I'm not making those  
24 arguments; I'm simply trying to stay with the  
25 evidence I believe will show. The Court will, as  
26 the judge had instructed you already, he will

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1 instruct you on the law. He will give you jury  
2 instructions. You'll be able to bring those jury  
3 instructions into the room with you together with  
4 all the exhibits that have been admitted by the  
5 Court. And then after you consider the evidence,  
6 you consider all the jury instructions and you've  
7 considered the law, we will ask you for a  
8 verdict. And the verdict means the truth. We'll  
9 ask you for the truth.

10           Plaintiff will offer evidence to show  
11 that Ms. Manantan was a hardworking businesswoman  
12 who operates board and care homes and works at --  
13 has another job. Her husband has a job. We'll  
14 also offer evidence to show that she devoted her  
15 life to caring for others in these board and care  
16 homes. She has many as twelve patients in these  
17 care homes and that was a secondary business to  
18 her regular business.

19           The evidence will show that the income  
20 from these businesses sometimes fluctuated by a  
21 number of patients that she had, which made it  
22 difficult for her to present the financial data  
23 to the lender as far as the number of tenants  
24 that she had in her board and care homes. It  
25 made it a difficult type of case to present and  
26 to process a loan modification with.



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1           The evidence will show that Ms. Manantan  
2 is a mother, a wife. She's devoted to her family  
3 and devoting other times to the care of others.

4           The Plaintiff will offer evidence to  
5 show that on January 2nd, 2007, Ms. Manantan did,  
6 in fact, borrow the sum of 760,000 from a third  
7 party. We don't know who for sure, but at this  
8 point, Wells Fargo was the servicer. She  
9 executed a first trust deed and a promissory note  
10 pledging her home as a security for the loan.

11           The Plaintiff will also offer evidence  
12 to prove that after a few years Wells Fargo Bank  
13 and U.S. Bank claimed to be the owner of the  
14 promissory note signed by the Plaintiff. The  
15 evidence will also show that early on, Wells  
16 Fargo Bank granted Ms. Manantan a loan  
17 modification. The evidence will also show that  
18 Plaintiff asked for a loan modification and she  
19 received one after making some trial payments or  
20 some forbearance payments. However, the evidence  
21 will also show that the modification granted in  
22 2009 to Ms. Manantan was like a financial trap.

23           The evidence will show that although  
24 Ms. Manantan made some payments, the terms of the  
25 loan were simply just too high. The evidence  
26 will show that Wells Fargo gave her a fixed rate

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1 of five percent. At the time she needed a lower  
2 interest rate so she took what they were able to  
3 give because at the time it was variable and  
4 uncertain; it could go up to any other amount.

5           The evidence will also show that Wells  
6 Fargo did, in fact, get all the money that they  
7 were owed. On October the 2nd, 2015, Wells Fargo  
8 got \$1,063,000 from the sale of her home. The  
9 evidence will show that during an entire pendency  
10 of the loan modification, Wells Fargo was  
11 completely secured. At this point, I want to  
12 describe the case as being in three parts: A  
13 beginning, a middle and an end.

14           In the beginning, when a bank  
15 foreclosed, the evidence will show that they were  
16 to contact Ms. Manantan and offer her options to  
17 foreclosure other than foreclosure itself. The  
18 evidence will show that Wells Fargo did, in fact,  
19 utilize their automatic dialers and whatever  
20 other methods they had to contact the Plaintiff,  
21 but never did, in fact, contact the Plaintiff.  
22 The evidence will also show that in order for  
23 Wells Fargo to have initiated the foreclosure,  
24 they needed to do and comply with the code and  
25 the code says -- what our evidence will show --

26           MR. GUZZETTA: Objection. Improper

1 argument.

2 THE COURT: If you can avoid citing the  
3 law specifically. Generally, okay.

4 MR. McCANDLESS: What's required is that  
5 Wells Fargo exercised due diligence. Due  
6 diligence in attempting to contact Ms. Manantan.  
7 The evidence will show that they attempted to  
8 contact her.

9 Due diligence as defined for foreclosure  
10 says that if you can't contact Ms. Manantan, you  
11 must send her a letter. We contend they didn't  
12 send that letter. It also goes on to say that it  
13 must be certified return receipt requested. This  
14 contact with Ms. Manantan prior to [ ]issuing a  
15 foreclosure so that she may explore options to  
16 foreclosure other than foreclosure itself.

17 Wells Fargo never sent certified return  
18 receipt requested, this is particular to  
19 Ms. Manantan so, therefore, this is the beginning  
20 of the case. This is the false statement that is  
21 contained in its declaration.

22 Next, Ms. Manantan did, in fact, try to  
23 get a modification, the evidence will show. The  
24 evidence will show that she attempted to get what  
25 we call an RMA, Request for Mortgage Assistance.  
26 She submitted an application on 07/07/2014,

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1 09/08/2014, 11/23/2014, 10/09/2014, November  
2 11th, 2014, 03/26/2015. She filed an appeal in  
3 2015 of there a denial. And she again filed for  
4 mortgage assistance on May 31st, 2015; also in  
5 September of 2015. And finally, she submitted an  
6 application 09/16/2015.

7           In all these submissions, Wells Fargo  
8 was obligated under the code to acknowledge her  
9 submissions, tell her what was wrong with the  
10 submission and tell her what was necessary to go  
11 forward with her application. And under this  
12 part of what we'll call the Homeowners Bill of  
13 Rights, it will be our contention and the  
14 evidence will show that Wells Fargo did not  
15 comply with this part of the code.

16           The evidence will also show that these  
17 items, taken together, amount to a wrongful  
18 foreclosure. That is a foreclosure that should  
19 not have taken place as to the law. The evidence  
20 will also show or the defendants will attempt to  
21 allege that she never completed, or maybe she  
22 completed one time a complete application, which  
23 we will find that this case will get involved in  
24 semantics as far as what is a complete  
25 application. And what's interesting to note, the  
26 evidence will show, as presented by Wells Fargo

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1 what a complete application is determined by  
2 Wells Fargo, and so you'll never know if you have  
3 a complete application because the evidence will  
4 show Wells Fargo is to determine what is a  
5 complete application. And we will contend that  
6 that is not the law.

7           The evidence will show that she did  
8 complete complete applications and that she was,  
9 in fact, denied several times. And that brings  
10 me to the end of the case. The end of the case,  
11 as far as the Homeowners Bill of Rights involved,  
12 dual tracking. And dual tracking means you  
13 should not have to be processing a loan  
14 modification at a time when the lender's holding  
15 over your head the prospect of foreclosure.  
16 That's not good faith negotiations. You can't  
17 get a decent loan modification when, in fact,  
18 you're threatened with foreclosure if you don't  
19 accept what the bank is offering. And our  
20 evidence will show that, in fact, she did submit  
21 complete applications. She was reviewed and,  
22 yet, in spite of when she was reviewed and when  
23 the foreclosure was pending, they dual tracked.  
24 In other words, while they published a Notice of  
25 Trustee Sale at a time when they're still  
26 reviewing the loan. And when they do that,

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1 that's dual tracking and it's such that violates  
2 what we contest the Homeowners Bill of Rights.

3 We'll have experts to testify and  
4 Mr. Thomas Tarter will testify. And part of his  
5 expert opinion will opine the fact that Wells  
6 Fargo did not, in fact, intend to ever give  
7 Ms. Manantan a loan modification.

8 The evidence will also show that not  
9 only did they violate 2923.6, and that relates to  
10 due diligence, on the 18th and the 23rd, the  
11 evidence will show that on September 18th a  
12 letter went out saying 'Your loan mod has been  
13 denied.' And on September 23rd the evidence will  
14 show that 'Your loan mod has been denied.'  
15 However, the foreclosure sale occurred on October  
16 the 2nd. Not 30 days from the time that they  
17 told her her loan mod had been denied.

18 The reason that's important is once  
19 somebody really believes that they're not gonna  
20 get a loan modification, they can take steps to  
21 sell their house, which Ms. Manantan could. We  
22 will have expert opinion of appraisers appraising  
23 the value of her home at \$1.4 million at the time  
24 the property sold through Wells Fargo at  
25 163,000. This will constitute part of our  
26 damages claim in that Ms. Manantan lost that much

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1 equity from her home in dealing with Wells Fargo  
2 in the manner that Wells Fargo dealt with her in  
3 foreclosing on this home.

4           The evidence will also show that at the  
5 time they published the Notice of Sale on  
6 September 9th, 2015, the loan mod was being  
7 reviewed also. And once again, the evidence will  
8 show and the Defense will argue that she was not  
9 in active review versus actual review. And once  
10 again, we're gonna get bogged down in semantics  
11 to what the lender says: Active review is in a  
12 complete application, but the fact of the matter  
13 is the evidence will show that Wells Fargo had  
14 all Ms. Manantan's financial data and was still  
15 reviewing her at the time they published for sale  
16 on September 9th.

