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6 ERAN GURION and KG CONSTRUCTION
SOLUTIONS USA, INC.

**CONFIRMED COPY
ORIGINAL FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES**

AUG 11 2016

Sherril R. Carter, Executive Officer/Clerk
BY *[Signature]* Deputy
Teresa Booker

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES – NORTH CENTRAL DISTRICT (BURBANK)**
10 **UNLIMITED CIVIL JURISDICTION**

11 **GARY CHAMBERLAIN and LEIF ROGERS,**
12 **Plaintiff,**

13 **v.**

14 **ERAN GURION and DOES 1 to 50, inclusive,**
15 **Defendants.**

16
17 **ERAN GURION, an individual; and KG**
18 **CONSTRUCTION SOLUTIONS USA, INC.,**
a California Corporation,

19 **Cross-Complainant,**

20 **LEIF L. ROGERS, an individual; LEIF L.**
21 **ROGERS, MD, PROFESSIONAL**
22 **CORPORATION, a California corporation;**
23 **GARY CHAMBERLAIN, an individual;**
24 **ROBIN CHAMBERLAIN, an individual;**
25 **LRMD HOLDINGS, LLC, a California limited**
26 **liability company; CRAIG STRONG, an**
27 **individual; JOHN AAROE GROUP, INC., a**
28 **California corporation; SAMUEL H.**
KRAEMER, an individual; JT HOMES, LLC,
a California limited liability company; JAMES
M RICHARDS MD, INC., a California
corporation; ROES 1 to 100, inclusive; and all
persons unknown claiming any interest in the
properties, inclusive,

Cross-Defendants.

Case No.: EC065373

**VERIFIED FIRST AMENDED CROSS-
COMPLAINT FOR:**

- 1) **BREACH OF PARTNERSHIP AGREEMENT;**
- 2) **PARTITION OF REAL PROPERTY;**
- 3) **CONVERSION OF PARTNERSHIP ASSETS;**
- 4) **INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC RELATIONS;**
- 5) **BREACH OF FIDUCIARY DUTY;**
- 6) **CONSTRUCTIVE FRAUD;**
- 7) **QUIET TITLE;**
- 8) **WORK, LABOR AND SERVICES RENDERED;**
- 9) **FORECLOSURE OF MECHANIC'S LINE; AND**
- 10) **DECLARATORY RELIEF.**

JURY TRIAL DEMANDED

1 Cross-Complainants ERAN GURION and KG CONSTRUCTIONS SOLUTIONS USA,
2 INC., allege against Cross-Defendants, and each of them, as follows:

3
4 **THE PARTIES**

5 1. Cross-Complainant ERAN GURION (“Gurion”) is, and at all times material hereto
6 was, an individual residing in Los Angeles County, California, and a business partner of Cross-
7 Defendant LEIF L. ROGERS.

8 2. Cross-Complainant KG CONSTRUCTION SOLUTIONS USA, INC., (“KG
9 Construction”) is Gurion’s CSLB-licensed construction company, and at all times material hereto
10 was, a California Corporation, with its principal place of business in in Los Angeles County,
11 California.

12 3. Cross-Defendant LEIF L. ROGERS, (“Rogers”) is, and at all and at all times material
13 hereto was, an individual residing in Los Angeles County, California, and a business partner of
14 Cross-Complainant Gurion.

15 4. Cross-Defendant LEIF L. ROGERS, MD, PROFESSIONAL CORPORATION (the
16 “Rogers Medical Corporation”) is, and at all and at all times material hereto was, a California
17 professional corporation with its principal place of business in Los Angeles County, California.

18 5. Cross-Defendant GARY CHAMBERLAIN, (“Chamberlain”) is, and at all and at all
19 times material hereto was, an individual residing in Los Angeles County, California, and the father
20 of Cross-Defendant ROBIN CHAMBERLAIN.

21 6. Cross-Defendant ROBIN CHAMBERLAIN, (“Ms. Chamberlain”) is, and at all and at
22 all times material hereto was, an individual residing in Los Angeles County, California, the
23 common-law wife and/or domestic partner of Rogers, and the daughter of Cross-Defendant GARY
24 CHAMBERLAIN.

25 7. Cross-Defendant LRMD HOLDINGS, LLC, (“LRMD”) is, and at all and at all times
26 material hereto was, a California limited liability company with its principal place of business in Los
27 Angeles County. Based on information and belief, and on that basis it is alleged, LRMD is an alter
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1 ego “shell” entity used by one or more of the herein named Cross-Defendants for the purposes of
2 carrying on investment activities.

3 8. Cross-Defendant CRAIG STRONG (“Strong”) is, and at all and at all times material
4 hereto was, an individual residing in Los Angeles County, California, and a co-conspirator in the
5 wrongful conduct complained of herein. Strong is a California licensed real estate agent holding
6 California Bureau of Real Estate license number 01450987.

7 9. Cross-Defendant SAMUEL H. KRAEMER, (“Kraemer”) is, and at all and at all times
8 material hereto was, an individual residing in Los Angeles County, California, and a co-conspirator
9 in the wrongful conduct complained of herein. Strong is a California licensed real estate agent
10 holding California Bureau of Real Estate license number 01396547, and, according to records of the
11 California Bureau of Real Estate, is Strong’s supervising broker.

12 10. Cross-Defendant JOHN AAROE GROUP, INC., (“Employing Broker”) is, and at all
13 and at all times material hereto was, a California limited liability company with its principal place of
14 business in Los Angeles County. Cross-Defendants Strong and Kraemer are employed by Broker.

15 11. Cross-Defendant JT HOMES, LLC., (“JTH”) is, and at all and at all times material
16 hereto was, a California limited liability company with its principal place of business in Los Angeles
17 County. According to public records, and on that basis it is alleged, JTH holds a lien on one or more
18 parcels of real property which are the subject matter of this litigation and are named herein pursuant
19 to Civ. Proc. §872.510.

20 12. Cross-Defendant JAMES M. RICHARDS MD, INC., (“JMRMD”) is, and at all and
21 at all times material hereto was, a California limited liability company with its principal place of
22 business in Los Angeles County. According to public records, and on that basis it is alleged,
23 JMRMD holds a lien on one or more parcels of real property which are the subject matter of this
24 litigation and are named herein pursuant to Civ. Proc. §872.510.

25 13. Cross-Defendants Dr. Rogers and Chamberlain’s claims and defenses may be adverse
26 and conflicting as to Cross-Defendants JTH and JMRMD, which Gurion denies liability as to each
27 and every one of them. As such, Gurion sues them as known and/or unknown parties that may claim
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1 an interest in the herein described real property so that all claims can be heard in one action to
2 prevent a multiplicity of lawsuits.

3 14. Based upon information and belief, and on that basis it is alleged, each Cross-
4 Defendant sued herein is and at all times was the principal, agent, or employee of the other, and is
5 and at all times was acting within the course and scope of such principal relationship, agency, or
6 employment. Further, each Cross-Defendant sued herein received money and/or property without
7 consideration as a result of the unlawful conduct described herein and with full knowledge of the
8 resulting damage and harm to Cross-Complainant and with full knowledge that the money and/or
9 property was obtained as a result of the fraud, misrepresentation, and other wrongful and illegal
10 conduct described herein. Each Cross-Defendant sued herein is a shell organization and is actually
11 the alter ego of the other Defendants sued herein.

