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Jacob P. Austin [SBN 290303] ELECTRONICALLY FILED 1 Superior Court of California, The Law Office of Jacob Austin County of San Diego 1455 Frazee Road, #500 06/13/2018 at 03:49:00 PM San Diego, CA 92118 3 Clerk of the Superior Court Telephone: (619) 357-6850 By Lee McAlister Deputy Clerk (888) 357-8501 Facsimile: 4 E-mail:JPA@JacobAustinEsq.com 5 Attorney for Defendant/Cross-Complainant DARRYL COTTON 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF SAN DIEGO 9 10 LARRY GERACI, an individual, Case No. 37-2017-00010073-CU-BC-CTL 11 Plaintiff, DECLARATION OF JOE HURTADO IN 12 SUPPORT OF EX PARTE APPLICATION FOR 13 VS. ORDERS APPOINTING A RECEIVER TO MANAGE THE CONDITIONAL USE PERMIT 14 DARRYL COTTON, an individual; and FOR DEFENDANT'S REAL PROPERTY; AND DOES 1 through 10, inclusive, **OTHER RELIEF** 15 Defendants. June 14, 2018 Date: 16 Time: 8:30 a.m. 17 C-73 Dept: The Hon. Joel R. Wohlfeil Judge: 18 AND RELATED CROSS-ACTION. 19 20 21 I, Joe Hurtado, declare as follows: 22 I am an individual over the age of 18 years, residing in the County of San Diego, and not 1. 23 a party to this action. 24 2. The facts contained in this declaration are true and correct of my own personal 25 knowledge, except those facts which are stated upon information and belief; and, as to those facts, I 26 believe them to be true. If called upon to do so, I could and would competently testify as to the truth of 27 the facts stated herein. 28

- 3. I graduated from New York University School of Law in 2009.
- 4. Upon graduation, I clerked in the United States District Court in the Northern District of California for a year.
- 5. Upon completion of my clerkship, I joined the Mergers & Acquisitions group at Latham & Watkins in New York City as an Associate.
- 6. In 2013, I left the practice of law and joined the Corporate Strategy & Development department at UnitedHealth Group in Minneapolis as a Manager.
- 7. I left UnitedHealth Group in August of 2015, relocated to San Diego and enrolled in the Master of Science in Real Estate (MSRE) degree program at the University of San Diego. In my studies in the MSRE program, we discussed the effect that the legalization of medical cannabis was having on real property values in California.
- 8. Between late-2016 and early-2017, the following sequence of events took place: (i) Mr. Darryl Cotton informed me that he had entered into a conditional agreement for the sale of his real property located at 6176 Federal Boulevard, San Diego, California (the "Property") to Mr. Lawrence Geraci; (ii) Mr. Cotton told me that he expected Mr. Geraci would breach their agreement; (iii) Mr. Cotton asked that I help him to locate a new buyer for his Property; (iv) I confirmed with Mr. Geraci's attorney, Mrs. Gina Austin, that she was in the process of reducing to writing the agreement between Mr. Geraci and Mr. Cotton for the sale of the Property; (v) I entered into a contingent agreement with Mr. Richard Martin to facilitate his purchase of Mr. Cotton's Property in the event the transaction between Mr. Cotton and Mr. Geraci did not close as contemplated; and (vi) I brokered a deal between Mr. Cotton and Mr. Martin for the sale of Mr. Cotton's Property to Mr. Martin.
- 9. The day after the deal between Mr. Cotton and Mr. Martin had been reached on March 21, 2017, I was informed by Mr. Cotton that Mr. Geraci had served him with a lawsuit alleging a document executed in November of 2016 was the final written agreement for Mr. Cotton's Property (the "Geraci Litigation").
- 10. Throughout the course of the Geraci Litigation, the following sequence of events took place: (i) Mr. Cotton attempted to represent himself *pro se* in the Geraci Litigation; (ii) Mr. Cotton chose to no longer represent himself in the Geraci Litigation and asked that I help him finance and facilitate

his legal representation; (iii) I identified Attorney David S. Demian of Finch, Thornton & Baird for Mr. Cotton to interview to represent him in his legal matters; (iv) Attorney Demian undertook the representation of Mr. Cotton in various legal matters related to Mr. Cotton's Property; (v) Attorney Demian's representation of Mr. Cotton was terminated after I informed Mr. Cotton that Attorney Demian had failed to raise material evidence at a Court hearing at which I was present on December 7, 2017; and (vi) I facilitated Mr. Cotton's legal representation by Attorney Jacob Austin after Mr. Cotton's relationship with Attorney Demian was terminated.