17           The evidence will show that the property  
18 did, in fact, sell at a foreclosure sale on  
19 October 2nd, 2015. The evidence will also show  
20 that defendants caused an illegal, willfully  
21 oppressive sale of my client's home in bad faith,  
22 intentionally, and as such we believe that the  
23 evidence will show that such conduct was  
24 despicable.

25           The evidence will also show that based  
26 on the fact the acts and omissions of the

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1 defendants, the sale of Ms. Manantan's home was  
2 illegal. The evidence will also show that Wells  
3 Fargo made representations, and based on those  
4 representations, my client applied for the loan  
5 modification as she did. She supplied her tax  
6 returns; she supplied her bank statements; she  
7 supplied all data that the lender asked for, and  
8 nevertheless, the lender still foreclosed on her  
9 home.

10           You'll find that Wells Fargo sent out a  
11 number of what we'll call form letters coded HP  
12 270. And in each of those letters, the evidence  
13 will show 'We will not foreclose on your home as  
14 long as you are in loan modification review.' It  
15 says it thirty-five times over the course of two  
16 and a half years. Ms. Manantan believed what  
17 they said, relied on it to her detriment.

18           Ms. Manantan suffered damages from a  
19 lost of equity from her home in amount of  
20 \$337,000. Ms. Manantan suffered being evicted  
21 from her home by the party that bought it at the  
22 sale. Ms. Manantan -- the evidence will show  
23 that the damages were calculated based on a  
24 property that was worth \$1.4 million at the time  
25 of the sale. The evidence will also show that  
26 Wells Fargo, based at a million 63, got 100



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1 percent of the money that they were owed in  
2 addition to all fees, appraisal fees, interests,  
3 late charges. And Wells Fargo foreclosed in  
4 order to collect excessive fees.

5           The evidence will also show that after  
6 the foreclosure, Ms. Manantan went into a lease  
7 arrangement with the person that bought the home  
8 for a period of time at \$5000 a month before  
9 having to relocate to an apartment.

10           The evidence will also show that  
11 Ms. Manantan's family suffered emotional distress  
12 as a result of this. The evidence will also show  
13 that the acts and omissions of Wells Fargo were  
14 willful and calculated because my client suffered  
15 damages. The evidence will show that the  
16 defendants intended -- never intended to offer my  
17 client the actual loan modification.

18           At the end of the evidence phase,  
19 Ms. Manantan will ask you, the jury, to render a  
20 verdict as to the truth of what happened  
21 regarding the wrongful foreclosure and order  
22 damages to compensate her for the lost of equity  
23 and the stress that she suffered as a result of  
24 this act that once again was not initiated  
25 lawfully. In other words, if they didn't  
26 exercise due diligence, they didn't contact her

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1 before they filed a notice of default, the  
2 foreclosure is wrongful. That's what the  
3 evidence will show.

4 Thanks for your attention and I look  
5 forward to this trial. Thank you.

6 THE COURT: Thank you, Mr. McCandless.  
7 Mr. Guzzetta.

8 MR. GUZZETTA: Thank you.

9 Good morning, ladies and gentlemen. We  
10 met yesterday, but I want to introduce myself and  
11 my team one more time to you now that you've been  
12 impaneled as the actual jury in this case.

13 Once again my name is Joe Guzzetta. I'm  
14 an attorney from San Francisco and I represent  
15 Wells Fargo and U.S. Bank in this case. With me,  
16 sitting next to me, is Laszlo Ladi. Mr. Ladi is  
17 a lawyer, also is helping me with the trial and  
18 will be questioning some of the witnesses you'll  
19 hear from. And next to Laszlo is Robert  
20 Ferguson, who is a representative from Wells  
21 Fargo, who will be sitting with us throughout the  
22 trial and you'll be hearing from him on the  
23 stand.

24 The first thing I want to do is thank  
25 you. Mr. McCandless thanks you in his opening  
26 statement. I'm gonna thank you. You're gonna

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1 thanked a lot. And I want to assure you that we  
2 don't do that lightly. We understand that this  
3 is a sacrifice that you're making to be to be  
4 here. I understand you're being ripped away from  
5 your jobs, your homes and your families to sit  
6 and decide a dispute between two parties you  
7 never heard of, never had any dealings with. So  
8 we thank you and we are entirely sincere when we  
9 do that. Like Mr. McCandless, I want to promise  
10 you that I don't want to take up any more of your  
11 time that is necessary to present Wells Fargo's  
12 side of the story in this case.

13 I also want to tell you that if ever you  
14 see my team in the hallway, one of us walks by  
15 you and don't say hi, we don't start talking with  
16 you, we don't ask you how the weather is, just  
17 please understand that we're legally prohibited  
18 from doing so. We'd love to and you all seem  
19 like nice folks and love to talk with you, but we  
20 just can't until the trial is over, so please  
21 don't take that personally.

22 Now that that's out of the way, ladies  
23 and gentlemen, I want to talk to you about this  
24 case and I want talk to you about what Wells  
25 Fargo actually contends. Mr. McCandless talked  
26 to you about what he thinks we're gonna say; now

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1 I'd like to tell you what we're gonna say.

2 I want to talk to you a little bit of  
3 about what lawyers call the theme of the case.  
4 That's just a \$5 lawyer word for things that are  
5 gonna come up over and over in this case. And we  
6 mentioned this a little bit in voir dire, the  
7 process of selecting you all as jurors, but the  
8 main theme of this case, and I think you'll see  
9 this over and over again coming up as the case  
10 goes along, is delay. Intentional delay. This  
11 foreclosure that we're talking about started in  
12 2010 after Ms. Manantan had already been granted  
13 an extremely favorable loan modification.

14 MS. LIM: Objection. Argumentative.

15 THE COURT: Overruled. The comment  
16 whether the jury chooses to accept it or not,  
17 it's fair comment at this point.

18 MR. GUZZETTA: Thank you, your Honor.

19 And we'll talk about the details of that  
20 loan modification in just a second, but it  
21 started in 2010, the foreclosure didn't happen  
22 until 2015. And there's a reason for that. The  
23 Plaintiff was very good at delaying foreclosure.  
24 She filed bankruptcy six separate times  
25 throughout the course of the delinquency after  
26 2010. And she admitted in her deposition, which

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1 we'll read to you throughout the course of the  
2 trial. A deposition is just a time before trial  
3 when the other party is under oath and ask them  
4 questions. She admitted in that deposition that  
5 the reason she filed those bankruptcies was not  
6 because she needed relief from bankruptcy but was  
7 because she wanted to stop foreclosure. And  
8 we'll read you that testimony of when the time  
9 comes.

10           Any time a bankruptcy is filed, loan  
11 foreclosure activity stops. And it stops until  
12 the bankruptcy court gives you permission to go  
13 forward, and obviously, the court is gonna take  
14 some time to do that, that could take some time,  
15 or the bankruptcy's dismissed. In this case all  
16 of Ms. Manantan's bankruptcies were dismissed.  
17 And they were dismissed, you're going to learn,  
18 because of what we call skeletal bankruptcy  
19 filings. Those are bankruptcy filings where the  
20 party files an initial petition, which gives them  
21 the benefit of the automatic stay, automatically  
22 freezes all of foreclosure activities, then she  
23 filed no further documents. The bankruptcy court  
24 would order her to file further documents in all  
25 six of these bankruptcies, and she wouldn't do  
26 it, and the bankruptcy would be dismissed.

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1           In 2015 you're gonna learn -- we'll show  
2 you the document -- that the bankruptcy court got  
3 fed up with her and entered an order dismissing  
4 her most recent bankruptcy and entered an order  
5 that she is to file no further bankruptcy for two  
6 years. That is an extraordinary order. And the  
7 bankruptcy court []said that if she filed any  
8 further bankruptcy in the next two years, she'll  
9 be sanctioned monetarily.

10           So throughout the course of this 5-year  
11 period from 2010 to 2015, Ms. Manantan used  
12 bankruptcies to stop the foreclosure process.  
13 She also used loan modification applications to  
14 do that. As Mr. McCandless alluded to, once a  
15 loan modification, a complete loan modification  
16 application -- that words gonna repeat throughout  
17 the trial -- is received, California law stops  
18 foreclosure activities as well. And Ms. Manantan  
19 knew that and she utilized loan modification  
20 applications and bankruptcy is essentially in  
21 tandem to the latest foreclosure process for five  
22 years. So again, the main theme of this case, as  
23 we go forward, I think is going to be intentional  
24 delay.

25           I want to talk to you about what the  
26 evidence is gonna show and I find that usually

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1 the best way to do this is from beginning to  
2 end. It's just the most logical way that people  
3 follow it and I find best. So I want to talk to  
4 you about the loan from the beginning to  
5 delinquency to the 5-year period. I'll do this  
6 as quickly as possible. We're not gonna talk  
7 about every little minutia of what happened.  
8 You'll learn that as the trial goes on, but in  
9 2007 Ms. Manantan took out a loan from a company  
10 called Residential Mortgage Capital -- that's a  
11 non Wells Fargo entity, a non U.S. Bank entity --  
12 for \$760,000.

