SPECIAL REQUEST REPORT:
PUBLIC GUARDIAN’S OFFICE ACTIVITIES REGARDING THE KLUBNIKIN FAMILY TRUST

Audit Oversight Committee Directive on December 7, 2011

The Internal Audit Department addressed two allegations Mr. Michael Klubnikin made in public comments at numerous meetings of the Board of Supervisors in 2011, and found them to be without merit. The allegations are:

1. Mr. Michael Klubnikin alleges the sale of the Klubnikin Family Trust rental house in Morro Bay was made for less than fair market value.

2. Mr. Michael Klubnikin alleges the Public Guardian’s office improperly involved itself in the Klubnikin Family Trust.

REPORT NO: 1107-2
REPORT DATE: JUNE 25, 2012

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Deputy Director: Eli Littner, CPA, CIA, CFE*
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Providing Facts and Perspectives Countywide

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To access and view audit reports or obtain additional information about the OC Internal Audit Department, visit our website: **www.ocgov.com/audit**

OC Fraud Hotline (714) 834-3608
Transmittal Letter


TO:  Honorable Members, Board of Supervisors
     Lucille Lyon, Public Guardian/Assistant
      Public Administrator

FROM: Dr. Peter Hughes, CPA, Director
      Internal Audit Department

SUBJECT: Special Request Report: Public Guardian’s
         Office Activities Regarding the Klubnikin
         Family Trust

We have completed a special request review of the Public Guardian’s office activities regarding the Klubnikin Family Trust.

This review was requested and approved at the Audit Oversight Committee meeting on December 7, 2011, with the understanding that the results would be released in a public report addressed to the Board of Supervisors.

Each month I submit an Audit Status Report to the Board of Supervisors (BOS) where I detail any critical or significant audit findings released in reports during the prior month and the implementation status of audit recommendations as disclosed by our Follow-Up Audits.

Attachments

Other recipients of this report are listed on Internal Auditor’s Report page 8.
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**Special Request Report:**  
*Public Guardian’s Office Activities Regarding the Klubnikin Family Trust*  
*Audit No. 1107-2*

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OVERVIEW

Mr. Michael Klubnikin made numerous allegations of impropriety regarding his removal on November 4, 2010 as the Trustee of the Klubnikin Family Trust by the Superior Court of California, County of Orange, Lamoreaux Justice Center (Superior Court) and subsequent actions taken by the Superior Court appointed Temporary Trustees. Mr. Klubnikin’s complaints are against the Orange County Public Guardian’s office (Public Guardian), County Counsel, and the Superior Court and were made during Public Comments at numerous weekly Board meetings (a sample of such meeting dates are: August 9, August 23, September 13, September 20, October 4, October 18, November 8, 2011, and this year beginning on January 10, 2012 and most recently on June 19, 2012).

In the course of making his complaints, Mr. Klubnikin presented to the Board of Supervisors hundreds of pages of documentation that he prepared and that he asserted supported his allegations of conspiracy and wrongful civil and criminal behavior by these public bodies against him and the Klubnikin Family Trust.

Mr. Klubnikin has brought his complaints to the Superior Court as well. The court records reflect that the Superior Court on December 16, 2011 considered Mr. Klubnikin’s arguments, reviewed his documents and removed him as the Trustee of the Klubnikin Family Trust because he “breached the trust, in violation of Probate Code Section 15642(b)(1)” and he “is and was insolvent in violation of Probate Code Section 15642(b)(2).” This is a process that is both rigorous and independent. It is important to point out that Mr. Klubnikin had the opportunity to offer his arguments again to the Superior Court on January 3, 2012.