12 15. Upon information and belief, and on that basis it is alleged, that through their actions,
13 words, and representations to the public, Cross-Complainant Gurion and Cross-Defendant Rogers,
14 by and through their collective conduct and by carrying on the commercial activity which is the
15 subject of this action, demonstrated a community of interests existed and continues to exist between
16 them, operated as an ostensible partnership as that term is defined in Ca. Corps. Code section 16308.
17 Accordingly, Cross-Defendant Rogers is estopped from claiming that he and Gurion are separate
18 entities and, as such, Rogers, and those acting in concert with Rogers, are liable, jointly and
19 severally, for Cross-Complainants damages as alleged herein.

20 16. Cross-Complainants are unaware of the true names and capacities of the Cross-
21 Defendants sued herein under fictitious names ROES 1-100. They are sued herein pursuant to
22 C.C.P. Section 474. When Cross-Complainant becomes aware of the true names and capacities of
23 Cross-Defendants ROES 1-100, Cross-Complainant will amend to state their true names and
24 capacities.

25 **GENERAL ALLEGATIONS**

26 17. Cross-Complainant Gurion is a real estate developer who specializes in what are
27 known as “tear-down flips.” For Gurion, his tear-down flips typically involve the purchase of a 50+
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1 year-old single family residence that is functionally obsolete, but located in a well-established and
2 moderately-affluent neighborhood, he then tears down the home and builds in its place a new,
3 modern, upscale home with high-end details, finishes and amenities. Gurion, by and through his
4 company, Cross-Complainant KG Construction, a California-licensed general contractor, typically
5 does tear-down flips on properties in which he has an ownership interest and does not routinely seek-
6 out arms-length “general contractor” jobs for others looking to do similar tear-down flips— KG
7 Construction’s typical client is most often Gurion himself and/or those who Gurion partners with on
8 joint projects such as LEIF ROGERS as is the case here.

9 18. Since 2007, Gurion has done over 30 flips in Studio City, —24 of which have been
10 done in the last 3 years. Gurion focuses the majority of his projects to the Studio City area and has
11 developed notoriety as one of the leading builders for tear-down flips in the community. Gurion’s
12 work has resulted in an economic contribution to the community of more than \$55,000,000 (fifty-
13 five million dollars).

14 19. Cross-Defendant Rogers is a well-known Beverly Hills plastic surgeon and resident
15 of Studio City who flips homes as a sideline.

16 20. In early 2015, Cross-Defendant Rogers, a resident of Studio City, was very familiar
17 with the popularity of Gurion’s unique high-end Studio City homes in his neighborhood. Rogers
18 approached Gurion, accompanied by Ms. Chamberlain, at one of Gurion’s Studio City project-sites
19 and inquired about partnering with Gurion to build homes together. Rogers, praising Gurion’s
20 highly recognizable signature home designs, explained to Gurion that he had several million dollars
21 to invest and wanted to partner with Gurion. Rogers boasted to Gurion he wanted to do no less than
22 10 tear-down flips over the next year.

23 21. Rogers explained to Gurion that he desperately needed a partner like Gurion because
24 one of Rogers’s current flip projects, the *Valley Spring* property described below, was a total disaster
25 and that Rogers was unsure how to proceed in taking corrective action and was concerned he was
26 going to lose his entire investment. Rogers begged Gurion to partner-up with him on Valley Spring
27 and other projects.

1 22. Gurion explained to Rogers his proprietary system for buying, building and selling
2 his flip homes. Gurion explained that he had an institutional credit facility that Gurion used to
3 finance the acquisition and re-development of his tear-down flips. Gurion further explained to
4 Rogers that he typically purchases his tear-down flip homes with discounted realtor commissions
5 because Gurion uses the same realtor to purchase and later sell the re-built home all with the same
6 realtor. This realtor arrangement was a key component of Gurion's competitive advantage since it
7 provided Gurion a good flow of candidate properties and gave those realtors working with Gurion a
8 valuable book of continuous business from Gurion. Based on this, Rogers understood and agreed
9 that all Partnership Projects would be purchased and sold using Gurion's network of realtors and to
10 operate under the same financial arrangement.

11 23. In furtherance of their partnership, it was agreed that Rogers would put up the money
12 and financing as a mostly passive partner, while Gurion, on the other hand, would identify
13 economically viable properties, prepare budgets and estimates, handle entitlement and permits,
14 handle design and architectural, as well as all construction work from demolition to re-building and
15 generally make available to Rogers all of Gurion's "cream-of-the-crop" vendors, subcontractors and
16 realtors. For their part, it was agreed that Rogers and Gurion would split the profit equally 50%-50%
17 as each Partnership Project home was sold (the "Partnership Agreement"). As such, Gurion and
18 Rogers formed a partnership as between the two of them, as that term is defined under Ca. Corps.
19 Code section 16202(a), to identify, purchase, tear-down, re-build, and then re-sell for profit, homes
20 in the greater Studio City / Toluca Lake area (hereinafter the "Partnership").

21 **The First Partnership Project: 10331 Valley Spring**

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23 24. The first Partnership project was Dr. Rogers's troubled Valley Spring project located
24 at 10331 Valley Spring, Toluca Lake, California ("Valley Spring"). Rogers bought *Valley Spring*
25 Project before partnering with Gurion and tried, unsuccessfully, to rehabilitate the property.
26 However, before partnering with Gurion, Rogers ran into countless problems with *Valley Spring*
27 rendering it value-less without Gurion's assistance. Now part of their partnership, Rogers and
28 Gurion agreed to tear down *Valley Spring* and build in its place a new, profitable, Gurion-designed

1 residence and to split the profits 50%-50%, between them.

2 **The Second Partnership Project: 4053 Laurelgrove Avenue**

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4 25. The second Partnership property, 4053 Laurelgrove Avenue, in Studio City
5 (“Laurelgrove I”). Gurion found the *Laurelgrove I* property, again through his realtor network, and
6 contacted Rogers to provide the details. Not hearing back soon enough from Rogers, Gurion
7 submitted an offer to purchase under his own name.¹ Gurion explained to Rogers that due to Rogers
8 delay in responding, he submitted an offer in his own name. Gurion explained to Rogers that
9 Laurelgrove I should be a Partnership property, or alternatively, Gurion was fine developing it on his
10 own. Rogers responded he wanted *Laurelgrove I* to be part of the Partnership too. Gurion again ran
11 the numbers and presented Dr. Rogers with a proforma costs analysis. *Laurelgrove I* had a target
12 acquisition of approximately \$900,000, a construction budget of \$675,000, and was planned to be
13 sold for \$2,200,000.

14 26. After agreeing on the numbers, *Laurelgrove I* was purchased with title vesting in the
15 name of both Gurion and Rogers. Shortly thereafter, Gurion began the process of tearing down and
16 rebuilding the property pursuant to the terms of the Partnership agreement.