13           When she signed the loan, she signed a  
14 contract promising to pay the money back by  
15 making payments every single month with  
16 interests. And you don't need to know many of  
17 the loan terms that Ms. Manantan's loan  
18 originally had, but there are a couple that I'd  
19 like you to think about as the trial goes on.

20           The first thing is her interest rate.  
21 Ms. Manantan's original loan had an interest rate  
22 of 6.75 percent for five years. It was fixed for  
23 five years and after five years it varied with  
24 the market. So when the interest rates went up,  
25 her payment went up; when the interest rates went  
26 down, her payment went down. That 6.75 percent

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1 interest rate resulted in a payment of about just  
2 under \$4000 a month. And she signed a contract  
3 agreement to pay that every single month and  
4 agreeing that she would be in default if she  
5 didn't.

6 Wells Fargo and U.S. Bank came into this  
7 case because her loan is what we call "secure  
8 ties." Basically, it was pooled with a bunch of  
9 other mortgages and the trustee of that mortgage  
10 pool, the mortgage pool is just a bunch of  
11 mortgages, it can't act on its own, it needs  
12 someone to help it act and that person is called  
13 a trustee is U.S. Bank. U.S. Bank hired Wells  
14 Fargo to service the mortgage.

15 Loan servicing is basically an activity  
16 where somebody might hire another person to  
17 communicate with the borrower, send out mortgage  
18 statements, do the accounting on the loan. All  
19 the boring stuff. Basically, the accounting, the  
20 receipt of payments, the application of those  
21 payments, remitting those payments to the loan's  
22 owner, U.S. Bank. So that's how Wells Fargo and  
23 U.S. Bank got involved in this loan.

24 And shortly after the loan was  
25 originated and it was originated in 2007 and  
26 2009, Ms. Manantan stopped making her monthly



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1 mortgage payments. Stopped cold. Didn't make  
2 partial payments. Just stopped. So as it's  
3 required to do under its agreement with the  
4 loan's owner, Wells Fargo recorded a Notice of  
5 Default, which is a document that basically  
6 starts the foreclosure process in California.

7           At the same time, Ms. Manantan asked for  
8 a loan modification. And as Mr. McCandless  
9 mentioned, she got it. Wells Fargo granted her a  
10 loan modification. As I mentioned before, it was  
11 a very good modification. The modification  
12 dropped Ms. Manantan's interest rate by 1.75  
13 percent; from 6.875 to 5 percent. And it fixed  
14 that interest rate through the life of the loan  
15 so the loan was no longer a variable interest  
16 rate. As time went on, it was fixed at 5  
17 percent.

18           The loan modification took all the back  
19 payment she owed but hadn't made and capped them  
20 on to the loan, to the balance of the loan and  
21 extended the loan term out by two years to 30  
22 more years, basically to give her more time to  
23 pay the loan off. This all resulted in a drop in  
24 Ms. Manantan's payment of \$800 a month. That  
25 is -- as I did the math -- about 15 percent. Her  
26 payment dropped from \$4992 a month to \$4212 a

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1 month. It's a very good modification. And  
2 Ms. Manantan signed the document agreeing to make  
3 those payments. We'll show you that document.

4           Now immediately after Ms. Manantan got  
5 that loan modification and I mean immediately  
6 four days after, it was set -- when we look  
7 back -- on September 1st, 2009. On September  
8 4th, 2009, Ms. Manantan was on the phone with  
9 Wells Fargo asking for another modification. She  
10 hadn't even made her first payment under the new  
11 modification yet and she's asking for another  
12 one.

13           Wells Fargo informed her that the  
14 rules -- the contract it had in the loan's owner  
15 prohibited for reviewing her for another  
16 modification -- she'd already gotten one -- for a  
17 period of one year. So Ms. Manantan made four  
18 payments under the modified loan and then again  
19 stopped making her payments altogether. That was  
20 the last payment Wells Fargo received from  
21 Ms. Manantan. It was, I think, April 2010.

22           So Ms. Manantan again breached the terms  
23 of her contracts and stopped making the loan  
24 payments and defaulted on her mortgage. So Wells  
25 Fargo, again, was required to do under the terms  
26 of its contracts with the loan's owner started

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1 the foreclosure process by filing a Notice of  
2 Default.

3           Now Mr. McCandless mentioned some things  
4 that were supposed to happen before the Notice of  
5 Default was recorded. And suffice it to say, all  
6 of those things happened. We'll show you the  
7 letters Wells Fargo sent to Ms. Manantan. We'll  
8 show you the call logs where Wells Fargo logged  
9 every time they tried to reach Ms. Manantan. And  
10 not only that but Ms. Manantan had extensive  
11 conversations with Wells Fargo regarding the loan  
12 modification, which is another way to satisfy the  
13 statute Mr. McCandless was talking about. In  
14 other words, Wells Fargo satisfied the statute in  
15 two ways when the law only required to satisfy  
16 the statute in one way.

17           I don't want to go through everything  
18 that happened between 2010 and 2015, we'll be  
19 here all morning, but I just want to go over a  
20 very brief timeline in March -- I'm sorry,  
21 actually, immediately after Wells Fargo recorded  
22 the Notice of Default in 2010, in December 2010  
23 Ms. Manantan filed for bankruptcy. Again, that  
24 was a skeletal filing and it was immediately  
25 dismissed by the bankruptcy court for failure to  
26 file the required documents.

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1           March 2012, Ms. Manantan filed another  
2 bankruptcy. June 2012, she submitted a loan  
3 modification application to Wells Fargo but never  
4 completed it. December 2012, I'm sorry September  
5 2012 in this one, Ms. Manantan filed for  
6 bankruptcy; it was dismissed by the bankruptcy  
7 court for failure to file required documents.  
8 December 2012, Ms. Manantan submitted a loan  
9 modification application to Wells Fargo but never  
10 completed the application. November 2013,  
11 Ms. Manantan submitted another loan modification  
12 application but never completed it. February  
13 2014, Ms. Manantan submitted another loan  
14 modification application but never completed it.  
15 September 2014, Ms. Manantan filed a bankruptcy  
16 but did not submit all the required documents.  
17 This pattern repeated itself throughout the  
18 course of the delinquency to the Fall of 2014.

19           In the Fall of 2014, Ms. Manantan  
20 submitted another application for loan  
21 modification from Wells Fargo and this time from  
22 October 2014 to essentially February 2014  
23 submitted enough documents to Wells Fargo to  
24 review her for a loan modification. So it gave  
25 her a full underwriting and review. And you'll  
26 see the results of that underwriting review.

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1 We'll show you the documents.

2           Basically, what the review showed is  
3 that Ms. Manantan didn't qualify for a loan  
4 modification. She didn't qualify because her  
5 debt -- the relationship between her debt and her  
6 income was too high, basically she had too much  
7 debt and not enough income. To put some numbers  
8 to it, Wells Fargo's contract with the owner of  
9 the loan required her to modify a loan --  
10 prohibited from modifying a loan if the debt  
11 income ratio was more than 35 percent. You  
12 wanted to make sure a loan modification is  
13 affordable for the borrower, otherwise it would  
14 just wind up in the exact same situation that  
15 we're in before: Default. Ms. Manantan's debt  
16 to income ratio was almost 60 percent; in other  
17 words, it was almost double the maximum it could  
18 be.

19           In September, I'm sorry, in March of  
20 2015 Wells Fargo sent Ms. Manantan two letters  
21 telling her that she had been reviewed and denied  
22 and telling her the reasons why. Ms. Manantan  
23 appealed that denial and she had a right to do.  
24 The appeal did not provide any grounds for  
25 appeal. Basically, we'll show you the document;  
26 it said, "We don't understand why we're not

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1 eligible." The appeal document is supposed to  
2 provide the reasons why the borrower is, in fact,  
3 illegible. Wells Fargo looked at that, appealed  
4 again, again determined that her debt to income  
5 ratio was way too high and denied the appeal.

6           Once a borrower is going to learn it's  
7 denied, the loan modification application, the  
8 rules change a bit. To prevent a borrower from  
9 submitting a seriatim loan modification  
10 application to delay foreclosure, the law  
11 basically says that once a modification  
12 application is denied, the lender is not required  
13 to stop foreclosure if another one is submitted  
14 unless that new application shows a material  
15 change in financial circumstances from the last  
16 application. And it's the borrower's burden to  
17 submit documents that show that their financial  
18 situation is changed.

19           So remember she was denied -- her appeal  
20 was actually denied in May 2015. September 2015,  
21 Wells Fargo basically moved the foreclosure  
22 process forward by filing the next document; it  
23 has to file the Notice of Trustee Sale.  
24 Basically, it says, you know, bring your loan  
25 current. The property is gonna be sold at  
26 auction so the lender could recover its money.

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1 And this document set the foreclosure sale for  
2 October 6.

