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8 IN THE UNITED STATES DISTRICT COURT
9 FOR THE NORTHERN DISTRICT OF CALIFORNIA
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United States District Court
Northern District of California

JPMORGAN CHASE BANK, N.A.,

Plaintiff,

v.

SATYA N. VELU; KAMALA K. VELU;
FRANCHISE TAX BOARD – STATE
OF CALIFORNIA; DEPARTMENT OF
TREASURY – INTERNAL REVENUE
SERVICE,

Defendants.

Case No.: C-12-03429 SBA (JSC)

ORDER TO SHOW CAUSE

Presently before the Court is Plaintiff's Motion for Default Judgment by the Court as to Defendants Satya N. Velu, Kamala K. Velu, and the Franchise Tax Board for the State of California ("FTB"). (Dkt. No. 29.) The motion has been referred to the undersigned for a Report and Recommendation. Plaintiff's motion seeks default judgment on its declaratory relief cause of action, which maintains that Plaintiff's lien—the "WAMU Deed of Trust" between the Velus and Plaintiff—is senior to FTB's tax lien even though FTB's lien was recorded against the property first. However, Plaintiff does not cite to any law in support of its contention. Rather, Plaintiff simply

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asserts that such relief should be granted because “it is clear that the parties intended that the WAMU Deed of Trust would be the first priority lien against the Property.” (Dkt. No. 29-1 at 5.) The Court is unaware how such mutual intent between the Velus and Plaintiff would disrupt FTB’s first-recorded lien.

In light of the foregoing, the Court hereby ORDERS Plaintiff to SHOW CAUSE, no later than **April 29, 2013**, why its second-recorded lien should be deemed the senior lien against the property. Plaintiff shall cite legal authority supporting its position. In addition, the Court hereby VACATES the hearing scheduled for April 25, 2013. The hearing shall now occur on **May 9, 2013 at 9:00.**

IT IS SO ORDERED.

Dated: April 22, 2013



JACQUELINE SCOTT CORLEY
UNITED STATES MAGISTRATE JUDGE