17 **The Third Partnership Project: 4121 Laurelgrove Avenue**

18 27. The Third Partnership project was 4121 Laurelgrove Avenue, in Studio City
19 (“Laurelgrove II”). Gurion also found *Laurelgrove II* through his realtor network and immediately
20 contacted Dr. Rogers instructing him and Ms. Chamberlain to go view the property and make an
21 offer. Gurion explained to Dr. Rogers that this particular property could be purchased at or below
22 \$910,000, construction costs would be approximately \$675,000, and the property could then be sold
23 for approximately \$2,200,000. To this, Dr. Rogers responded he was ok with the numbers and then
24 proceeded to purchase the property. Shortly thereafter, the purchase was completed and Gurion
25 began the process of tearing down and rebuilding the property pursuant to the terms of the
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27
28 ¹ It is common for homes in Studio City to go on the market and sell the same day with multiple completing overbid offers.

1 Partnership agreement.

2 **Cross-Defendants Breach The Partnership Agreement**

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4 28. Several months into the development of the Partnership properties, the relationship
5 between Gurion and Rogers began to deteriorate. Specifically, Cross-Defendant Gary Chamberlain,
6 who is Ms. Chamberlain's father, self-nominated himself to be the project manager, and did so over
7 the objections of Gurion and in violation of the original agreement between Gurion and Rogers.

8 29. Encouraged, aided and abetted by Chamberlain and Ms. Chamberlain, Dr. Rogers
9 breached the Partnership agreement by, *inter alia*, demanding the Partnership's profits now be split
10 between Chamberlain, Rogers and Gurion, 1/3 each respectively, as where before it was to be 50%-
11 50%, between Gurion and Dr. Rogers; borrowing money at excessive "hard-money" interest rates
12 even though Dr. Rogers told Gurion his investment would be "all cash;" stripping over \$3,200,000
13 (Three-Million Two-Hundred-Thousand Dollars) in equity out of the Partnership properties using a
14 cash-out refinance without notice to Gurion; filing the underlying Complaint in an attempt to remove
15 Gurion from title and denying the existence of the Partnership; repudiating the listing agreement
16 with the Gurion network realtors; listing the Partnership Properties for sale with a discount-realtor
17 outside the Gurion realtor network; and changing the locks on the Partnership properties to prevent
18 Gurion's access thereto (collectively, the "Breach of the Partnership Agreement").

19 30. Cross-Defendants Chamberlain, Ms. Chamberlain, Strong, Kraemer, Employing
20 Broker, JT HOMES LLC, Rogers Medical Corporation, and LRMD, were participants in and/or
21 complicit in aiding and abetting the Breach of the Partnership Agreement and in so doing, received,
22 or will receive, a material benefit therefrom.

23 31. As a direct and proximate cause of the Breach of the Partnership Agreement, Gurion
24 has sustained expectation damages as well as damages in the form of lost economic opportunities.

25 32. Further, based upon information and belief, and on that basis it is alleged, one or
26 more Cross-Defendants have and/or has dissipated some or all of the \$3,200,000 in cash-out
27 refinance proceeds from the Partnership Properties to pay for, *inter alia*: personal living expenses,
28 mortgage and/or property tax payments on non-partnership real property; expenses related to the

1 Rogers Medical Corporation and/or deposited into bank accounts owned and/or controlled by Cross-
2 Defendant LRMD.

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4 **FIRST CAUSE OF ACTION**

5 **BREACH OF PARTNERSHIP AGREEMENT**

6 (By Cross-Complainant ERAN GURION Against Cross-Defendant LEIF L. ROGERS
7 and ROES 1-10, inclusive)

8 33. Cross-Complainant re-alleges and incorporates by reference herein each and every
9 allegation contained in paragraphs 1 through 32 above.

10 34. Cross-Complainant Gurion and Cross-Defendant Dr. Rogers are partners in the
11 Partnership as a matter of law pursuant to Ca. Corps. Code §16202 *et seq.*, as more fully explained
12 above.

13 35. Cross-Complainant Gurion has performed all terms and conditions required by the
14 herein described partnership agreement.

15 36. Cross-Defendant Dr. Rogers breached the partnership agreement, *inter alia*, by
16 intentionally carrying out the Breach of the Partnership Agreement, as explained above.

17 37. As a direct and proximate result of Cross-Defendant Dr. Rogers's Breach of the
18 Partnership Agreement, Gurion has suffered expectation and special damages in an amount to be
19 proven at trial.

20 38. WHEREFORE, Cross-Complainant prays for judgment against Cross-Defendants, as
21 more fully set forth below.

22 **SECOND CAUSE OF ACTION**

23 **PARTITION AND SALE OF REAL PROPERTY**

24 (By Cross-Complainant ERAN GURION Against Cross-Defendant LEIF L. ROGERS
25 and ROES 11-20, inclusive)

26 39. Cross-Complainant re-alleges and incorporates by reference herein each and every
27 allegation contained in paragraphs 1 through 38 above.

28 40. This action seeks the partition and sale of three (3) parcels of real property, all of

1 which are located in Los Angeles County, California, commonly known as:

2 Valley Spring: 10331 Valley Spring, Toluca Lake, California, described as: Parcel B
3 of Parcel Map No. A.A. 3452, as per map recorded in Book 83, Page 48 of Maps, in
4 the office of the County Recorder of said County, and bearing Los Angeles County
5 Assessor's Parcel Number ("APN") 2424-020-020 (hereinafter "Valley Spring");

6 Laurelgrove I: 4053 Laurelgrove Avenue, Studio City, California 91604, described
7 as: Lot 24, Block "E" of Tract No. 6891, in the City of Los Angeles, County of Los
8 Angeles, State of California, as per map recorded in Book 75, Pages 61 and 62 of
9 Maps, in the office of the County Recorder of said County, and bearing Los Angeles
10 County Assessor's Parcel Number ("APN") 2367-012-020 (hereinafter "Laurelgrove
11 I"); and

12 Laurelgrove II: 4121 Laurelgrove Avenue, Studio City, California 91604, described
13 as: Lot 32, Block "E" of Tract 6891, in the City of Los Angeles, County of Los
14 Angeles, State of California, as per map recorded in Book 75, Page 61 and 62 of
15 Maps, in the office of the County Recorder of said County, and bearing Los Angeles
16 County Assessor's Parcel Number ("APN") 2367-012-028, (hereinafter "Laurelgrove
17 II")

18 hereinafter the "Partnership Properties.

19 41. By virtue of Gurion's fifty-percent (50%) interest in the Partnership between him and
20 Rogers, Gurion holds one or more of the following on all three Partnership Properties: an undivided
21 one-half (1/2) interest as a tenant-in-common; an equitable lien of fifty-percent (50%); and/or is the
22 beneficiary of a constructive trust of fifty-percent (50%) of the interest therein.

23 42. Cross-Defendant Rogers, by virtue of his fifty-percent (50%) interest in the
24 Partnership between him and Gurion, holds one or more of the following on all three Partnership
25 Properties: an undivided one-half (1/2) interest as a tenant-in-common and/or a fee interest subject to
26 Gurion's equitable lien and/or constructive trust of fifty-percent (50%) therein.