3           Knowing that that was coming and knowing  
4 that she had done it before, she been prohibited  
5 from filing any further bankruptcy to stop this,  
6 so she lacked that tool to stop the foreclosure.  
7 Ms. Manantan tried to stop the foreclosure by  
8 submitting more loan modification applications.  
9 These loan modification applications however did  
10 not show any material change in Ms. Manantan's  
11 financial circumstances. They attempted to but  
12 the document she submitted do not support the  
13 material change that she was claiming. We'll  
14 show you those documents and we'll show you  
15 exactly why they didn't support the material  
16 change. But the bottom line is Wells Fargo had  
17 something called the Re-Entry Team, which deals  
18 with borrowers who'd already been denied for  
19 modification, who'd submitted new modification to  
20 basically their job -- to see if there's a  
21 material change in circumstances has happened.  
22 They determined it did not happen and they sent  
23 Ms. Manantan a letter saying we're sorry, we  
24 can't start the loan modification process -- the  
25 loan modification review process because you  
26 didn't submit the required -- [ ]the documents to

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1 show the material change in circumstances.

2           Mr. McCandless told you that those  
3 documents said that Ms. Manantan was denied for  
4 the loan modification. And well -- actually, I'm  
5 gonna let you see the documents for yourself.  
6 Suffice it to say, they don't say what  
7 Mr. McCandless say. I'll let you see them for  
8 yourself.

9           Because she couldn't -- she did not show  
10 material change in her financial circumstances,  
11 Wells Fargo continued with the sale on October  
12 2nd, 2015. Remember it had been five years since  
13 Wells Fargo had received a payment from  
14 Ms. Manantan. Ms. Manantan made no effort to  
15 bring her loan current. She did not make any  
16 payments to Wells Fargo in that 5-year period and  
17 Wells Fargo had an obligation to its -- the owner  
18 of the loan to basically recoupe its money. And  
19 at this point, the only way Wells Fargo could  
20 recoupe that lender's money was just foreclose.

21           I think I'm just about done here, ladies  
22 and gentlemen. I just want to make sure -- I'm  
23 going from memory. I just want to make sure I  
24 didn't miss anything here.

25           Before I leave you, this will be the  
26 last thing I talk to you about, I want to have



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1 you imagine something for a second. I want you  
2 to imagine that you're deciding whether to lend  
3 me some money. Better yet, imagine that you're  
4 deciding whether you're gonna lend me your best  
5 friend's money or your father's or mother's money,  
6 somebody else's money, and I come to you and I  
7 tell you I make a million bucks a year -- a  
8 million bucks a month.

9 I know we all have this image of lawyers  
10 rolling in money, but trust me, it's nowhere near  
11 that, but I tell you I make a million bucks a  
12 month and I tell you just lend me the money or  
13 you asked me for some backup, you may want to see  
14 a pay stub; it shows a million bucks a month of  
15 income.

16 Now supposing you asked me for that pay  
17 stub and it showed I made a thousand bucks a  
18 month. I tell you I got a business. That  
19 business makes a million bucks a month. Do you  
20 take my word for it or do you ask me for some  
21 backup? I figure you're loaning somebody else's  
22 money out. Now supposing I tell you, 'Well,  
23 yeah, I've got that million bucks a month and  
24 here are some documents and those are documents  
25 that I created, financial statements that I  
26 created. They're not audited. They don't show

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1 any sort of --"

2 MS. LIM: Your Honor. Objection. Is  
3 this closing argument or opening?

4 THE COURT: I agree, Mr. Guzzetta.

5 MS. LIM: I mean, I'd let him go, but  
6 enough is enough.

7 THE COURT: Opening statement is a  
8 preview of evidence, not closing argument.

9 MS. LIM: I don't like to do this, but  
10 it sounds like closing argument to me.

11 THE COURT: Sustained.

12 MR. GUZZETTA: I get it. Fair enough.

13 Ladies and gentlemen, this is the story  
14 in a nutshell, that's what you're gonna see the  
15 evidence is going to show. Obviously, there will  
16 be details in the evidence that's gonna be filled  
17 in as you see the evidence, but that's  
18 essentially what happened. And I hope that as  
19 you review the evidence you'll keep these  
20 comments in mind. And I hope that when you're  
21 done, I believe you'll agree with me that the  
22 only just verdict here is a verdict in favor of  
23 Wells Fargo and U.S. Bank on both of the claims.

24 Thank you.

25 THE COURT: Thank you.

26 And, Mr. McCandless, we're gonna take a

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1 break for the reporter because what I read and  
2 you've said that was pretty steady work, so we'll  
3 be taking a break until almost a couple minutes  
4 before 11:00 by that clock.

5           Just a couple general reminders whenever  
6 we take a break, please remember again not to  
7 speak to each other about the case. As I said  
8 yesterday, it's the main thing you have in  
9 common, but it's the one subject you really can't  
10 discuss with each other during breaks.

11           Secondly, as was mentioned by one of the  
12 counsel, if you pass any of them in the hallway,  
13 they're nice people as you can see, but all  
14 they're gonna do is give you a nod or say good  
15 morning but no conversation. And you can  
16 certainly nod, say good morning to them, but  
17 that's it. Nothing beyond a nod, so don't get  
18 involved in any conversations.

19           The bailiff -- we're getting a different  
20 bailiff every hour it seems at the moment until  
21 our regular gets back probably tomorrow, but if  
22 you want to talk to somebody about the  
23 neighborhood, the facilities in the building,  
24 restaurants, etcetera, the bailiff is your  
25 contact, not the attorneys or anybody connected  
26 with the case.



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1 down everything that's said by anybody. And I'm  
2 going to caution, Mr. McCandless and  
3 Mr. Guzzetta, both slow down a little bit after  
4 their opening statements. They were both kind of  
5 speeding along there a little bit. So thank you  
6 for Cindy's benefit. Try to go a little slower.  
7 Otherwise, she'll speak up. You know the court  
8 staff. We have Deputy McKague here, but our  
9 regular bailiff, I assume, will be back some time  
10 today.

11 First witness for the Plaintiff now and  
12 we'll start with the Plaintiff's evidence; later  
13 the defendants, as I told you in the jury  
14 instructions.

15 So, Counsel? Whoever? Ms. Lim.

16 MS. LIM: We would like to call  
17 Ms. Manantan please.

18 THE COURT: Sure. Ms. Manantan, come on  
19 up and get sworn.

20 (Madam clerk swore the witness.)

21 THE WITNESS: I do.

22 THE CLERK: Have a seat.

23 MS. LIM: Q. Good morning,  
24 Ms. Manantan.

25 THE CLERK: I need her to state -- if I  
26 could have you state and spell your first and

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1 last name for the record please.

2 THE WITNESS: Regina Manantan,  
3 R-E-G-I-N-A, M-A-N-A-N-T-A-N.

4 THE CLERK: Thank you.

5 THE COURT: Ms. Lim.

6 MS. LIM: Yes.

7

8 REGINA MANANTAN,

9 Called as a witness by the Plaintiff and having  
10 been duly sworn, testified as follows:

11

12 DIRECT EXAMINATION

13 BY MS. LIM: Q. Good morning,  
14 Ms. Manantan. How are you today?

15 A. I'm good.

16 Q. Okay. You never testified at trial  
17 before, correct?

18 A. No.

19 THE COURT: And right off the bat, you  
20 need to speak up louder than that.

21 THE WITNESS: Okay.

22 THE COURT: So wait until she's finished  
23 her question before you answer because the court  
24 reporter can only get one of you at a time. So  
25 listen to question and give us a good loud  
26 answer. Thank you, Ms. Manantan.

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1 MS. LIM: Q. Can you let the jury know  
2 the address of the subject of this lawsuit  
3 please?

4 A. The address is 911 Haddock,  
5 H-A-D-D-O-C-K, Street, Foster City, California,  
6 94404.

7 Q. And you don't currently live there,  
8 correct?

9 A. No.

10 Q. The house was foreclosed on, correct?

11 A. Yes.

12 Q. And when did you purchase that property?

13 A. It was purchased June of 2006.

14 Q. Do you recall how much the purchase  
15 price was in 2006?

16 A. It was purchased 885,000.

17 Q. And did you intend to live in that  
18 property at the time you purchased it?

19 A. Yes. It is my primary residence, yes.

20 Q. And did you move into the property as  
21 soon as you purchased it?

22 A. Yes.

23 Q. And who did you move into that property  
24 with?

25 A. Myself, my husband and my four children.

26 Q. And how old were your children at the

*UNCERTIFIED TRANSCRIPT*

1 time you moved in the home?

2 MR. GUZZETTA: Objection. Relevance.

3 THE COURT: Background information.

4 Overruled to an extent. Again, keep your voice  
5 up if you would.

6 THE WITNESS: Okay, Judge.

7 MS. LIM: Q. Again, at the time you  
8 moved into the property in 2006, how old were  
9 your children?

10 A. Okay. My eldest -- let me just --

11 Q. Take your time.

12 A. I'm nervous here.

13 My eldest is 18 years old at that time.

14 The second one is 16; the third one is 15; and my  
15 youngest is 12.

16 Q. Okay. And you and your four kids and  
17 your husband lived in the property continuously  
18 until it was foreclosed in October of 2015,  
19 correct?