On January 3, 2012, the Superior Court Ordered as follows (based on oral and documentary evidence introduced on behalf of the respective parties (including Mr. Michael Klubnikin), and the matter was argued and submitted for decision):

1. Michael Klubnikin is removed as Trustee of the Klubnikin Family Trust dated July 29, 1988.
2. Eric Mayfield is appointed as Successor Trustee of the Klubnikin Family Trust dated July 29, 1988.
3. Eric Mayfield, as Successor Trustee, does not have the authority to sell real property of the Trust without prior Superior Court approval.
4. Bond is required in the amount of $302,500 (of Eric Mayfield).
5. Orange County Public Guardian, as former Temporary Successor Trustee and as former Temporary Conservator of the Estate of Tanya Jane Klubnikin, to file a final accounting.
Internal Auditor’s Report

While deferring to the Superior Court decisions, the Orange County Board of Supervisors’ Audit Oversight Committee, in an abundance of caution, unanimously requested during its December 7, 2011 quarterly meeting that the Internal Audit Department review the materials submitted to the Board by Mr. Klubnikin and examine the allegations related to the Public Guardian’s office to determine their merit, if any, and to publically report on the results. The Audit Oversight Committee is comprised of the Chairman and Vice Chairman of the Board of Supervisors, the County Executive Officer, the Auditor-Controller, the Treasurer-Tax Collector, the County’s Performance Audit Director and a citizen member.

Upon our review of his complaints and the materials he provided, we found that all of his complaints stem from the decision of the Superior Court to remove him as the Trustee of the Klubnikin Family Trust. This decision was solely a Superior Court matter and the Board of Supervisors informed Mr. Klubnikin a number of times that the decisions made by the Superior Court are outside the authority of the Board of Supervisors to review or overrule.

However, from amid the numerous complaints and allegations of wrongdoing made during the Public Comments session, Mr. Klubnikin did challenge two events that involved, to a limited degree, the Public Guardian’s office and as such did fall under the purview of the Board of Supervisors.

Specifically, the two events that we reviewed are:

A. The sale of a home in the Klubnikin Family Trust which Mr. Klubnikin alleged was sold below fair market value, and

B. The involvement of the Public Guardian’s office in the Klubnikin Family Trust, which Mr. Klubnikin alleged was improper.

SCOPE LIMITATION

It is not within our scope of work to review the Superior Court’s decisions regarding Mr. Klubnikin and the Klubnikin Family Trust. Our review focuses exclusively on the two events cited above related to the Public Guardian.

METHODOLOGY

We reviewed relevant public records, court records, policies and procedures, statutes, rules and regulations, interviewed key agents and staff from the County Counsel’s office, the Public Guardian’s office, and Mr. Klubnikin.

CONCLUSION

We found both allegations we reviewed to be without merit.
ALLEGATIONS

The two allegations are as follows:

1. Mr. Michael Klubnikin alleges the Klubnikin Family Trust rental house at 2890 Elm Street, Morro Bay, California 93442 was sold for less than fair market value.

2. Mr. Michael Klubnikin alleges the Public Guardian's office improperly involved itself in the Klubnikin Family Trust.

CONCLUSION FOR ALLEGATION ONE

Conclusion: We found it without merit.

The Elm Street property was independently valued by the Superior Court appointed Probate Referee at $250,000 and authorized for sale by the Superior Court for more than fair market value at $264,000.

Support Highlights:

We found that the current market value of the rental house located at 2890 Elm Street, Morro Bay, CA 93442 was established by an independent process external to the Public Guardian’s office. The current market value of the property was established by an independent Probate Referee appointed by the Superior Court who evaluated its comparable worth with other relevant properties sold and offered for sale.

This sale was conducted by an independent brokerage firm familiar with properties in Morro Bay. The offer for the sale of the property at the price obtained from the “highest and best bidder” was signed under penalty of perjury by the broker who stated compliance with Superior Court Rule No. 606.07 procedures to ensure they obtained the highest and best price reasonably attainable for the property. Upon receipt of the Probate Referee’s current market value determination, the broker’s statement, and a review of the seven bids obtained, the Superior Court approved the sale at a price of $264,000 on September 15, 2011 and escrow closed on the property September 27, 2011.