27 43. Cross-Complainant Gurion is informed and believes, and on that basis alleges, that
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1 the interests of record, or actually known to Cross-Complainant Gurion, that others have a claim in,
2 or will claim an interest in, the Partnership Properties that Cross-Complainant reasonably believes
3 will be materially affected by this partition action are interests of the other herein named Cross-
4 Defendants.

5 44. The estate on which partition is sought is the estate constituting the entire fee title to
6 each of the three above described Partnership Properties.

7 45. Cross-Complainant requests that the each of the three Partnership Properties be
8 partitioned by sale. Such mode of partition is more equitable under the circumstances than division
9 since it was the original undisputed intent of the Gurion-Rogers Partnership to sell these properties.

10 46. WHEREFORE, Cross-Complainant prays for judgment against Cross-Defendants,
11 as more fully set forth below.

12 **THIRD CAUSE OF ACTION**

13 **CONVERSION OF PARTNERSHIP ASSETS**

14 (By ERAN GURION Against Cross-Defendants LEIF L. ROGERS; LEIF L. ROGERS, MD;
15 PROFESSIONAL CORPORATION; GARY CHAMBERLAIN; ROBIN CHAMBERLAIN; LRMD
16 HOLDINGS, LLC; and ROES 21-30, inclusive,

17 47. Cross-Complainant re-alleges and incorporates by reference herein each and every
18 allegation contained in paragraphs 1 through 46 above.

19 48. On or about March 18, 2016, Cross-Defendant LEIF ROGERS, acting in concert
20 with the other herein named Cross-Defendants, converted, stole, embezzled, and/or substantially
21 interfered with \$3,200,000 in Partnership cash by completing an unauthorized and improper cash-out
22 refinance mortgage loan on the *Valley Spring* and *Laurelgrove II* Partnership Properties.

23 49. After obtaining the proceeds of the cash-out refinance mortgage loan, Cross-
24 Defendant LEIF ROGERS improperly converted the loan's cash proceeds by giving possession of
25 the cash to Chamberlain, Ms. Chamberlain, the Rogers Medical Corporation, and/or LRMD's who
26 then used the cash for his/her/their personal use, and did so without the permission of Cross-
27 Complainant Gurion.

1 50. As a direct and proximate cause of this conversion, Cross-Complainant has suffered
2 damages in an amount to be proven at trial.

3 51. WHEREFORE, Cross-Complainant prays for judgment against Cross-Defendants, as
4 more fully set forth below.

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6 **FOURTH CAUSE OF ACTION**
7 **INTENTIONAL INTERFERENCE**
8 **WITH PROSPECTIVE ECONOMIC RELATIONS**

9 (By ERAN GURION Against Cross-Defendants GARY CHAMBERLAIN; ROBIN
10 CHAMBERLAIN; CRAIG STRONG; JOHN AAROE GROUP, INC.; SAMUEL H. KRAEMER;
11 JT HOMES, LLC; and ROES 31-40, inclusive)

12 52. Cross-Complainant Gurion re-alleges and incorporates by reference herein each and
13 every allegation contained in paragraphs 1 through 51 above.

14 53. Cross-Complainant Gurion and Cross-Defendant Rogers were in an economic
15 relationship that would have resulted in an economic benefit to Gurion. Cross Defendants
16 Chamberlain, Ms. Chamberlain, Strong, Kraemer, Employing Broker, and JT HOMES LLC (the
17 “Interfering Cross-Defendants”) knew, or should have known, of the Gurion-Rogers Partnership.
18 The Interfering Cross-Defendants, and each of them, intended to disrupt and did disrupt the
19 Partnership and Cross-Complainant Gurion’s interest therein. The Interfering Cross-Defendants
20 engaged in wrongful conduct through their misrepresentation, fraud, and other wrongful conduct,
21 including but not limited to, *inter alia*, encouraging, aiding and abetting Dr. Rogers to repudiate the
22 terms and/or the existence of the Partnership with Gurion; conspiring, aiding and abetting Rogers in
23 stripping the equity out of the Partnership Properties with a cash-out refinance loan; and listing the
24 Partnership Properties for sale in violation of the terms of the Partnership Agreement. As a result,
25 the Gurion-Rogers Partnership was disrupted. The conduct of the Cross-Defendants named in this
26 cause of action was and/or were a substantial factor in causing Cross-Complainant Gurion’s
27 damages. As a direct and proximate cause thereof, Cross-Complainant has been harmed.

28 54. WHEREFORE, Cross-Complainant prays for judgment against Cross-Defendants, as
more fully set forth below.

1 **FIFTH CAUSE OF ACTION**

2 **BREACH OF FIDUCIARY DUTY**

3 (By ERAN GURION Against LEIF L. ROGERS, and ROES 41-50, inclusive)

4 55. Cross-Complainant Gurion re-alleges and incorporates by reference herein each and
5 every allegation contained in paragraphs 1 through 54 above.

6 56. Cross-Defendant Dr. Rogers owed a fiduciary duty to Cross-Complainant Gurion
7 pursuant to California Corporations Code section 16404 *et seq.*, which included a duty of loyalty and
8 a duty of care which made Rogers a trustee of the property and funds entrusted to him by the
9 Partnership and by Gurion, as well as the proceeds from the \$3,200,000 cash-out refinance drained
10 from the Partnership Properties.

11 57. Cross-Defendant Dr. Rogers breached this duty by undertaking the above-described
12 cash-out refinance of then converting the \$3,200,000 in loan proceeds to his personal use.

13 58. As a direct and proximate cause of the herein described breach of duty, Cross-
14 Complainant has suffered damages in an amount to be proven at trial of not less than \$3,200,000.

15 59. WHEREFORE, Cross-Complainant prays for judgment against Defendants, as more
16 fully set forth below.

17 **SIXTH CAUSE OF ACTION**

18 **CONSTRUCTIVE FRAUD**
19 **[CIV. CODE §1573]**

20 (By ERAN GURION Against Cross-Defendant LEIF ROGERS and ROES 51-60, inclusive)

21 60. Cross-Complainant Gurion re-alleges and incorporates by reference herein each and
22 every allegation contained in paragraphs 1 through 59 above.

23 61. As explained above, a fiduciary and/or confidential relationship exists between Cross-
24 Complainant Gurion and Cross-Defendant Dr. Rogers. As explained above, Cross-Defendant Dr.
25 Rogers breached his duty to Cross-Complainant by:

- 26 • Repudiating the Partnership agreement with Gurion;
- 27 • Converting \$3,200,000 in cash-out refinance loan proceeds from Partnership Properties;
- 28 • By draining all equity out of the Partnership Properties before they could be sold as

agreed to under the Partnership agreement; and

- By refusing, and continuing to refuse, to return the cash-out refinance proceeds to Gurion.

62. As a direct and proximate cause of the foregoing, Cross-Defendant Dr. Rogers has gained an unfair and unjust advantage over Cross-Complainant Gurion.