20 A. Yes.

21 Q. Ms. Manantan, what do you currently do  
22 for a living?

23 A. Right now I'm running a home for the  
24 elderly and I'm [ ]CFE and at the same time I'm a  
25 part-time -- I have a part-time job doing  
26 processing of invoices in a tracking company.



*UNCERTIFIED TRANSCRIPT*

1 Q. And when did you come to the United  
2 States?

3 A. That was the year 1994.

4 Q. Did you move directly from the  
5 Philippines to San Mateo County?

6 A. Yes.

7 Q. So you've lived in Northern California  
8 since 1994?

9 A. Yes, I did.

10 Q. And you lived in San Mateo County since  
11 1994?

12 A. Yes.

13 Q. When you purchased the home in 2006, you  
14 got a loan, correct?

15 A. Yes.

16 Q. And that first loan, we'll call it a  
17 deed of trust -- do you understand what a deed of  
18 trust is?

19 A. Yes.

20 Q. A deed of trust is something that is  
21 basically a contract or a note detailing the  
22 terms of the loan, correct?

23 A. Yes.

24 Q. And how much was your first loan for?

25 A. As far as I remember, it's 765,000 for  
26 my first loan.

*UNCERTIFIED TRANSCRIPT*

1 Q. And do you remember the interest rate on  
2 that first loan?

3 A. It was 6 point something, around that  
4 figure, percent.

5 Q. Mr. Guzzetta said it was 6.75 percent,  
6 does that sound correct?

7 A. Yes. About.

8 Q. And was that an interest-only loan?

9 A. It was an interest-only.

10 Q. Which means your payments don't go  
11 towards the principal reduction, correct?

12 A. Correct.

13 Q. Is it what you call -- are you familiar  
14 with an ARM loan?

15 A. It's an ARM. A variable, yes.

16 Q. So you know what an ARM loan is,  
17 correct?

18 A. Yes.

19 Q. Can you explain what your understanding  
20 of the ARM loan was to the jury?

21 A. That it's not really a fixed one, but it  
22 will vary -- it's actually an ARM loan instead of  
23 fixed loan. That's how I remember that.

24 Q. Meaning that the interest rate would  
25 fluctuate --

26 A. Yes.

*UNCERTIFIED TRANSCRIPT*

1 Q. -- correct?

2 Do you recall how much your monthly  
3 payments were at the time of that loan, at the  
4 time of the purchase of the home in 2006?

5 A. 5200.

6 Q. 5200?

7 A. Yes.

8 Q. And then you were on time with your loan  
9 payments for the year of 2006?

10 A. Yes.

11 Q. And what about the year 2007?

12 A. Yes.

13 Q. And the year 2008?

14 A. Yes.

15 Q. And what about -- what happened in 2009?

16 A. In 2009 I was not able to pay, I believe  
17 in the month of May or beginning of that year.

18 Q. Okay. Did you face some sort of a  
19 hardship in 2009?

20 A. I did. That's why. That's the reason.

21 Q. Can you explain to the jury what that  
22 hardship was?

23 A. Okay, during that time I wanted to focus  
24 on my business, the board and care home, so I  
25 decided -- and they gave me a few hours already  
26 on my regular job so a reduction in number of

*UNCERTIFIED TRANSCRIPT*

1 hours in my job. And I cannot focus if I have,  
2 you know -- if I'm running a care home, I should  
3 be focusing on that one to be able to get some  
4 income. Because during that time since I'm not  
5 really devoted or I'm not focused and I cannot do  
6 marketing so I don't always have a full house, so  
7 I got less income.

8 Q. Okay. So just to be clear, during that  
9 time you were trying to focus on your  
10 self-employment?

11 A. Yes.

12 Q. Your self-employed business, which was  
13 the home care facility, right?

14 A. Yes.

15 Q. And because of your focus on that, you  
16 reduced your hours in your part-time job; is that  
17 what you're saying?

18 A. Yes, that's right.

19 Q. So overall your income had a reduction?

20 A. Yes.

21 Q. So in 2009 you missed some payments?

22 A. I did; yes.

23 Q. And how many payments did you miss  
24 before -- and how many payments did you miss --  
25 when did you miss your first payment if you  
26 remember?

*UNCERTIFIED TRANSCRIPT*

1           A.    Okay.  I know that 2009, that's the time  
2   that they gave me a trial forbearance and so I  
3   probably missed two payments on that year.

4           Q.    Okay.

5           A.    And then they gave me a forbearance or a  
6   trial; they gave me a modification.

7           Q.    Like Mr. Guzzetta said to the jury?

8           A.    Yes.

9           Q.    Okay.  So when you mean they gave you a  
10   trial, that was after you had missed a couple of  
11   payments on your original mortgage?

12          A.    Yes.  Yes.

13          Q.    Okay.  And then Wells Fargo -- is it  
14   Wells Fargo?

15          A.    It's Wells Fargo.

16          Q.    And Wells Fargo offered you what's  
17   called a Forbearance Agreement?

18          A.    Yes.

19          Q.    Or a trial agreement?

20          A.    Yes.

21          Q.    And what were the payments on that trial  
22   agreement?

23          A.    It's 4300.

24          Q.    4300?

25          A.    Yes.

26          Q.    Okay.  And that was in?

*UNCERTIFIED TRANSCRIPT*

1 A. 2009.

2 Q. 2009, okay.

3 After the original loan that you got at  
4 the time of purchase --

5 A. Yes.

6 Q. -- did you go through a trial before  
7 Wells Fargo offered you a loan modification?

8 A. They said that -- yes, they gave me a  
9 trial. They said, okay, this is your trial  
10 amount.

11 Q. Okay.

12 A. And then after that, there will be the  
13 monthly. I mean, they will adjust it like there  
14 would be a contract and that will be my regular  
15 payment, so they did give me a trial or a  
16 forbearance.

17 Q. Okay. And then is that when Wells Fargo  
18 gave you the loan modification?

19 A. Yes; after that trial.

20 Q. Wells Fargo argues was favorable to you?

21 A. No.

22 Q. Well, that's not my question, but did  
23 they at the time that's when they gave you that  
24 loan modification, correct, in 2009?

25 A. Yes.

26 Q. Okay. And what was the interest on that

*UNCERTIFIED TRANSCRIPT*

1 loan?

2 A. I cannot recall.

3 Q. It was lower than 6.75 percent, correct?

4 A. Yes. It's around 5 percent, yes.

5 Q. Around 5 percent. Do you know if that  
6 5 percent loan was an interest-only loan or was  
7 it to include payment towards principal  
8 reduction?

9 A. As far as I remember, it's interest and  
10 principal, but they compounded it. They added  
11 the taxes as well so it comes out to still over  
12 5000.

13 Q. Okay. So how much -- just with the  
14 interest and principal at 5 percent, how much was  
15 the monthly payment?

16 A. About 4200.

17 Q. 4200?

18 A. Yes.

19 Q. And then there was -- did Wells Fargo  
20 require that they impound every month a payment  
21 for taxes?

22 A. Yes.

23 Q. Do you recall how much that was?

24 A. It's around 1200 for the taxes.

25 Q. And that was required?

26 A. Yes.

*UNCERTIFIED TRANSCRIPT*

1 Q. So with the interest and principal  
2 balance plus the taxes, my calculation says that  
3 it took you over close to 54 -- slightly over  
4 \$5400 a month, correct?

5 A. Around, yes.

6 Q. And you still couldn't afford that,  
7 correct?

8 A. I cannot.

9 Q. But you could have afforded the 4200,  
10 correct?

11 A. Yes.

12 MR. GUZZETTA: Objection. Leading.

13 THE COURT: Sustained.

14 MS. LIM: Q. Could you afford the  
15 payment of 4212 as to just the principal and  
16 interest payment?

17 A. 42, yes.

18 Q. Could you afford the payment in addition  
19 to the tax payment of totaling 5400?

20 A. No.

21 Q. And so since you couldn't afford this  
22 initial loan modification that was offered to  
23 you, what did you do after that?

24 A. Well, I cannot pay so I actually  
25 wanted -- I've been asking for a loan  
26 modification. That's why I actually requested



*UNCERTIFIED TRANSCRIPT*

1 again for a loan modification.

2 Q. Okay. And did you do that by calling  
3 them?

4 A. No.

5 Q. Okay.

6 A. There is a form --

7 Q. Okay.

8 A. -- that I need to fill out. A request.

9 Q. And did you complete that request --

10 A. Yes.

11 Q. -- and submit it?

12 At this time when you requested the loan  
13 modification, did you continue to make your  
14 monthly payments?

15 A. No, I did not make any payments.

16 Q. You received a Notice of Default in the  
17 mail; did you receive a Notice of Default in the  
18 mail?

19 A. Yes.

20 Q. Do you recall when you received that  
21 Notice of Default?

22 A. It was around May of 2009.

23 Q. Before receiving that Notice of Default  
24 in the mail, did you ever make contact over the  
25 phone with a Wells Fargo representative?

