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February 9, 2026

SENT BY PERSONAL SERVICE

Puchun Cai

Re: Cooperation with Orderly Disposition of Chenglu Liu's Partition of Subject Property

Property: 952 E 9th St, Pomona, CA 91766

Dear Puchun Cai,

This office represents Chenglu Liu. As you are aware, Mr. Liu is a co-owner of the real property located at 952 E 9th St, Pomona, CA 91766 (the “Property”), holding a 33.33% ownership interest of record title with you. Mr. Liu is no longer interested in maintaining a co-ownership interest in the Property. As such, Mr. Liu has filed the enclosed complaint in the Superior Court of California, County of Los Angeles, to terminate the co-ownership relationship.

This letter shall also serve as a formal demand for payment of the Promissory Note secured by a Deed of Trust (collectively, the “Loan”) encumbering the property located at 1440 S. Huntington Street, Pomona, California, executed by you and Mr. Honghua Shang in favor of Mr. Liu in the original principal amount of \$300,000, together with accrued interest, late charges, and all other sums due and owing under the Loan.

As you are aware, while the Loan states the principal amount was \$300,000, the actual funds loaned to you under the Note by Mr. Liu was \$328,470. Nonetheless, for purposes of reaching a resolution, Mr. Liu is agreeable to interest bearing only as to the \$300,000.

The Loan bears interest at 7% per annum, continues to accrue interest daily, and is in default. As of the date of this letter, the total amount due and owing under the Note is \$463,512.33, plus the additional \$28,470 for a total of \$491,982.33. **Mr. Liu hereby demands immediate payment in full of all amounts due under the Note.**

Additionally, the Note provides for a late charge equal to 3% of the unpaid principal balance, which is separately due and owing as a result of your default. However, in an effort to encourage prompt resolution, Mr. Liu is willing to forego enforcement of the 3% late fee, provided that you agree to resolve the outstanding indebtedness as outlined herein. Should you decline to do so, Mr. Liu will pursue all rights and remedies available under the Note and Deed of Trust, including recovery of the late fee, accrued interest, and all additional sums permitted by law.

Further, Mr. Liu is also entitled to offsets for the rental income you received for the use of the Property in accordance with his 33.33% ownership interest. However, in a further effort to resolve this matter efficiently and without unnecessary escalation, Mr. Liu is willing to forego any claim for rent payments received from the use of the Property, in addition to foregoing enforcement of the 3% late fee under the Note. Again, this concession is made solely for settlement purposes only and is intended to facilitate a commercially reasonable resolution of the partition action. Should the partition action continue, Mr. Liu reserves all rights to recover the rental income actually owed to him.

The partition action provides a straightforward and commercially reasonable path to resolve this matter. Because you and Mr. Shang are jointly and severally liable under the Note, Mr. Liu is willing to accept payment of the full balance under the Loan through a combination of i) your share of the net proceeds from the sale of the 9th Street Property, (ii) Mr. Shang's share of the net proceeds from the sale of the 9th Street Property, and (iii) Mr. Shang's share of the net proceeds from the sale of the property in which Mr. Shang holds a 33.33% interest with Ms. Xiaoyuan Yang and Ms. Na Xiao located at 1383 S Gibbs St, Pomona, CA 91766.

This structure allows all parties to resolve both the ownership disputes and the outstanding debt efficiently, while avoiding additional interest accrual, litigation expense, and enforcement costs.

Because interest continues to accrue under the Loan, the most efficient solution to settle this action is to promptly list the Property on the open market. When a ready, willing, and able buyer is located, escrow will request that you sign a deed granting your interest in the Property to the buyer.

If payment in full is not promptly resolved—either through agreement to sell the Property or otherwise—Mr. Liu will have no alternative but to pursue all available remedies, including foreclosure under the Loan, in addition to prosecuting the partition action to judgment.

Further, if you choose not to cooperate with the orderly partition of the Property, my office will need to request the court to order the partition of the Property. Should that occur, it is

important to understand that: “Ordinarily, if the party seeking partition is shown to be a tenant in common [or joint tenant], and as such entitled to the possession of the land sought to be partitioned, **the right of partition is absolute**, and cannot be denied, ‘either because of any supposed difficulty, nor on the suggestion that the interest of the cotenants will be promoted by refusing the application or temporarily postponing action.’” *Priddel v. Shankie* (1945) 69 Cal.App.2d 319, 325.

If court action is required, the costs of partition will be increased by attorney’s fees, court costs, and the employment of a court-appointed referee to list and sell the Property. All these fees will further diminish the proceeds available to compensate you as a co-owner of the Property. We hope that you will cooperate in this matter such that this will not be necessary.

Should you be willing to cooperate in the orderly resolution of the Property, then let me know at your earliest convenience and I will arrange for an agreement to be drawn up shortly thereafter. If this office does not receive communication from you indicating that you are willing to cooperate with an orderly disposition of the Property, the partition action will continue and Mr. Liu’s equity interest in the Property will continue to inflate. If you have any questions or concerns, please contact me at (877) 727-8484 or jordan@talkovlaw.com.

Sincerely,

Jordan Thomas
TALKOV LAW CORP.

Encl.