- 11. On March 6, 2017, I attended a local event in San Diego for the kick-off of a new business center at which Mrs. Austin was the keynote speaker. Mr. Cotton had planned to attend the event to speak with Mrs. Austin regarding comments to the written agreements for the purchase of his Property by Mr. Geraci. However, Mr. Cotton could not make it and asked that I communicate so to Mrs. Austin.
- 12. At that point in time, after speaking with Mr. Cotton, I decided to attend the event because I was doubtful that Mr. Geraci would fail to live up to his end of the bargain. The deal Mr. Geraci had reached with Mr. Cotton was very favorable to him given the competition in San Diego for properties that qualified for CUPs with the City for cannabis related businesses.
- 13. My primary goal in attending the event was to speak with Ms. Austin to convey Mr. Cotton's message that he would not be attending and to personally confirm with Ms. Austin that a final agreement for the sale of Mr. Cotton's Property to Mr. Geraci had not been executed.
- 14. My conversation with Mrs. Austin was short, clear, direct, unambiguous and with no possibility for misinterpretation. Mrs. Austin acknowledged that she was working on the drafts for Mr. Geraci's purchase of Mr. Cotton's Property and that no final agreement had yet been executed.
- 15. I have reviewed some of Mrs. Austin's submissions to the Court on behalf of Mr. Geraci arguing that Mr. Cotton and Mr. Geraci entered into a final agreement for the Property in November of 2016. It is my belief that Mr. Geraci is falsely representing that document as the final agreement for the Property and that Mrs. Austin knows this is a false representation.
- 16. In January of 2018 I provided a supporting declaration for Mr. Cotton in which I noted I spoke with Ms. Austin at the event in March of 2017. This statement by itself is inconsequential to the Geraci Litigation. I had hoped, since prior to then I had not provided a declaration or been involved in

the litigation, that my declaration would let her know I was aware of her contradictory statements to the Court. And, consequently, she would inform Mr. Geraci about our conversation in March of 2017 which would lead to a material positive effect on the Geraci Litigation for Mr. Cotton (without me personally having to become involved).

17. I do not understand how Mrs. Austin can ethically reconcile her representations in March of 2017 and her arguments to the Court alleging facts that contradict her statements to me. Mr. Austin, counsel for Mr. Cotton, and I have spoken about the conversation I had with Ms. Austin in March of 2017 and information, such as the Metadata Evidence (as defined in Mr. Cotton's submissions to the Court), that reflect that Mrs. Austin is making false representations to the Court. Mr. Austin forwarded me an email from Mr. Weinstein in which Mr. Weinstein defends Ms. Austin by stating the following:

Ms. Austin has made no misrepresentations to the court. No declaration signed under penalty of perjury by Gina Austin has been submitted as evidence to the Court in any proceeding in any of the two cases. She has appeared as counsel in the Writ of Mandate case and argued with me in opposition to Mr. Cotton's first ex parte application for issuance of a writ of mandate heard by Judge Sturgeon. That is it – legal argument.

Therefore, based on this email from Mr. Weinstein, it appears to me that Mr. Weinstein and Mrs. Austin believe they can make *legal arguments* to the Court that contain factual statements that they know to be false and not be in violation of any rules or codes of ethical conduct for attorneys. I believe this to be incorrect.

I have not previously provided my detailed testimony for the following reasons: (i) my professional and personal networks are conservative in nature and I did not want there to be a public record of my involvement in a cannabis related real estate transaction; (ii) I believed that the evidence presented by Mr. Cotton, especially the Confirmation Email and communications sent by Mr. Geraci to Mr. Cotton, is more than sufficient to prove his case and that my testimony would be unnecessary; (iii) Mr. Cotton is an intelligent, strong-willed and politically passionate individual; however, I did not want to be publicly associated with him because of his history related to his political activism for medical cannabis; (iv) the Court's orders in this action have repeatedly stated that Mr. Cotton is unlikely to prevail in this litigation and I have finite capital to allocate toward financing his legal defense (irrespective of the merits of his case); (v) on January 17, 2018, I was threatened by an individual, Mr. Shawn Miller, who told me that it would be in my "best interest" to use my influence with

Mr. Cotton to convince him to "settle with Geraci"; (v) Mr. Cotton has been the victim of an armed-robbery at his Property, reported to the police, that he believes occurred at the direction of Mr. Geraci; and (vi) Mr. Cotton, on a separate incident, showed me video of being accosted by an individual known as Logan who told Mr. Cotton that he should settle with Mr. Geraci for his own good.