26 A. No.

*UNCERTIFIED TRANSCRIPT*

1 Q. Did you ever receive any letters from  
2 Wells Fargo via certified mail?

3 A. Not a certified mail.

4 Q. Did you ever -- and this is again the  
5 time frame before you received the Notice of  
6 Default, okay?

7 A. No.

8 Q. Just to be clear, it's before the Notice  
9 of Default or before you received the Notice of  
10 Default.

11 A. I did not, no.

12 Q. Did you ever intentionally reject any  
13 mail that was from Wells Fargo via certified  
14 mail?

15 A. I never reject any mail.

16 Q. Are you familiar with the third party,  
17 Maxim?

18 A. Yes, I am.

19 Q. And when did you first -- let's explain  
20 to the jury who Maxim is.

21 A. You want me to --

22 Q. Yes, why don't you explain to the jury  
23 who Maxim is.

24 A. Maxim Equity is a financial company that  
25 helps people do a deep process loan  
26 modification. They're a third party who helped

*UNCERTIFIED TRANSCRIPT*

1 me do the loan modification.

2 Q. Did you hire Maxim to do your loan  
3 modification?

4 A. When you say hiring -- I mean, I asked  
5 help from them.

6 Q. When did you first ask for help from  
7 Maxim?

8 A. In the year 2012.

9 Q. Do you remember what month?

10 A. I cannot recall, but it's in the year  
11 2012.

12 Q. Did you ever pay any moneys to Maxim to  
13 help you with the loan modification?

14 A. No because the arrangement is they will  
15 only -- I will pay them once a loan modification  
16 is granted to me.

17 Q. How did Maxim keep you apprise of the  
18 status of their dealings with Wells Fargo?

19 A. Say that again.

20 Q. How did Maxim and you or how did Maxim  
21 keep you apprise of Maxim dealings with Wells  
22 Fargo?

23 A. You mean how will -- they always keep me  
24 posted. They gave me updates.

25 Q. How often?

26 A. Every week I make sure that I contact

1 and they contact me.

2 Q. So if they needed some form to be signed  
3 by you, they would send it to you?

4 A. Yes.

5 Q. And then you would sign it?

6 A. Yes.

7 Q. And then you would give it to Maxim?

8 A. Yes, that's right.

9 Q. And Maxim would send it off to Wells  
10 Fargo?

11 A. Yes.

12 Q. From 2012 on, did Maxim ever tell you  
13 that they denied the loan modification?

14 MR. GUZZETTA: Objection. Hearsay.

15 THE COURT: Is it for the truth of the  
16 matter or just for effecting her judgment.

17 MS. LIM: Effecting her judgment.

18 THE COURT: It's admitted for her state  
19 of mind.

20 MS. LIM: State of mind.

21 THE COURT: But not for whether it's  
22 actually true or not.

23 MS. LIM: Q. You can answer.

24 A. Okay. As far as I remember, there was a  
25 time, yes, that they say it was denied, yes.

26 Q. Okay. Do you remember when they first

*UNCERTIFIED TRANSCRIPT*

1 told you that it was denied?

2 A. I cannot recall.

3 Q. During this time when you retained Maxim  
4 to help you or you asked Maxim to help you with  
5 the loan modification, were you still receiving  
6 letters from Wells Fargo?

7 A. Yes. Asking for -- yes. Yes, I did.

8 Q. And when you received those letters from  
9 Wells Fargo, what would you do with those  
10 letters?

11 A. I always forwarded it to Maxim who would  
12 help me and authorized to speak in my behalf.

13 Q. Sometime in 2015 or let's go back to  
14 2010 through the period of 2015.

15 A. Okay.

16 Q. You said you were having some hardships  
17 in 2009 because you were focusing on your  
18 business, correct?

19 A. Yes.

20 Q. Can you tell the jury if your business  
21 had increased during that period of time?

22 A. Yes, it did, because I focused in that  
23 one and I do marketing so there's a change in the  
24 number of residents that I have. So before it's  
25 just like let's say around three and when I  
26 focused on it, I always have a full house, so now

*UNCERTIFIED TRANSCRIPT*

1 my income is actually -- had increased also.

2 Q. Okay. Did it gradually increase every  
3 year from 2010?

4 A. I maintained the capacity so there's  
5 really an income that I derived from running that  
6 care home.

7 Q. Okay. But did your income increase --

8 A. Yes.

9 Q. -- every year progressively?

10 A. Yes.

11 Q. What was your knowledge as to how the  
12 property values were doing from 2010 to 2015?

13 A. The property value has gone up. That is  
14 how I know the market value of the house had gone  
15 up.

16 Q. So it's your belief and opinion that --  
17 let me ask you this: In the year of 2009 did you  
18 know what the value of your home was?

19 A. 2009? I don't really remember.

20 Q. Do you know what being under water is?

21 A. Yes.

22 Q. Can you explain to the jury your  
23 understanding of what being under water means?

24 A. What I understand from under water is  
25 the value of your house is less compared to  
26 whatever you owe the bank.

*UNCERTIFIED TRANSCRIPT*

1 Q. And in 2009 do you have any idea if your  
2 home was under water?

3 A. During that time, yeah, because when the  
4 market collapsed, as far as I remember, it also  
5 went down.

6 Q. Okay. As a homeowner, was it part of  
7 your interest to keep up with the value of your  
8 home?

9 A. Of course.

10 Q. To inquire as to the value of your home?

11 A. Yes. Of course.

12 Q. Okay. In 2010 was it your understanding  
13 the value of your home increased or decreased or  
14 remained the same?

15 A. I believe it was still the same. I  
16 mean, when they went down -- when the market  
17 collapsed, what I remember in 2009 or '10 and it  
18 was the same.

19 Q. Around the same?

20 A. Yes.

21 Q. Can you tell the jury if you have any  
22 idea of the value of your home was in 2011?

23 A. I'm not sure. It's probably around  
24 900,000.

25 Q. Is it a fair statement to say that you  
26 believed the value of your home is increasing

*UNCERTIFIED TRANSCRIPT*

1 from 2009, that it had increased?

2 A. It had increased.

3 Q. Which is a good thing, right?

4 A. Yes.

5 Q. What about the following year in 2012?

6 A. I believe it's already picking up -- the  
7 market is picking up so what I remember is it's  
8 getting -- I mean, the value of the house is  
9 increasing as well.

10 Q. Okay. Do you have an idea of what the  
11 value of your home was in 2012?

12 A. It might have gone up to a million  
13 dollars.

14 Q. This may sound a little bit redundant  
15 but what about 2012, do you have any idea if the  
16 value of your home increased or decreased from  
17 2011 to 2012?

18 A. It might have gone up also, yes.

19 Q. Do you have any idea how much?

20 A. It's probably a million one.

21 Q. To save the jury time, it eventually  
22 increased to how much in 2015?

23 A. What I remember it had gone up to a  
24 million four on 2015.

25 Q. So is it your opinion that the value of  
26 your home at the time of foreclosure was a



1 million and four or \$1.4 million?

2 A. I also checked Zillow for the property  
3 value and I saw, you know, it had gone up to a  
4 million four.

5 Q. Did you have any idea at the time of the  
6 foreclosure sale what you owed Wells Fargo?

7 A. (No response.)

8 Q. Did you know how much you owed Wells  
9 Fargo at the time of the foreclosure sale?

10 A. Yes. Half a million dollar, yeah.

11 Q. And did you have -- at the time of the  
12 purchase did you also get a second loan?

13 A. Yes.

14 Q. And that was at the time of purchase in  
15 2006?

16 A. Yes.

17 Q. And what was that amount?

18 A. Around 120,000.

19 Q. 120,000. Did you attempt to modify that  
20 second loan?

21 A. I did.

22 Q. Were you successful?

23 MR. GUZZETTA: Objection. Relevance.

24 THE COURT: Overruled.

25 MS. LIM: Q. Were you successful in  
26 modifying the second loan; do you know?

*UNCERTIFIED TRANSCRIPT*

1           A. I cannot recall it was modified. I  
2 cannot recall.

3           Q. Do you know how much -- you know the  
4 property was foreclosed and a third party  
5 purchased it, correct?

6           A. Somebody bought it, yes.

7           Q. Do you know how much that third party  
8 purchased it for?

9           A. I believe they purchased it a million --  
10 less than a million, I'm sorry.

11          Q. Do you think it was less than a million?

12          A. Yes.

13          Q. And after this third party purchased the  
14 property, do you know the name of the entity or  
15 the --

16          A. Yes.

17          Q. What is it?

18          A. It's MOAB, M-O-A-B, Investment Group.

19          Q. Okay. And they purchased the property  
20 at the foreclosure sale and you were living in  
21 the property at the time, correct?