The winning bidders were two contractors who made a cash offer which was the highest bid of the seven bidders. Five other bids were also all cash offers and these bids varied from a low of $249,900 to a high of $264,000.

We interviewed by phone the local real estate agent who showed the property to prospective buyers and had first hand knowledge of its condition as well as the values of comparable properties. We also interviewed by phone the contractor who co-bought the property with another contractor.
Both the contractor and agent independently asserted to us that the property was in “horrible, terrible” condition. The local real estate agent said “prospective buyers ran out of the property disgusted” and he knew then “that no conventional loan buyer would be able to get a loan on the property because of the extensive work required to make it qualify.”

He stated that his first impression of the property was that nothing had been done to it since it was built in 1975 and that the inside was a “pig pen.” The two contractors who had the winning bid extensively renovated the property for resale and reported to us that they spent more than $100,000 in materials in addition to having six crew members and themselves working six weeks straight to renovate the property. (Please see Attachment B for the before and after pictures of the subject property.)

Lastly, we interviewed by phone the Probate Referee who explained to us that he discussed the subject property’s condition and comparable sale properties with the local real estate agent who knew the subject property and the Morro Bay area as part of his analysis, and that he adjusted downward the market value of the property based on the estimated cost of renovations required.

ALLEGATION TWO
Mr. Michael Klubnikin alleges the Public Guardian’s office improperly involved itself in the Klubnikin Family Trust.

CONCLUSION FOR ALLEGATION TWO
Conclusion: We found it without merit.

We found the Public Guardian’s office followed a well established process when it responded to a referral making allegations of financial and emotional abuse of Mrs. Tanya Klubnikin. These allegations were initially reported a number of times to the County of Orange Social Services Agency’s (SSA) Adult Protective Services (APS), an agency separate and independent of the Public Guardian. The Public Guardian’s office, therefore, did not self-initiate the investigation into Mrs. Tanya Klubnikin, but rather properly responded to the referral sent to them by the APS.

The Public Guardian’s office has several levels of review and oversight that are applied to all cases. These reviews are designed to ensure an unbiased and appropriate handling for each case referred to them. The Public Guardian’s office, in accordance with policy and/or law, investigated the complaint by visiting the residence of Mrs. Tanya Klubnikin, interviewing her, and obtaining and examining pertinent financial documentation. They then submitted their findings and recommendation to the Superior Court for its review and decision.

Our review also disclosed that in 2011, the Public Guardian’s office received 92 referrals from APS and investigated 86 of those referrals. Of all 86 investigations, the Public Guardian only petitioned for and was awarded eight conservatorships by the Superior Court. The eight awarded conservatorships represent 9.3% of the referrals investigated that year.

The above statistics supports the Public Guardian’s office assertion that they seldom (9.3% of referrals investigated) recommend and are awarded conservatorships.
Support Highlights:

The Public Guardian did not on its own volition insert itself as the Trustee of the Klubnikin Family Trust or as the conservator of Mrs. Tanya Klubnikin.

The Public Guardian’s office received a referral from APS on August 10, 2010 and sent a trained and experienced investigator to investigate the living situation of the subject, and obtained recorded public records to validate the foreclosure status of the properties.

**FORECLOSURE PROCESS**

The Foreclosure Process in California is “non-judicial” because the entire process can be undertaken and a property sold when the loan payments are not made without having to use the courts if the loan contains a Power of Sale clause. The references are in the California Civil Codes with the citation for each step in the foreclosure process.