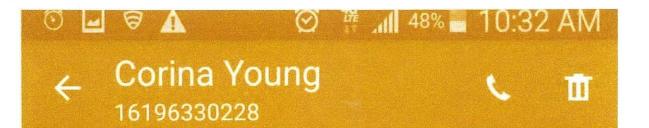
- 19. The language used by Logan sounds similar me to that used by Mr. Miller, leading me to believe there is a reasonable possibility that these individuals were both sent by, or someone connected to, Mr. Geraci.
- 20. I am now providing my testimony at the request of Mr. Austin because I believe his legal arguments regarding the parol evidence rule are meritorious and that Mr. Cotton will prevail in this action as a matter of law.
- 21. Additionally, I am providing my testimony because on May 27, 2018 I was present at a meeting at which Ms. Corina Young described a meeting to Mr. Cotton and his attorney, Mr. Austin, that she had with Mr. Jim Bartell on or around October of 2017. She met with Mr. Bartell upon her attorney's recommendation, Mr. Matthew Shapiro, when she informed him that she was contemplating investing in Mr. Cotton's litigation against Mr. Geraci. Mr. Bartell informed her that he "owns" the CUP on Mr. Cotton's Property and he would be getting it denied "because everyone hates Darryl."
- 22. Ms. Young was attempting to defuse the situation between Mr. Cotton and a Mr. Aaron Magagna who had submitted a competing CUP within 1,000 feet of Mr. Cotton's Property and who appears to have numerous connections to Mr. Geraci.
- Subsequent to the May 27, 2018, Ms. Young and I had several conversations in which she first attempted to argue on behalf of Mr. Magagna, until such time that Mr. Magagna attempted to coerce Ms. Young into changing her testimony regarding the meeting with Mr. Bartell and he offered her financial compensation for doing so. Attached hereto as **Exhibit A** are true and correct copies of my text messages with Ms. Young on June 1, 2018. I am breaching her confidence by providing them, but am doing so because I believe her testimony is required to prove Mr. Bartell's statements and that Mr. Shapiro and Mr. Magagna are closely connected to Mr. Bartell and Mrs. Austin, both of whom are agents of Mr. Geraci.

- 24. Upon information and belief, according to a statement from a third-party, Mr. Magagna is also currently represented by Mrs. Austin.
- 25. On June 4, 2018, Ms. Young hired independent counsel and stated she would not be providing any statements until her attorney reviewed the Geraci Litigation. Subsequent to June 4, 2018, Ms. Young communicated that she would neither confirm nor deny the statements in our text messages and, if subpoenaed, upon the advice of counsel, she would be invoke her right under the 5<sup>th</sup> Amendment to not self-incriminate herself.
- 26. Lastly, I wish to clearly state that I do *not* share, support or condone in any manner Mr. Cotton's beliefs regarding the various conspiracies he has alleged in his public filings regarding the Court, the City of San Diego or any of their respective employees.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on June 13, 2018.

/s/
JOE HURTADO

## EXHIBIT A



Fri, 06/01/2018

Look, I don't know what to say because at the end of the day as discussed yiurr being put in a shitty situatiom and it benefits me. Anything i say is suspect. I'm sorry about Darryl and the situation. Talk to your attorney first about this before saying anything more to me or anyone. I just want you to know I can't NOT tell the truth. Jake has already sent emails and I have to provide my testimony to confirm what you said in front of him and darryl. And I'm sorry because although you told me about Aaron in confidence, under oath, I won't be able to lie about it. The whole situation has spiraled out of control.



10:17 AM



I have no words. 10:23 AM



I will be getting an attorney. You are all opportunistic assholes.













I will be getting an attorney. You are all opportunistic assholes.

10:31 AM



Matt, Cotton, Gina, Jacob... now you... it's so disgusting to disrupt and destroy people's lives. I'm fucking hiding from Cotton!!!

10:35 AM



Now things I told you in confidence... seriously? You know Jim is on my CUP.

10:37 AM



You know is jeopardizes my future and everything I have worked so hard for.