22          A. Yes.

23                 MR. GUZZETTA: Objection. Leading.

24                 THE COURT: That one I'll let go, but  
25 please try not to lead her.

26                 MS. LIM: Q. Did you make any living

*UNCERTIFIED TRANSCRIPT*

1 arrangements with MOAB Investment after they  
2 bought the property?

3 A. Yes, there was an agreement that I will  
4 pay rent to them to stay in the home.

5 Q. And how much did you pay them?

6 A. 5000 every month.

7 Q. Which is what you can afford?

8 A. Yes.

9 Q. And how long did you continue to live in  
10 the property?

11 A. Up to the end of February.

12 Q. So from October to end of February?

13 A. Yes.

14 Q. Going back to after you purchased the  
15 property, did you make any renovations to the  
16 home?

17 A. I did, yes.

18 Q. What kind of renovations did you do to  
19 the home?

20 A. We got it -- because it was an old house  
21 when I got that so we basically gutted out some  
22 walls and made a great room in the living room.  
23 And then we changed ceilings. We did some  
24 recessed lights. And we there's a small  
25 breakfast nook there and we gutted out the old  
26 cabinets. It's an old house when we got it, so

*UNCERTIFIED TRANSCRIPT*

1 we did a lot of work.

2 Q. So at the time it was foreclosed on,  
3 what was your opinion of the condition of the  
4 home?

5 A. It was very a nice home. It was a great  
6 home.

7 Q. New roofing?

8 A. The ceiling, yes. Recessed lights,  
9 yes. Exterior and interior paints.

10 Q. Do you know what a distressed home is?  
11 Distressed? Do you know that term in real  
12 estate.

13 A. Maybe something that inhabitable. Maybe  
14 not a good place to live.

15 Q. And would you characterize your home as  
16 being distressed at the time it was sold to MOAB  
17 Investment?

18 A. It was never a distressed home. It's a  
19 very nice home.

20 Q. And that was a home that you intended to  
21 live in the rest of your life, correct?

22 A. Yes. Yes.

23 Q. Why did you eventually move out in  
24 February?

25 A. Because I already received a letter they  
26 posted that I'm already -- there's a new owner,

*UNCERTIFIED TRANSCRIPT*

1 that I am not the owner anymore. And they even  
2 have, like, a 3-day eviction notice for me to  
3 vacate.

4 Q. But you had an arrangement with MOAB  
5 Investments to stay there for \$5000 a month.

6 A. Right. They did not receive my last  
7 payment to them and they wanted the house.

8 Q. But did you send that payment, that last  
9 payment?

10 A. I did. I have that one. So they always  
11 mail it back to me.

12 Q. Did you enter into some sort of a  
13 written lease agreement with MOAB Investments?

14 A. There is an agreement, yes.

15 Q. Do you know if your home is subject to  
16 rent control?

17 MR. GUZZETTA: Objection. Relevant.

18 MS. LIM: Q. If you know.

19 THE COURT: Sustained.

20 Don't answer.

21 MS. LIM: Okay.

22 Q. And your children attended the local  
23 schools?

24 A. Yes.

25 Q. When you were working with Maxim and  
26 they agreed to help you, when they asked you

*UNCERTIFIED TRANSCRIPT*

1 for -- did they request documents from you?

2 A. They did, yes.

3 Q. And this is just in general, so whenever  
4 they requested documents from you, did you give  
5 them --

6 A. I always provide it, yes.

7 Q. Can you recall what kind of documents  
8 you would provide them?

9 A. There's application, which is a request  
10 for -- RMA application like an assistance, home  
11 assistance, and then they will ask for my pay  
12 stub, my husband's pay stub and my daughter's,  
13 because that time my daughter also was helping  
14 me, so I gave a letter of contribution, my tax  
15 returns and an authorization for them to check  
16 the taxes. I submitted whatever they asked.

17 Q. And when you submitted those documents,  
18 it was your understanding that MOAB then would  
19 provide them to Wells Fargo {sic}, correct?

20 A. No, it's Maxim.

21 Q. I'm sorry, did I say -- I'm sorry.  
22 Maxim, yes. Thanks for correcting me.

23 So it's your understanding that Maxim  
24 would forward them to Wells Fargo, correct?

25 A. Yes.

26 Q. And how would Maxim show you that they

*UNCERTIFIED TRANSCRIPT*

1 forwarded those documents to Wells Fargo?

2 A. There's a letter, an acknowledgement  
3 letter from -- it's called ASC, which is Well  
4 Fargo, acknowledging that they received whatever  
5 they asked for.

6 Q. And so every time -- so the process  
7 would be Maxim would request documents from you?

8 A. Yes.

9 Q. You would provide them to Maxim and then  
10 you would receive a letter either from ASC or  
11 Wells Fargo acknowledging those documents they  
12 sent, correct?

13 A. Yes.

14 Q. Now my question is, how did you know  
15 that Maxim sent those documents to Wells Fargo?

16 A. By that letter that I get acknowledging  
17 that they received it.

18 Q. But Maxim -- would Maxim ever give you  
19 their proof that they sent documents to Wells  
20 Fargo?

21 A. Yes. Actually, it comes from me as well  
22 that I provide to them and they submit it in my  
23 behalf.

24 Q. So you have fax confirmation showing  
25 that you sent documents to Maxim?

26 A. There is a log whatever is submitted,

*UNCERTIFIED TRANSCRIPT*

1 yes.

2 Q. And then Maxim would show you how they  
3 sent the documents to Wells Fargo?

4 A. Yes.

5 Q. And this was ongoing?

6 A. Yes, it was.

7 Q. Now Mr. Guzzetta, in his opening, that  
8 from 2012 -- and we'll go over the dates more in  
9 detail in a bit but in general, you had filed a  
10 loan modification application from 2012 --  
11 there's one in December of 2012?

12 A. Yes.

13 Q. And you recall submitting a loan  
14 modification application in 2012 of December?

15 A. Yes.

16 Q. There was also another one sometime, I  
17 believe, in December 2013, correct?

18 A. Yes.

19 Q. And one also in February of 2014,  
20 correct?

21 A. Yes.

22 Q. And another one in December of 2014,  
23 correct?

24 A. Yes.

25 Q. Did you submit complete loan  
26 modification application at those times?



*UNCERTIFIED TRANSCRIPT*

1 MR. GUZZETTA: Objection. Foundation.

2 THE COURT: Foundation as to whether she  
3 submitted?

4 MR. GUZZETTA: Completeness.

5 THE COURT: Maybe you could clarify.  
6 Sustained.

7 MS. LIM: Q. So I'll remove the word  
8 complete because that's the word of contention  
9 right now. Do you recall signing Request For  
10 Mortgage Assistance in December of 2012?

11 A. Yes.

12 Q. In December of 2013?

13 A. Yes.

14 Q. In February of 2014?

15 A. Yes.

16 Q. In December of 2014?

17 A. Yes.

18 Q. Did you send supporting documents along  
19 with those applications?

20 A. Yes.

21 Q. And you would submit those to Maxim,  
22 correct?

23 A. That's correct, yes.

24 Q. And so what kind of documents along with  
25 the applications would you submit?

26 A. They will always ask for my pay stub, my

1 husband's pay stub, all those letter of  
2 contribution, like what I mentioned earlier.

3 Q. Okay. Did you ever ask why you had to  
4 send these documents so often?

5 A. Because it's still under review. They  
6 keep on saying still under review. They're still  
7 processing the loan modification.

8 Q. Did Wells Fargo ever let you know that  
9 the loan application or the RMA was incomplete?

10 A. Only -- okay, Maxim will tell me we  
11 still need this one, they're still asking so...

12 MR. GUZZETTA: Objection. Hearsay, your  
13 Honor, as to what Maxim said.

14 MS. LIM: It goes to state of mind.

15 THE COURT: Admissible for her state of  
16 mind. Go ahead.

17 MS. LIM: I forgot the question.

18 Q. Did Maxim or Wells Fargo, for that  
19 matter, ever tell you that your loan modification  
20 applications were incomplete?

21 A. When they asked for papers -- so what I  
22 know is they're still reviewing and probably the  
23 papers they're asking is still what they needed,  
24 so if that's what you term incomplete, but I  
25 always submit whatever they asked for the papers.

26 Q. Was there ever a question as to how the

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1 loan modification application was incomplete?

2 A. No. They will just ask for whatever I'm  
3 missing, whatever paperwork. They will just say  
4 still in the process of review, 'We need this  
5 one.' And then they will acknowledge, after we  
6 submit that one, I will be receiving a letter  
7 that they're acknowledging the paperwork that we  
8 submitted.

9 Q. So, finally, after five years, Wells  
10 Fargo contends that you finally submitted a  
11 complete application, correct?