Properties are considered to be in Pre-foreclosure from the filing of the initial Notice of Default and Election to Sell Under Deed of Trust (Notice of Default) which is the first step in Pre-foreclosure which results when the owner is not paying their loan according to the terms of their recorded note. Several months of non-payment usually take place before the lender engages the trustee to file the Notice of Default, to publish in the local paper, to send notices to the owner and giving them opportunity to bring the loan payments current, and to record the Notice of Default with the County Recorder (CC 2924c.(a)(1)). Should loan non-payment continue and it has been at least three months after the Notice of Default was recorded, the trustee can file a Notice of Trustee Sale. The Notice of Trustee Sale sets forth the auction date, time, and location (CC 2924c.(b)(1)). Most importantly, the statute states the initial auction can take place only 20 days after the Notice of Trustee Sale is recorded (CC2924 f.(b)(1)). Auctions can be postponed for up to one year (CC 2924g.(c)(1)). This Civil Code transfers property to winning bidder as the last step in the foreclosure process, and by default the lender if no bid higher than the lender's opening bid is received. If the lender ends up with the property it is known as REO for Real Estate Owned (CC 2924h.(c)).

As of August 10, 2010, the recorded public records revealed three properties in the Klubnikin Family Trust were in Pre-foreclosure status as the three properties had received a Notice of Default and Election to Sell Under Deed of Trust as of June 16, 2009, May 10, 2010, and June 9, 2010. The three properties were 2890 Elm Ave., Morro Bay; 9522 Washington Ave., Garden Grove; and 13392 Heather Circle, Garden Grove.

We note, as of August 1, 2010, the primary residence of Mrs. Tanya Klubnikin at 13392 Heather Circle, Garden Grove had $5,347.73 in property taxes unpaid for the years 2005 through 2009 and nine (9) months of mortgage payments were unpaid and past due. The primary residence of Mrs. Tanya Klubnikin was the immediate concern of the Public Guardian’s office. On January 11, 2011, the Public Guardian’s office paid $14,750 to rescind foreclosure on the primary residence of Mrs. Tanya Klubnikin’s property at 13392 Heather Circle, Garden Grove.

On September 28, 2010, unbeknown to the Public Guardian’s office, Mr. Michael Klubnikin wired $11,206.86 from his commodities brokerage account into Mrs. Tanya Klubnikin’s checking account. Further, the Public Guardian was unaware that a total payment of $12,715.57 was then made by Mr. Michael Klubnikin from Mrs. Tanya Klubnikin’s checking account to Quality Loan Services Corp that brought the mortgage current as of September 28, 2010. As a result of this payment, Quality Loan Services Corp. recorded a Rescission of Notice of Default and Election to Sell Under Deed of Trust on October 4, 2010 related to the foreclosure on 9522 Washington Ave., Garden Grove.

Accordingly, as of October 4, 2010, two properties in the Klubnikin Family Trust remained in pre-foreclosure. The two properties were 2890 Elm Ave., Morro Bay; and 13392 Heather Circle, Garden Grove.

When the Public Guardian’s investigation concluded financial abuse occurred based on the financial and property records they reviewed, the Public Guardian’s office on November 4, 2010 filed with the Orange County Superior Court an “EXPARTE APPLICATION FOR ORDER SUSPENDING TRUSTEE, APPOINTING PUBLIC GUARDIAN AS TEMPORARY TRUSTEE, AND COMPELLING AN ACCOUNTING BY TRUSTEE.”

Consequently, the Superior Court then on November 4, 2010 suspended the powers of Mr. Michael Klubnikin as trustee of the Klubnikin Family Trust dated July 29, 1988, compelled Mr. Michael Klubnikin to render an accounting for his actions as trustee and appointed the Public Guardian the Temporary Trustee of the Klubnikin Family Trust.

Upon the Superior Court’s appointment as Temporary Trustee, the Public Guardian proceeded to loan to the Klubnikin Family Trust $42,144.09. These funds were necessary to pay past due mortgage payments on the trust properties because the Klubnikin Family Trust did not have the funds to make the required payments to stop the foreclosures. The Public Guardian managed the financial affairs for the Klubnikin Family Trust until the Superior Court made a final determination on December 16, 2011 regarding the appointment of a permanent Successor Trustee.