63. WHEREFORE, Cross-Complainant prays for judgment against Defendants, as more fully set forth below.

SEVENTH CAUSE OF ACTION

QUIET TITLE

(By ERAN GURION Against Cross-Defendants LEIF ROGERS, JT HOMES LLC,
and ROES 61-70, inclusive)

64. Cross-Complainant Gurion re-alleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 63 above.

65. Cross-Complainant Gurion is informed and believes and on that bases alleges that one or more of the Cross-Defendants named in this cause of action claims and interest adverse Gurion in the Partnership Properties. These claims are without any legal right, title, stake, lien, or interests in the Partnership Properties. The basis of Gurion's title in the Partnership Properties is by operation of the Gurion-Rogers Partnership. Specifically, Cross-Defendant JT HOMES LLC's claimed interest is either void and/or inferior to, the interests of Gurion since JT HOMES LLC had actual notice of the Gurion-Rogers partnership.

66. Cross-Complainant Gurion seeks a determination of his right to title of the Subject Property as of February 2015.

67. WHEREFORE, Cross-Complainant prays for Judgment against Defendants, and each of them as more fully set forth below.

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EIGHTH CAUSE OF ACTION

FOR WORK, LABOR AND SERVICES RENDERED/AGREED PRICE

(By KG CONSTRUCTION SOLUTIONS USA, INC., Against LEIF ROGERS
and ROES 71-80, inclusive)

68. Cross-Complainant KG Construction re-alleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 67 above.

69. Within the statutory period, Cross-defendant LEIF ROGERS and ROES 1 through 80, inclusive, and each of them, became indebted to Cross-Complainant KG Construction in the agreed sum of at least \$2,026,000.00, for labor, material, equipment and services provided to Cross-defendant LEIF ROGERS and ROES 1 through 80, inclusive, who agreed to pay that amount.

70. Neither the whole nor any part of the above sum has been paid although demand therefore has been made and by this complaint said demand is made again. There is now due, owing, and unpaid from Cross-Defendant LEIF ROGERS and ROES 1 through 80 inclusive, and each of them, to Cross-Complainant KG Construction, the sum \$2,026,000.00, together with interest at the maximum legal rate, plus costs until paid.

71. WHEREFORE, Cross-Complainant KG Construction prays for Judgment against Defendants, and each of them as more fully set forth below.

NINTH CAUSE OF ACTION

FORECLOSURE OF MECHANIC'S LIEN

(By KG CONSTRUCTION SOLUTIONS USA, INC.,
Against Cross-Defendant LEIF ROGERS, JT HOMES LLC, and ROES 81-100, inclusive)

72. Cross-Complainant KG Construction re-alleges and incorporates by reference herein each and every allegation contained in paragraphs 1 through 71 above.

73. Cross-Defendant KG Construction is and was at all relevant times duly licensed by the California Department of Consumer Affairs, Contractors' State License Board, to construct the improvements on *Laurelgrove I*, *Laurelgrove II* and *Valley Spring*, which are the subject of this

1 action.

2 74. Cross-Complainant KG Construction is informed and believes and thereon alleges
3 Cross-Defendant LEIF ROGERS and Cross-Defendant JT HOMES LLC was and/or are now the
4 reputed owner and/or claim some right, title or interest in each of the *Laurelgrove I*, *Laurelgrove II*
5 and *Valley Spring* properties belonging to the Partnership, which claim and/or claims are subordinate
6 to the Claim of Mechanic's Lien of Cross-Complainant KG Construction pursuant to Ca. Civ. Code
7 §8450. Attached hereto as **Exhibit A** is a true and correct copy of the Claim of Mechanic's Lien
8 filed on the *Laurelgrove I*, *Laurelgrove II* and *Valley Spring* properties.

9 75. Cross-Complainant KG Construction is informed and believes and thereon alleges
10 that Cross-Defendant LEIF ROGERS acted as the owner and/or statutory agent with respect to the
11 Partnership's *Laurelgrove I*, *Laurelgrove II* and *Valley Spring* properties.

12 76. Cross-Complainant KG Construction entered into an agreement with Cross-
13 Defendant LEIF ROGERS to perform and provide certain work, labor, materials, and services in and
14 upon the *Laurelgrove I*, *Laurelgrove II* and *Valley Spring* properties.

15 77. Said work, labor, materials, and services were furnished by Cross-Complainant KG
16 Construction for an agreed price, which is also the reasonable value of said work, labor, materials,
17 and services furnished by Cross-Complainant KG Construction and, which work, labor, materials,
18 and services were used in said work of improvement.

19 78. Cross-Defendant LEIF ROGERS had actual knowledge and/or notice of Cross-
20 Complainant KG Construction's work on the *Laurelgrove I*, *Laurelgrove II* and *Valley Spring*
21 properties.

22 79. Cross-Complainant KG Construction recorded a verified claim of Mechanic's Lien in
23 the office of the County Recorder of the county where the *Laurelgrove I*, *Laurelgrove II* and *Valley*
24 *Spring* properties are situated.

25 80. At the time of the recording of the Claim of Mechanic's Liens, the amount of
26 \$723,000.00, was due and owing on *Laurelgrove I*; \$583,000.00, was due and owing on
27 *Laurelgrove II*; and \$720,000.00, was due and owing on *Valley Spring*, and remained unpaid for
28

1 work, labor, materials, and services furnished by Cross-Complainant KG Construction and intended
2 to be used on the Partnership's *Laurelgrove I*, *Laurelgrove II* and *Valley Spring* properties referred
3 to in this cause of action. The cost of verifying and recording all the three Claim of Mechanic's Lien
4 totaled \$72.00, no part of which has been paid. Said Claim of Mechanic's Lien was duly signed and
5 verified and contains statements of the following: amount of lien, name of owner or reputed owner,
6 a general statement of the kind of work done or the materials furnished by Cross-Complainant KG
7 Construction, the name of the person by whom Cross-Complainant KG Construction was employed
8 or to whom Cross-Complainant KG Construction furnished its labor and materials, and description
9 of the property sought to be charged with the lien sufficient for identification.

10 81. Cross-Complainant KG Construction has furnished and supplied materials and labor
11 to the work of improvement described in this cross-complaint to be used and which were actually
12 used in those certain works of improvement, and the reasonable value of said materials and labor
13 still due and owing is, at minimum the sum of \$723,000.00, on *Laurelgrove I*; \$583,000.00, on
14 *Laurelgrove II*; and \$720,000.00, on *Valley Spring*, totaling \$2,026,000.

15 82. WHEREFORE, Cross-Complainant KG Construction prays for Judgment against the
16 Cross-Defendants named in this cause of action, and each of them, as more fully set forth below.

17 **TENTH CAUSE OF ACTION**

18 **DECLARATORY RELIEF**

19 (By all Cross-Plaintiffs Against All Cross-Defendants and ROES 81-100, inclusive)

20
21 83. Cross-Complainants re-alleges and incorporate by reference herein each and every
22 allegation contained in paragraphs 1 through 82 above.

