

# Daily Journal

## VERDICTS & SETTLEMENTS

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### **BANKING**

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#### **LOAN AGREEMENT**

Deficiency Judgment

**SETTLEMENT:** \$500,000

**CASE/NUMBER:** California Bank & Trust v. Ruxton Pacific LLC, Steven R. Legare' / BC390842

**COURT/DATE:** L.A. Superior-Central / Feb. 8, 2010

**JUDGE:** Hon. Terry A. Green.

**ATTORNEYS:** Plaintiff - Steven Casselberry (Michelman & Robinson, LLP, Santa Ana).

Defendant - Larry C. Hall (The Hall Law Corporation, Manhattan Beach).

**TECHNICAL EXPERTS:** Plaintiff - Michael Abergel, appraisal, Calabasas.

Defendant - Steven R. Legare, real estate developer, Redondo Beach.

**FACTS:** Plaintiff, California Bank & Trust (CBT), assignee of F.D.I.C., as receiver for Alliance Bank, sought a deficiency judgment of \$3,531,459 plus attorney fees, costs and interest against Steve Legare', who was the guarantor, of a construction loan issued to borrower, Ruxton Pacific LLC, by Alliance Bank. Alliance, sought to collect on the deficiency after a non-judicial foreclosure of a 27-unit condo project in Redondo Beach. Alliance had extended a \$14,281,459 construction loan on August 19, 2005 to Ruxton Pacific and would not extend it past the due date of March 15, 2008. Legare', a developer in Manhattan Beach, applied for the construction loan in June 2005. Alliance's terms required Ruxton Pacific to be a California LLC and Legare' to be the guarantor. CBT dismissed Ruxton Pacific after foreclosing on the project.