Following trial, the Superior Court subsequently determined that:

“Based on all of the exhibits and the testimony at trial, the court concludes that the Petitioner Public Guardian has shown Trustee Michael Klubnikin has breached the trust in violation of Probate Code Section 15642(b)(1), and has shown that Trustee Michael Klubnikin is and was insolvent in violation of Probate Code Section 15642(b)(2). Accordingly, the court approves the petition, orders that Trustee Michael Klubnikin be removed, and appoints Eric Mayfield as Successor Trustee.” (The Superior Court of California Minute Order, December 16, 2011):

See Attachment A for a chronology of activity for the Klubnikin Properties at 2890 Elm Ave., Morro Bay, CA; 9522 Washington Ave., Garden Grove; and 13392 Heather Circle, Garden Grove (primary residence of Tanya Klubnikin).
MEETINGS WITH MR. MICHAEL KLUBNIKIN

Mr. Klubnikin informed the Internal Audit Department he did not have a car and was using public transportation to travel and that he did not have a phone where we could call him to arrange meetings or have discussions. The Internal Audit Department repeatedly offered to meet with Michael Klubnikin at any location convenient to him and at his convenience. Mr. Klubnikin insisted on meeting at the Internal Audit Department office and insisted on making any arrangements only by fax machine. This arrangement slowed the process and intervening commitments made finding available times for all participants challenging. The dates for the meetings we were able to fulfill are shown below.

March 30, 2012 Meeting
The first meeting took place on March 30, 2012, at 1:00 P.M. in the Internal Audit Department’s conference room. Staff from the Internal Audit Department and County Counsel met with Mr. Michael Klubnikin to review materials from his extensive files specifically related to the allegations addressed in this report. The meeting lasted two and one-half hours and was attended by Dr. Peter Hughes, CPA, Director of Internal Audit, Eli Littner, CPA, Deputy Director, Internal Audit Department, and Alan Marcum, CPA, Senior Audit Manager, Internal Audit Department. Ann Fletcher, Deputy County Counsel, was present for the initial part of the meeting.

Mr. Michael Klubnikin pulled dozens of pages from his files, and, vigorously explained how these documents validate his positions, viewpoints, and opinions regarding the two allegations we investigated. His positions and perspectives were discussed at length and concluded upon a thorough discussion of the two allegations IAD committed to investigate.

May 30, 2012 Meeting
The second meeting took place on May 30, 2012 10:00 A.M. in the Internal Audit Department’s conference room. The Internal Audit Department again met with Mr. Michael Klubnikin. The meeting was attended by Eli Littner, Deputy Director and Alan Marcum, Senior Audit Manager. Mr. Klubnikin was provided a copy of the draft report for his review and comment. Mr. Klubnikin read the draft report and returned it to IAD without comment.

May 30, 2012 Correspondence
Later that evening at 11:00 P.M., Michael Klubnikin faxed a four-page hand-written note wherein he states “It appears that this 6 month review had just been smoke and mirrors from the git go.” Further he states “…thinking that this would be an independent and thorough review that would not only expose this criminal enterprise of looting seniors estates via fraudulent petitions and a corrupt Probate Judge…” and further “This Report which white washes criminal conduct is a textbook example of OPPROBRIUM!”

Only on May 31, 2012 did Mr. Klubnikin offer a telephone number for us to reach him directly. We did reach him for the telephone conference on May 31, 2012.
May 31, 2012 Telephone Conference
A telephone conference took place on May 31, 2012, 2:30 P.M. when Peter Hughes, Director of Internal Audit, Eli Littner, Deputy Director, and Alan Marcum, Senior Audit Manager called Michael Klubnikin by telephone in order to establish a better understanding of each of their positions. The conversation lasted two and one half hours with Michael Klubnikin, but the telephone conference did not produce any new information relative to the two allegations under investigation, nor did it prompt any change in either Mr. Klubnikin’s or the Internal Audit Department’s conclusions.