23 84. An actual controversy has arisen and now exists between Cross-Complainants and
24 each of the Cross-Defendants concerning: the parties' rights and duties as to the other; the parties'
25 interest in the Partnership; the parties' ownership and/or interest, if any exists at all, and the
26 respective priority regarding the same, in and to the *Laurelgrove I*, *Laurelgrove II* and *Valley Spring*
27 properties, including but not limited to lien priority of the parties upon the sale.

28 85. Cross-Complainant Gurion contends he and Rogers are 50-50 partners in the

1 Partnership and in the Partnership Properties. Rogers, who changed his mind under the improper
2 influence of Chamberlain and Ms. Chamberlain, repudiated the existence of the Partnership and
3 contends Gurion is a mere-contractor hired at Rogers's request.

4 86. Cross-Complainant Gurion further contends the interest of JT HOMES LLC in the
5 *Laurelgrove II* and *Valley Spring* properties are subordinate to Gurion's interest in the Partnership
6 Property because JT HOMES LLC has actual notice of the existence of the Rogers-Gurion
7 Partnership.

8 87. By virtue of its Claim of Mechanic's lien, Cross-Complainant KG Construction
9 contends the interests of Cross-Defendants LEIF ROGERS and JT HOMES LLC on the *Laurelgrove*
10 *I, Laurelgrove II* and *Valley Spring* properties are subordinate to the interest of Cross-Complainant
11 KG Construction.

12 88. A judicial declaration is necessary and appropriate at this time under the
13 circumstances so that the parties to this action may determine their rights, duties, interests and lien
14 priorities with respect to one another and with respect to the Partnership's *Laurelgrove I,*
15 *Laurelgrove II* and *Valley Spring* properties.

16 89. WHEREFORE, Cross-Complainants pray for Judgment against Defendants, and each
17 of them as more fully set forth below.

18 **PRAYER**

19 WHEREFORE, Cross-Complainants prays for judgment against Cross-Defendants as
20 follows:

- 21 1. The Court decree a constructive trust as to the Partnership Properties and that
- 22 Cross-Defendant Rogers as the constructive trustee thereof;
- 23 2. The Court decree Cross-Defendant Rogers breached his fiduciary duty to Cross-
- 24 Complainant Gurion;
- 25 3. For an award of damages for Cross-Defendants' interference with Cross-
- 26 Complainant's prospective economic relations in the Rogers and the
- 27 Partnership;
- 28

4. The Court compel Cross-Defendant Rogers to account for all proceeds of the cash-out refinance taken without Gurion's permission;
5. The Court order the Partnership Properties sold and the proceeds therefrom them split, 50-50, as to Gurion and Rogers, only, and pursuant to the terms of the Partnership Agreement;
6. The Court award Cross-Complainant's expectation damages in an amount to be proven at trial;
7. For an order quieting title in all Cross-Defendants who hold an interest adverse to Cross-Complainant Gurion; or alternatively ruling any such interest is junior to Gurion's interest';
8. For judgment in favor of Cross-Complainant KG Construction and against Cross-Defendant Rogers for all sums due and owing under the Claims of Mechanic's Lien on the Partnership Properties;
9. For a judicial determination of the respective rights of parties in the Partnership and their interests and respective priorities in the Partnership Properties;
10. For a preliminary injunction enjoining the use, sale, dissipation, transfer, and encumbering of any Partnership Property and/or cash proceeds taken from Partnership Property;
11. For punitive damages in an amount to be proven at trial;
12. For attorneys fees and costs of suit herein incurred where provided by law; and
13. For such other relief as the Court may deem just and proper.

Dated: August 10, 2016

STONE LAW FIRM

By: 

Elliott H. Stone, Esq.
Attorney for Cross-Complainant ERAN
GURION and KG CONSTRUCTION
SOLUTIONS USA, INC.

Exhibit A

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Pages:
0004

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

08/03/16 AT 03:10PM

FEES:	24.00
TAXES:	0.00
OTHER:	0.00
PAID:	24.00



LEADSHEET



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SEQ:
01

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THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY

KG Construction Solutions, USA Inc.

AND WHEN RECORDED MAIL TO:

KG Construction Solutions, USA Inc.
c/o Elliott H. Stone, Esq.
21031 Ventura Boulevard, Suite 310
Woodland Hills CA 91364
(818) 854-3600

08/03/2016



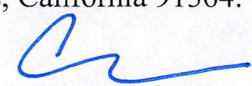
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SPACE ABOVE THIS LINE FOR RECORDER'S USE

**MECHANICS LIEN CLAIM
(Cal. Civ. Code § 8416)**

1. KG Construction Solutions, USA Inc. ("claimant") claims a mechanics lien for the labor or services or equipment or materials described in paragraph 2, furnished for a work of improvement on that certain real property located in the County of Los Angeles, State of California, and more particularly described as (address and/or sufficient description): 4053 Laurelgrove Avenue, Studio City, California 91604.
2. After deducting all just credits and offsets, the sum of \$723,000.00 together with interest at the rate of 10% per annum from June 1, 2015 (date when balance became due), is due claimant for the following labor, materials, services, or equipment: Building a single-family residence at the subject property. Construction commenced on or about June 1, 2015.
3. Claimant furnished the labor or services or equipment or materials, at the request of Leif Rogers (employer, person, or entity to whom labor, materials, services, or equipment were furnished).
4. The name and address of the owner or reputed owner of the real property is/are: Leif Rogers, 11458 Laurelcrest Road, Studio City, California 91604; and Eran Gurion, 12439 Magnolia Boulevard, Suite 230, Valley Village, California 91706.
5. Claimant's address is: KG Construction Solutions, USA Inc., c/o Elliott H. Stone, Esq., 21031 Ventura Boulevard, Suite 310, Woodland Hills, California 91364.

KG Construction Solutions, USA Inc.

Dated 8/3/16(Signature)  Elliott H. Stone, Esq., Authorized Agent**VERIFICATION**

I, Elliott H. Stone, Esq., am the authorized agent of claimant on the foregoing claim of mechanics lien, and am authorized to make this verification for and on its behalf. I have read the foregoing claim of mechanics lien and know the contents of the claim of mechanics lien to be true of my own knowledge.

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

Dated 8/3/16(Signature) 

NOTICE OF MECHANICS LIEN CLAIM ATTENTION!

Upon the recording of the enclosed MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the enclosed mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is release.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS GO TO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

PROOF OF SERVICE AFFIDAVIT

California Civil Code section 8416

Failure to serve the Mechanic's Lien and Notice of Mechanic's Lien on the owner, or alternatively if the owner cannot be served on the lender or direct contractor, shall cause the Mechanic's Lien to be unenforceable as a matter of law (Civil Code Section 8024(d)). Service of the Mechanic's Lien and Notice of Mechanic's Lien must be by (1) registered mail, (2) certified mail, or (3) first-class mail evidenced by a certificate of mailing, postage prepaid, and to a residence or business address for the owner, lender or contractor. Further, a Proof of Service Affidavit (below) must be completed and signed by the person serving the Mechanic's Lien and Notice of Mechanic's Lien. This page should be completed (either one of the sections below) and recorded with the County Recorder along with the Mechanic's Lien and Notice of Mechanic's Lien.