10:38 AM



I hate you 10:46 AM



And I never asked you to "not" tell the truth

10.40 114







## Corina Young 16196330228





And I never asked you to "not" tell the truth

10:48 AM

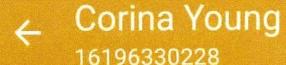
I have not shared anything you have told me in confidence with Darryl. I don't trust him, he's literally been driven near insane because of this. But if this comes down to getting deposed and being on trial and I get asked about Aaron, which I will, I'm going to have to tell them what I know. Aaron pays Matt points for cannabis sold to unlicensed shops, he repeatedly told you that you were dreaming the Bartell meeting, he offered you money to somehow keep him out of this. Shapiro told











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I have not shared anything you have told me in confidence with Darryl. I don't trust him, he's literally been driven near insane because of this. But if this comes down to getting deposed and being on trial and I get asked about Aaron, which I will, I'm going to have to tell them what I know. Aaron pays Matt points for cannabis sold to unlicensed shops, he repeatedly told you that you were dreaming the Bartell meeting, he offered you money to somehow keep him out of this. Shapiro told you not to get an attorney. That is so unethical! Believe it or not, I have moved heaven and earth myself to not get involved. Gina told me in march of 2017 she was working on drafts for the property and I have NEVER provided my testimony on that because I don't want to be involved. I don't want to be a witness even though I have testimony that proves she's in on it. Darryl and Jacob have begged me for months to provide my testimony and I have not.



10:48 AM













And I never asked you to "not" tell the truth

10:49 AM

I know. I'm not saying you did. I just meant that there is no situation where I cannot. I would stay out of it if I could. But that's not an option for me either now.



10:49 AM



I dont know what to believe anymore 10:51 AM



In this business everyone make points. Thanks not a big deal. I'm more bothered by the fact Matt literally knows every deal offer that I have had.

10:54 AM

I know. But it's not ethical for attorneys to facility cannabis transactions and get paid point for every deal. I know it's normal in the industry, but it's not ethical for













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I know. But it's not ethical for attorneys to facility cannabis transactions and get paid point for every deal. I know it's normal in the industry, but it's not ethical for attorneys. That's why he's going to try to discredit you and say you're a pothead, to make it look like you have a bad memory or are a liar. When you talk to your attorney, he will confirm that Gerais lawsuit is fraudulent and matt's actions are unethical. And Aarons actions speak for themselves. Just tell everything to your attorney and follow his advice.



10:59 AM

Matt can't use attorney client privileged information in any way against you. Have your attorney send him a letter explicitly stating as much.



11:00 AM



If I lose my La MESA CUP over any of this... I'm suing everyone 11:00 AM













If this is true and what they are doing to Cotton is true..... What do you think they will do to us for simply telling the truth. Haven't you already gotten

11:41 AM



threats? What do you think will come next? These guys know where I live. THEY KNOW WHERE I LIVE! Matt has sat on my patio and discussed federal and all my

11:41 AM



deals... he inserted Gina and Bartel in my life ... as well as Aaron now that I think about it. All after I discussed federal with him. Is this all a random

11:41 AM



coincidence or is it all because of federal? I'm growing more and more concerned that these things are true. Is Matt saying I'm a pothead a big deal? He was

11:41 AM













sitting next to me in from of Jim when I asked if I should invest. He said No. The whole point was to give them a list of properties to see if they were viable

11:41 AM



or not. We hired Jim. I wasn't medicated at the damn meeting either. The truth is the truth. By saying the truth... I stand to lose everything, I also can not

11:41 AM



lie under oath. I'd rather just not say anything at all. I wish you would continue to protect your family as well. It is apparent that it is every man for

11:41 AM



himself right now. It's a lose lose for me all the way around.

11:41 AM

Corina. I know your upset and this is bad. Please meet your attorney as













• 111

11:41 AM

Corina. I know your upset and this is bad. Please meet your attorney as soon possible and don't text me or anyone anymore, these text messages can get subpoenaed. This is important. I'm not an attorney and nothing you tell me is covered by privilege. Don't talk or text anyone until your attorney examines and understands the geraci v cotton case. What I still don't think you understand the complete import of, is that Bartell's comment shows bad faith and provides proof of a conspiracy. I know you had no idea that comment back then would stir up such a shit storm now. But I can't control Cotton and there is no way he will not drag you and me into this. I swear I wish I had not been there and heard you say that. But it puts us in a potentially adverserial position. DON'T TALK OR TEXT WITH ANYONE. Everyone has their own agenda, you need to look out for yourself.



11:51 AM