ACKNOWLEDGMENT
We appreciate the courtesy and cooperation extended to us by the Public Guardian’s office and the assistance of County Counsel. If you have any questions regarding this report, please call me directly at (714) 834-5475.

Attachments
Distribution Pursuant to Audit Oversight Committee Procedure No. 1:

- Members, Board of Supervisors
- Members, Audit Oversight Committee
- Thomas G. Mauk, County Executive Officer
- Nicholas Chrisos, County Counsel
- Foreperson, Grand Jury
- Susan Novak, Clerk of the Board of Supervisors
- Michael Klubnikin
## Klubnikin Property Chronology

<table>
<thead>
<tr>
<th>Chronology</th>
<th>2890 Elm Ave.</th>
<th>9522 Washington Ave.</th>
<th>13392 Heather Circle (Residence of Tony Klubnikin)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td></td>
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<td>Property Taxes not paid.</td>
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<tr>
<td>2006</td>
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<td></td>
<td>Property Taxes not paid.</td>
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<tr>
<td>2007</td>
<td></td>
<td></td>
<td>Property Taxes not paid.</td>
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<tr>
<td>2008</td>
<td></td>
<td></td>
<td>Property Taxes not paid.</td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
<td>Property Taxes not paid. Total Property taxes due $5347.73 plus interest and penalties.</td>
</tr>
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</table>

6/16/09
Notice of Default and Election to Sell Under Deed of Trust, recorded in San Luis Obispo County (Doc. No. 2009032078)

09/18/09
Notice of Trustee's Sale, recorded in San Luis Obispo County. Note: Trustee Sale scheduled for 10/18/09. (Doc. No. 2009052011)

10/18/09
Trustee Sale was scheduled but property was not sold at auction to the highest cash bidder. This property continued to be in default. (Doc. No. 2009052011)

2010

05/10/10
Notice of Default and Election to Sell Under Deed of Trust, recorded in Orange County (Doc. No. 201000219729)

06/09/10
Notice of Default and Election to Sell Under Deed of Trust, recorded in Orange County (Doc. No. 201000271516)

NOTE: Three properties in the Klubnikin Family Trust had received Notice of Default as noted above.
**Klubnikin Property Chronology**

<table>
<thead>
<tr>
<th>Chronology</th>
<th>2890 Elm Ave. Morro Bay, CA</th>
<th>9522 Washington Ave. Garden Grove, CA</th>
<th>13392 Heather Circle Garden Grove (Residence of Tanya Klubnikin)</th>
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</thead>
<tbody>
<tr>
<td><strong>2010</strong> (continued)</td>
<td>08/10/10 Public Guardian received referral from the SSA/Adult Protective Services. (Six referrals alleging financial and elder abuse.)</td>
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<td>08/16/10 Public Guardian investigators visited Mrs. Tanya Klubnikin as part of their investigation. They visited her again on the following dates: 9/13/10, 9/20/10 and 9/29/10.</td>
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<td>09/08/10 Notice of Trustee's Sale is recorded in Orange County (Doc. No. 201000043550)</td>
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<tr>
<td>09/21/10 Public Guardian presented the Tanya Klubnikin matter to the Orange County Forensic Center on Elder Abuse.</td>
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<tr>
<td>09/28/10 Quality Loan Service Corp. received $12,715.57 to reinstate the 9522 Washington, Garden Grove loan through 09/28/2010. $11,206.66 of the total paid came from Michael Klubnikin’s brokerage account.</td>
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<td>09/29/10 Dr. Steven Tam, Orange County Forensic Center on Elder Abuse, accompanied the Public Guardian in-house visit and completed an “Evaluation Of (Proposed) Conservatee’s Mental Function.”</td>
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<tr>
<td>10/04/10 Rescission of Notice of Default and Election to Sell Under Deed of Trust, recorded in Orange County (Doc. No. 2010000497583) (The rescission moved the property out of default status.)</td>
<td>10/01/10 Mortgage Past Due: $8591.99 (11 months past due)</td>
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<td></td>
<td>11/04/10 Superior Court, County of Orange, suspended powers of Michael Klubnikin as trustee of the Klubnikin Family Trust. Superior Court appointed Public Guardian as Temporary Trustee.</td>
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**NOTE:** The Rescission of Notice of Default on the 9522 Washington Ave., Garden Grove property dated 10/4/10 reduced the properties in pre-foreclosure status to two.
### Klubnikin Property Chronology