PROOF OF SERVICE AFFIDAVIT (ON OWNER AND OWNER)

California Civil Code sections 8416(a)(7), (c)(1), (c)(2)

I, Leonard J. Scheiner, declare that I served a copy of this Mechanic's Lien and Notice of Mechanic's Lien by registered mail, certified mail, or first-class mail evidenced by a certificate of mailing, postage prepaid, addressed as follows to the owner(s) or reputed owner(s) of the property:

Company/Person Served: Leif Rogers

Title or capacity of person served: Owner.

Service address: 11458 Laurelcrest Road, Studio City, California 91604

AND

Company/Person Served: Eran Gurion

Title or capacity of person served: Owner.

Service address: 12439 Magnolia Boulevard, Suite 230, Valley Village, California 91706

Said service address is the owner's residence, place of business, or address showed by the building permit on file with the permitting authority for the work.

In addition, I served the lender for the subject property as follows:

Company/Person Served: JT Homes LLC

Title or capacity of person served (if appropriate): Gil Binger, Agent for Service of Process

Service address: 9000 Sunset Boulevard, Suite 1250, West Hollywood, California 90069

Said service address is the lender's residence, place of business, or address showed by the deed of trust recorded with the Los Angeles County Recorder.

Executed on August 3, 2016, at Woodland Hills, Los Angeles, California.

By: Leonard J. Scheiner
(Signature of person making service)

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Pages:
0004

Recorded/Filed in Official Records
Recorder's Office, Los Angeles County,
California

08/03/16 AT 03:10PM

FEES:	24.00
TAXES:	0.00
OTHER:	0.00
PAID:	24.00



LEADSHEET



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SEQ:
02

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THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY

KG Construction Solutions, USA Inc.

AND WHEN RECORDED MAIL TO:

KG Construction Solutions, USA Inc.
c/o Elliott H. Stone, Esq.
21031 Ventura Boulevard, Suite 310
Woodland Hills CA 91364
(818) 854-3600

08/03/2016




20160915553

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**MECHANICS LIEN CLAIM
(Cal. Civ. Code § 8416)**

1. KG Construction Solutions, USA Inc. ("claimant") claims a mechanics lien for the labor or services or equipment or materials described in paragraph 2, furnished for a work of improvement on that certain real property located in the County of Los Angeles, State of California, and more particularly described as (address and/or sufficient description): 4121 Laurelgrove Avenue, Studio City, California 91604.
2. After deducting all just credits and offsets, the sum of \$583,000.00, together with interest at the rate of 10% per annum from May 2, 2015 (date when balance became due), is due claimant for the following labor, materials, services, or equipment: General Contracting Goods and Services to build Single-Family Residence at subject property. Construction commenced on or about May 2, 2015.
3. Claimant furnished the labor or services or equipment or materials, at the request of Leif Rogers (employer, person, or entity to whom labor, materials, services, or equipment were furnished).
4. The name and address of the owner or reputed owner of the real property is/are: Leif Rogers, 11458 Laurelcrest Road, Studio City, California 91604.
5. Claimant's address is: KG Construction Solutions, USA Inc., c/o Elliott H. Stone, Esq., 21031 Ventura Boulevard, Suite 310, Woodland Hills, California 91364.

Dated 8/3/16



(Signature) KG Construction Solutions USA Inc.
Elliott H. Stone, Esq., Authorized Agent

VERIFICATION

I, Elliott H. Stone, Esq., am the authorized agent of claimant on the foregoing claim of mechanics lien, and am authorized to make this verification for and on its behalf. I have read the foregoing claim of mechanics lien and know the contents of the claim of mechanics lien to be true of my own knowledge.

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

Dated 8/3/16


(Signature)

NOTICE OF MECHANICS LIEN CLAIM ATTENTION!

Upon the recording of the enclosed MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the enclosed mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is release.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS GO TO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

PROOF OF SERVICE AFFIDAVIT

California Civil Code section 8416

Failure to serve the Mechanic's Lien and Notice of Mechanic's Lien on the owner, or alternatively if the owner cannot be served on the lender or direct contractor, shall cause the Mechanic's Lien to be unenforceable as a matter of law (Civil Code Section 8024(d)). Service of the Mechanic's Lien and Notice of Mechanic's Lien must be by (1) registered mail, (2) certified mail, or (3) first-class mail evidenced by a certificate of mailing, postage prepaid, and to a residence or business address for the owner, lender or contractor. Further, a Proof of Service Affidavit (below) must be completed and signed by the person serving the Mechanic's Lien and Notice of Mechanic's Lien. This page should be completed (either one of the sections below) and recorded with the County Recorder along with the Mechanic's Lien and Notice of Mechanic's Lien.

PROOF OF SERVICE AFFIDAVIT (ON OWNER AND LENDER)

California Civil Code sections 8416(a)(7), (c)(1), (c)(2)

I, Leonard J. Scheiner, declare that I served a copy of this Mechanic's Lien and Notice of Mechanic's Lien by registered mail, certified mail, or first-class mail evidenced by a certificate of mailing, postage prepaid, addressed as follows to the owner(s) or reputed owner(s) of the property:

Company/Person Served: Leif Rogers

Title or capacity of person served (if appropriate): Owner.

Service address: 11458 Laurelcrest Road, Studio City, California 91604

Said service address is the owner's residence, place of business, or address showed by the building permit on file with the permitting authority for the work.

In addition, service was made on the lender for the subject property as follows:

Company/Person Served: JT Homes LLC

Title or capacity of person served: Gil Binger, Agent for Service of Process

Service address: 9000 Sunset Boulevard, Suite 1250, West Hollywood, California 90069

Said service address is the lender's residence, place of business, or address showed by the deed of trust recorded with the Los Angeles County Recorder.

Executed on August 3, 2016, at Woodland Hills, Los Angeles, California.

By: Leonard J. Scheiner
(Signature of person making service)

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Pages:
0004

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Recorder's Office, Los Angeles County,
California

08/03/16 AT 03:10PM

FEES:	24.00
TAXES:	0.00
OTHER:	0.00
PAID:	24.00



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SEQ:
03

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THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY

KG Construction Solutions, USA Inc.

AND WHEN RECORDED MAIL TO:

KG Construction Solutions, USA Inc.
c/o Elliott H. Stone, Esq.
21031 Ventura Boulevard, Suite 310
Woodland Hills CA 91364
(818) 854-3600




SPACE ABOVE THIS LINE FOR RECORDER'S USE

MECHANICS LIEN CLAIM
(Cal. Civ. Code § 8416)

1. KG Construction Solutions, USA Inc. ("claimant") claims a mechanics lien for the labor or services or equipment or materials described in paragraph 2, furnished for a work of improvement on that certain real property located in the County of Los Angeles, State of California, and more particularly described as (address and/or sufficient description): 10331 Valley Spring Lane, Toluca Lake, California 91602.
2. After deducting all just credits and offsets, the sum of \$720,000.00 together with interest at the rate of 10% per annum from May 2, 2015 (date when balance became due), is due claimant for the following labor, materials, services, or equipment: General Contracting Goods and Services to build Single-Family Residence at subject property. Construction commenced on or about May 2, 2015.
3. Claimant furnished the labor or services or equipment or materials, at the request of Leif Rogers (employer, person, or entity to whom labor, materials, services, or equipment were furnished).
4. The name and address of the owner or reputed owner of the real property is/are: Leif Rogers, 11458 Laurelcrest Road, Studio City, California 91604.
5. Claimant's address is: KG Construction Solutions, USA Inc., c/o Elliott H. Stone, Esq., 21031 Ventura Boulevard, Suite 310, Woodland Hills, California 91364.