12 A. Yeah.

13 Q. And you received a denial, correct?

14 A. Yes.

15 Q. And do you remember when that denial  
16 was?

17 A. It's probably the year 2014. I cannot  
18 recall, but it's probably in that year.

19 Q. So about March 2015?

20 A. 2015.

21 MR. GUZZETTA: Objection. Leading.

22 MS. LIM: Okay.

23 THE COURT: Sustained.

24 MS. LIM: Okay.

25 Q. Is it a fair statement that -- when did  
26 you receive or when did you learn of your loan

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1 modification application being denied for the  
2 first time?

3 A. For the first time, I cannot recall.  
4 What first time are you -- I mean like...

5 Q. Okay. It's a poor question. Let me try  
6 to rephrase it.

7 After years of submitting a loan  
8 modification application, was there a time when  
9 you learned that they received all the documents?

10 A. Receiving all documents, yes.

11 Q. Okay.

12 A. But -- sorry.

13 Q. Go ahead.

14 A. But the term "denied," I never see it in  
15 the letter.

16 Q. Okay. Well, but you did learn that  
17 Wells Fargo received all the documents?

18 A. Yes, they acknowledged. There's a  
19 paper.

20 Q. They acknowledged that and that was  
21 sometime when?

22 A. Every time we submit and then they will  
23 acknowledge that they received whatever  
24 paperworks they needed from me.

25 Q. Okay. Great.

26 Are you aware that they denied your loan

1 modification in 2015?

2 A. It was placed on foreclosure so,  
3 obviously, they denied. There's no term -- the  
4 word "denied" that I read so...

5 Q. Let me be more clear with the time  
6 frame.

7 A. Okay.

8 Q. Because you submitted a lot of loan  
9 modification applications, correct?

10 A. Yes.

11 Q. And Wells Fargo, with regard to most of  
12 those loan modification applications, contended  
13 that it was incomplete, correct?

14 A. Yes.

15 Q. And, finally, they received a complete  
16 loan modification early 2015, correct?

17 MR. GUZZETTA: Objection. Leading.  
18 Foundation.

19 THE COURT: Ms. Lim, please.

20 MS. LIM: I will rephrase.

21 Q. So early 2015 you learned that Wells  
22 Fargo had denied your loan modification?

23 A. Yes.

24 Q. Did you appeal that loan modification?

25 A. Yes.

26 Q. And then thereafter appealing it --

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1 well, let me ask you this: During this time when  
2 they denied you the loan modification, do you  
3 know what the value of your home was?

4 A. 2015 it might have gone to one million  
5 four.

6 Q. So they denied your loan modification,  
7 you appeal, did you receive a letter from Wells  
8 Fargo telling you that they also denied the  
9 appeal?

10 A. Acknowledging -- okay, so after -- say  
11 that again.

12 Q. Let me rephrase.

13 So after they denied your loan  
14 modification after finally receiving a complete  
15 loan application and they appeal it and in the  
16 letter do they not tell you that you have a right  
17 to appeal?

18 A. Yes. So I did appeal, yes.

19 Q. And you did appeal?

20 A. Yes.

21 Q. And then you received a letter from  
22 Wells Fargo?

23 A. That it's gonna be in review.

24 MR. GUZZETTA: Objection. Leading.

25 THE COURT: Sustained.

26 MS. LIM: Q. Let's fast-forward to the

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1 time the foreclosure took place in October. Did  
2 you believe that you were in review for a loan  
3 modification?

4 A. Yes.

5 Q. And we'll go through the letters in a  
6 bit, but did you believe that what those letters  
7 said to you in terms of 'We're here to help you;'   
8 did you believe that they were here to help you?

9 MR. GUZZETTA: Objection. Foundation.

10 THE COURT: As to when?

11 MR. GUZZETTA: As to the letters and  
12 what they said.

13 THE COURT: Well, overruled. It's in  
14 general, a general question.

15 MS. LIM: General question.

16 Q. Did you believe that Wells Fargo was  
17 here to help you?

18 A. They put it in writing that they're  
19 there to help me. That's why they wanted me to  
20 assist -- home assistance, which I did.

21 Q. And close to the time of foreclosure --  
22 the actual foreclosure sale, you believed they  
23 were still working with you, correct?

24 A. Yes, because it was acknowledged that  
25 they're working.

26 Q. Did Wells Fargo ask you to submit

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1 documents close to the time of foreclosure?

2 A. Yes.

3 Q. And you did submit documents to  
4 foreclosure?

5 A. Yes.

6 Q. I mean, submit to Wells Fargo just  
7 before the foreclosure?

8 A. Yes.

9 Q. When your house was finally foreclosed  
10 on, were you shocked?

11 MR. GUZZETTA: Objection. Leading.

12 THE COURT: Ms. Lim, please.

13 MS. LIM: Q. How did you first learn  
14 that your house was foreclosed on?

15 A. I received a letter. Actually, somebody  
16 knocked at my door and they said that I'm not the  
17 owner anymore, so they hand me a letter that  
18 there's a new owner. And I was surprised because  
19 all that time I know that I'm still processing  
20 their -- I mean, my loan modification.

21 Q. And you were still working with Maxim --

22 A. That's right.

23 Q. -- in getting the documents?

24 A. Yes.

25 Q. Do you recall what documents you were  
26 sending Maxim close in time to the actual



1 foreclosure sale?

2 A. I cannot recall, but they're always  
3 asking for my bank statements, my pay stubs, my  
4 husband's pay stubs, and all the bank statements,  
5 of whoever -- my daughter who is already helping  
6 me to contribute for the mortgage.

7 Q. Okay. So going back to this person who  
8 handed you a letter saying that you were no  
9 longer the owner, when was that?

10 A. I cannot recall, but it's from the new  
11 owner. A gentleman, I believe, from MOAB  
12 Investment.

13 Q. And how did you feel after that?

14 A. Of course -- what do you mean how do I  
15 feel?

16 Q. Well, you didn't expect it, correct?

17 A. Yeah.

18 Q. You didn't expect your house to be  
19 foreclosed on?

20 MR. GUZZETTA: Objection. Leading.

21 THE COURT: Sustained.

22 MS. LIM: Q. Did you expect your house  
23 to be sold?

24 A. No, because all the time I know it's  
25 still -- that Wells Fargo is still doing a loan  
26 modification -- helping me process a loan

1 modification.

2 Q. And isn't it true that on September 18th  
3 you received a letter from Wells Fargo?

4 MR. GUZZETTA: Objection. Leading.

5 MS. LIM: Q. You received a letter --

6 THE COURT: Sustained.

7 MS. LIM: Q. -- on September 18th, 2015  
8 from Wells Fargo, correct?

9 A. Yes.

10 MR. GUZZETTA: Objection. Leading.

11 THE COURT: Sustained.

12 MS. LIM: Q. Can you explain to -- I'll  
13 withdraw that question.

14 Can you explain to the jury what that  
15 letter said?

16 A. That they're there, Wells Fargo's there  
17 to help me. As long as I am under review for  
18 loan modification, they will not foreclose my  
19 home. That is what the letter said that I  
20 received.

21 Q. Let's go back to 2006 when you first  
22 purchased the home; you signed a lot of papers,  
23 correct --

24 A. Yes.

25 Q. -- at the time of purchase? Do you  
26 remember, to your knowledge, signing a promissory

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1 note to repay the loan?

2 A. Yes.

3 Q. Okay. And that promissory note was with  
4 Residential Capital, which Mr. Guzzetta  
5 mentioned, correct?

6 A. Yes.

7 Q. And you made your payments to  
8 Residential Capital, correct?

9 A. Yes.

10 Q. And from the year 2007 to 2009, you made  
11 your payments timely?

12 A. Yes.

13 Q. And there was a time when you started  
14 making your payments to someone else, some other  
15 servicer, correct?

16 A. Yes.

17 Q. Who was that servicer?

18 A. It's called ASC, American Servicing  
19 Company.

20 Q. Do you remember making your payments to  
21 ASC?

22 A. I cannot recall.

23 Q. To your knowledge, have you ever seen  
24 the original promissory note that you entered  
25 into with Residential Capital?

26 MR. GUZZETTA: Objection. Relevance.

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1 THE COURT: Overruled.

2 THE WITNESS: Yes.

3 MS. LIM: Q. Was it a copy or an  
4 original?

5 MR. GUZZETTA: Objection. Relevance.

6 THE COURT: Sustained.

7 MS. LIM: Q. Ms. Manantan, where do you  
8 currently live?

9 A. I live in --

10 Q. Not the address but is it a  
11 single-family residence?

12 A. It's an apartment.

13 Q. And who do you live in your apartment  
14 with?

15 A. Myself, my husband and my children.

16 Q. How many of your children?

17 A. Two of them now living with me.

18 Q. Has this process of having to go with  
19 losing your home been stressful on you?

20 A. Very stressful.

21 Q. Can you describe the stress to the jury?

22 A. I have anxiety attacks on that because I  
23 really want to stay at 911 Haddock. That is  
24 really our primary residence. And even my  
25 children loved that place, loved that home, so  
26 it's really stressful on everyone, and having