<table>
<thead>
<tr>
<th>Chronology</th>
<th>2890 Elm Ave. Morro Bay, CA</th>
<th>9522 Washington Ave. Garden Grove, CA</th>
<th>13392 Heather Circle Garden Grove (Residence of Tonya Klubnikin)</th>
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<tbody>
<tr>
<td>2011</td>
<td></td>
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<tr>
<td>02/16/11</td>
<td>Notice of Default and Election to Sell Under Deed of Trust, recorded in San Luis Obispo County (Doc. No. 2011008402)</td>
<td>01/19/11 Public Guardian paid $19,750 to stop the pre-foreclosure process.</td>
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<td>02/16/11</td>
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<tr>
<td>02/16/11</td>
<td>Notice of Default and Election to Sell Under Deed of Trust, recorded in San Luis Obispo County (Doc. No. 2011008402)</td>
<td>01/28/11 Rescission of Notice of Default and Election to Sell Under Deed of Trust, recorded in Orange County (Doc. No. 201100051792)</td>
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<tr>
<td>03/01/11</td>
<td>Public Guardian paid $560.67 to bring past due mortgage to current status.</td>
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<td>03/01/11</td>
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<tr>
<td>05/19/11</td>
<td>Notice of Trustee’s Sale, recorded in San Luis Obispo County (Doc. No. 2011023867)</td>
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<tr>
<td>06/01/11</td>
<td>Public Guardian paid $21,332.81 to stop pre-foreclosure process.</td>
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<tr>
<td>06/15/11</td>
<td>Rescission of Notice of Default and Election to Sell Under Deed of Trust, recorded in San Luis Obispo (Doc. No. 2011028279)</td>
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<tr>
<td>09/15/11</td>
<td>Superior Court approved property sale price at $264,000.</td>
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<tr>
<td>09/27/11</td>
<td>Property Sold for $264,000, Escrow closed on property.</td>
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<tr>
<td>12/16/11</td>
<td>Superior Court removed Mr. Klubnikin as Trustee of Klubnikin Family Trust because he “breached the trust, in violation of Probate Code Section 15642(b)(1)” and he “is and was insolvent in violation of Probate Code Section 15642(b)(2).”</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Klubnikin Property Chronology

<table>
<thead>
<tr>
<th>Chronology</th>
<th>Address</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>2890 Elm Ave.</td>
<td>Morro Bay, CA</td>
<td>Morro Bay, CA</td>
</tr>
<tr>
<td>9522 Washington Ave.</td>
<td>Garden Grove, CA</td>
<td>Garden Grove, CA</td>
</tr>
<tr>
<td>13392 Heather Circle</td>
<td>Garden Grove</td>
<td>(Residence of Tanya Klubnikin)</td>
</tr>
</tbody>
</table>

**2012**

01/03/12
Superior Court appointed Successor Trustee of Klubnikin Family Trust. Successor Trustee does not have authority to sell real property of the Trust without prior Superior Court approval.
ATTACHMENT B: Before and After Photos of Property

BEFORE

AFTER

Special Request Report: Public Guardian’s Office Activities Regarding the Klubnikin Family Trust Report No. 1107-2
ATTACHMENT B: Before and After Photos of Property (continued)
ATTACHMENT B: Photos Before and After Photos of Property (continued)

BEFORE

AFTER