Dated 8/3/16



(Signature) KG Construction Solutions, USA Inc.
Elliott H. Stone, Esq., Authorized Agent

VERIFICATION

I, Elliott H. Stone, Esq. am the authorized agent of claimant on the foregoing claim of mechanics lien, and am authorized to make this verification for and on its behalf. I have read the foregoing claim of mechanics lien and know the contents of the claim of mechanics lien to be true of my own knowledge.

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

Dated 8/3/16


(Signature) _____

NOTICE OF MECHANICS LIEN CLAIM ATTENTION!

Upon the recording of the enclosed MECHANICS LIEN with the county recorder's office of the county where the property is located, your property is subject to the filing of a legal action seeking a court-ordered foreclosure sale of the real property on which the lien has been recorded. That legal action must be filed with the court no later than 90 days after the date the mechanics lien is recorded.

The party identified in the enclosed mechanics lien may have provided labor or materials for improvements to your property and may not have been paid for these items. You are receiving this notice because it is a required step in filing a mechanics lien foreclosure action against your property. The foreclosure action will seek to pay for unpaid labor, materials, or improvements provided to your property. This may affect your ability to borrow against, refinance, or sell the property until the mechanics lien is release.

BECAUSE THE LIEN AFFECTS YOUR PROPERTY, YOU MAY WISH TO SPEAK WITH YOUR CONTRACTOR IMMEDIATELY, OR CONTACT AN ATTORNEY, OR FOR MORE INFORMATION ON MECHANICS LIENS GO TO THE CONTRACTORS' STATE LICENSE BOARD WEB SITE AT www.cslb.ca.gov.

PROOF OF SERVICE AFFIDAVIT

California Civil Code section 8416

Failure to serve the Mechanic's Lien and Notice of Mechanic's Lien on the owner, or alternatively if the owner cannot be served on the lender or direct contractor, shall cause the Mechanic's Lien to be unenforceable as a matter of law (Civil Code Section 8024(d)). Service of the Mechanic's Lien and Notice of Mechanic's Lien must be by (1) registered mail, (2) certified mail, or (3) first-class mail evidenced by a certificate of mailing, postage prepaid, and to a residence or business address for the owner, lender or contractor. Further, a Proof of Service Affidavit (below) must be completed and signed by the person serving the Mechanic's Lien and Notice of Mechanic's Lien. This page should be completed (either one of the sections below) and recorded with the County Recorder along with the Mechanic's Lien and Notice of Mechanic's Lien.

PROOF OF SERVICE AFFIDAVIT (ON OWNER)

California Civil Code section 8416(a)(7) and (c)(1)

I, Leonard J. Scheiner, declare that I served a copy of this Mechanic's Lien and Notice of Mechanic's Lien by registered mail, certified mail, or first-class mail evidenced by a certificate of mailing, postage prepaid, addressed as follows to the owner(s) or reputed owner(s) of the property:

Company/Person Served: Leif Rogers

Title or capacity of person served (if appropriate): Owner.

Service address: 11458 Laurelcrest Road, Studio City, California 91604

Said service address is the owner's residence, place of business, or address showed by the building permit on file with the permitting authority for the work.

In addition, I served a copy on the lender for the subject property as follows:

Company/Person Served: JT Homes LLC

Title or capacity of person served: Gil Binger, Agent for Service of Process

Service address: 9000 Sunset Boulevard, Suite 1250, West Hollywood, California 90069

Said service address is the lender's residence, place of business, or address showed by deed of trust recorded with the Los Angeles County Recorder.

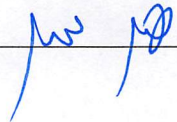
Executed on August 3, 2016 at Woodland Hills, Los Angeles, California.

By: Leonard J. Scheiner
(Signature of person making service)

VERIFICATION

I, defendant and cross-complainant Eran Gurion, certify and declare that I have read the foregoing First Amended Cross-Complaint and know its contents. The matters stated herein are true of my own knowledge and belief except as to those matters stated on information and belief and as to those matters I believe them to be true. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Eran Gurion



ATTORNEY OR PARTY WITHOUT AN ATTORNEY (Name and Address): Elliott H. Stone, Esq. (SBN 264569) STONE LAW FIRM 21031 Ventura Boulevard, Suite 310 Woodland Hills CA 91364 Tel: (818) 854-3600 ▪ Fax: (818) 854-3601	For Court Use Only
SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES	
PLAINTIFF: GARY CHAMBERLAIN and LEIF ROGERS	
DEFENDANT: ERAN GURION	
PROOF OF SERVICE CCP § 1013a(3)	Case No. EC065373

I am over the age of 18, and not a party to this action. I am employed in the county of Los Angeles, State of California, within which county the subject mailing occurred. My business address is shown in the header above. On the date stated below, I caused service of true and correct copies of the following document(s):

Document(s) Served:	FIRST AMENDED CROSS-COMPLAINT
Interested parties in this action upon which I served these documents:	See attached Service List

- ☒ **BY US MAIL** I placed true copies of the documents described below in sealed envelopes postage fully prepaid, for each addressee named above for collection and mailing by leaving the envelopes in the area designated for my firm's outgoing mail. I am readily familiar with my firm's practice of collection and processing correspondence for mailing with the United States Postal Service on the same day this declaration was executed in the ordinary course of business. I am aware that, on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after the date of deposit for mailing.
- ☐ **BY FAX** Based upon an agreement of the parties to accept service by fax, I faxed the documents to the persons at the fax numbers listed above. The fax machine I used complied with California Rules of Court, Rule 2003 and no error was reported by the machine. Pursuant to California Rules of Court, Rule 2006(d), I caused the machine to print a transmission record of the transmission, a copy of which is attached. If no agreement of the parties to accept service by fax exists, I have also caused a copy of the documents to be mailed via first class mail, postage fully prepaid.
- ☐ **BY E-MAIL** Based upon a court order or an agreement of the parties to accept service by email, I caused the documents to be sent to the person at the email address listed above. If no such agreement of the parties is in place, service by email is strictly for courtesy purposes only. I did not receive, within a reasonable time after the transmission, any error message or other indication that the transmission was unsuccessful.
- ☐ **BY PERSONAL SERVICE** I delivered the documents by hand in court before the ex parte hearing.

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

Executed on August 11, 2016 at Los Angeles, California.



Leonard J. Scheiner

ATTACHEMENT TO PROOF OF SERVICE

SERVICE LIST

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<p>James M. Richards, M.D., Inc. 6222 W Manchester Avenue, Suite A Los Angeles CA 90045</p> <p><i>Not yet appeared in action. Served by US Mail</i></p>	

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