Electronically Filed 1 ROBERT T. TANG, Esq., SBN 296544 by Superior Court of CA, 255 N. Market Street, Suite 244 2 County of Santa Clara, San Jose, CA 95110 on 11/4/2025 6:45 PM robert@roberttlaw.org 3 Reviewed By: J. Nguyen (408) 816-8098 Case #25CV474814 4 Attorney for Plaintiff, Envelope: 21488467 HUNG THAI, ET AL. 5 SUPERIOR COURT OF CALIFORNIA 6 IN AND FOR THE COUNTY OF SANTA CLARA 7 UNLIMITED CIVIL CASE 8 Case No.: 25CV474814 9 **HUNG THAI; TUOI LE;** FIRST AMENDED COMPLAINT: LOAN NGUYEN; LAN LAM; 10 THU MAI TRAN; HIEN NGUYEN; Conversion: 1. Breach of Fiduciary Duty; AMY VU; and NANG TRAN, 2. 11 3. Failure to Enforce Governing 12 Documents: Selective or Arbitrary Plaintiffs, 4. 13 Enforcement of CC&Rs; 5. **Unfair Business Practices** 14 (Bus. & Prof. Code § 17200 et v. seq.) 15 **VIETNAM TOWN CONDOMINIUM; OWNERS ASSOCIATION, a California** 16 corporation; VIETNAM TOWN PROPERTY, LLC, a California 17 Limited Liability Company; SAN 18 FRANCISCO DIVERSIFIED PROPERTIES, LLC, a California Limited Liability Company; 19 LAP TANG, as an individual; JOSEPH NGUYEN, as an individual; ROSALIE CARTWRIGHT, as 20 an individual; KHANH CAO HUU, as an individual; XIN TRAN, as an individual; 21 JASON MAO, as an individual: JOHNSON WONG, as an individual; 22 NGOC BUI, as an individual; 23 and DOES 1-25, inclusive, 24 Defendants. 25 26 Plaintiffs, HUNG THAI (hereinafter "HUNG"); TUOI LE ("TUOI"); LOAN NGUYEN 27 ("LOAN"); LAN LAM ("LAN") THUY MAI TRAN ("THU"); HIEN NGUYEN ("HIEN"); 28

FIRST AMEMDED COMPLAINT

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AMY VU ("AMY"); and NANG TRAN ("NANG")(collectively "Plaintiffs"), bring this

Complaint against Defendants, VIETNAM TOWN CONDOMINIUM OWNERS

ASSOCIATION, a California corporation (VTCOA); VIETNAM TOWN PROPERTY, LLC, a

California Limited Liability Company ("VTP LLC"); SAN FRANCISCO DIVERSIFIED

PROPERTIES, LLC, a California Limited Liability Corporation ("SF DIVERSIFIED"); LAP

TANG ("LAP"); NGOC BUI ("NGOC"); JOSEPH NGUYEN ("JOSEPH"); ROSALIE

CARTWRIGHT ("ROSALIE"); KHANH CAO HUU ("KHANH"); XIN TRAN ("XIN");

JASON MAO ("JASON"); and JOHNSON WONG ("JOHNSON")(collectively "Defendants")

for damages, allege as follows:

JURISDICTION AND VENUE

- Defendants at all relevant times mentioned herein do business in the City of San Jose,
 County of Santa Clara, State of California.
- 2. The damages claimed suffered by Plaintiffs exceeds \$35,000.00.

FACTUAL ALLEGATIONS

- 3. Each of the aforementioned Plaintiffs are a competent adult.
- 4. Each of the aforementioned Plaintiff own a condominium unit in the Vietnam Town condominium development managed by the VTCOA and have paid their VTCOA's dues. [AMY: Units 6090, 8087, and 8090; LOAN: Units 9060, 9084, 9000, 9066, and 9072; HUNG: Units 8087 and 8057; HIEN: Units 185, 190, 195, 100, 115; LAN: Unit 5160; TUOI: Units 2018 and 2021; THU: Units 8945, 8054 and 8048; and NANG: Units 5120 and 5125]
- 5. Although Plaintiffs refer to the funds they and other condominium owners of the Vietnam

 Town condominium development pay the association for their dues, penalties, and

 special assessments (as well as any insurance proceeds arising out of damages to the

Vietnam Town condominium development paid by insurance purchased with funds provided by the condominium owners of Vietnam Town, such as Plaintiffs) as association funds, these funds do not actually belong to the association as the association cannot use them as they please. These funds have only been entrusted to the VTCOA and its officers/board of directors to be used only for the benefit of the condominium owners of Vietnam Town such as Plaintiffs for but not limited to much needed structural repairs to the condominium development. As the source and beneficiaries of the association funds, the condominium owners of Vietnam Town, such as Plaintiffs, have a significant interest in the association funds and is entitled to have it used for but not limited to much needed structural repairs to the condominium development.

- 6. Each of the aforementioned Defendant is a natural person except for the VTCOA, which is a California nonprofit corporation that is an association formed to manage a common interest development under the Davis-Stirling Common Interest Development Act; VTP, LLC, which is a California limited liability company; and SF DIVERSIFIED, a California limited liability company.
- 7. Plaintiffs are ignorant of the true names and capacities of the defendants sued herein as DOES 1 through 25, inclusive, and therefore sues these defendants by such fictitious names. Plaintiffs will amend this complaint to allege their true names and capacities when ascertained. Plaintiffs are informed and believe and thereon allege that each of the fictitiously named defendants is negligent and responsible in some manner for occurrences hereinafter alleged, and that Plaintiffs' injuries as herein alleged were proximately caused by the negligence of these defendants.

- 8. At all times herein mentioned, DOES 1 through 25, and each of them were the agents and/or employees of Defendants and in doing the things hereinafter alleged; were acting in the course and scope of their agency and employment and with the express permission and consent of said Defendants.
- JOSEPH, XIN, ROSALIE, KHANH, LAP, and NGOC were officers and/or members of the board of directors of the VTCOA at one point or another during the relevant period, 2018 – present.
- 10. JOSEPH is employed by VTP, LLC and uses his position in the VTCOA mainly for the benefit of VTP, LLC.
- 11. Civil Code section 5806 actually requires Home Owners Associations (HOA) in California to carry "crime insurance, employee dishonesty coverage. . .and fidelity bond coverage" for the association's directors, officers, and employees including the employees of any management company employed by the HOA," imposing a duty on the HOA to answer for not only the negligent but also intentional misconduct of the aforementioned individuals.
- 12. Based on information and belief, Plaintiffs allege that VTP, LLC is owned by and are alter egos of JASON and LAP.
- 13. VTP, LLC purchased the unsold condominium units in the planned development called Vietnam Town Commercial Condominiums after LAP, the original developer, defaulted on a loan of over \$100 million.
- 14. Despite defaulting on more than \$100 million loan, LAP retains numerous units in Vietnam Town Commercial Condominiums under his and his wife's name, NGOC BUI, and as mentioned above is believed to be the true owner of VTP, LLC who owns most of the unsold units in Vietnam Town.
- 15. The VTCOA just as any homeowners association should be a non-profit corporation, that was formed for the benefit of the collective condominium owners in the Vietnam Town condominium complex and the condominium owners pay their association dues to the

- VTCOA so that it can pay for operating expenses for the benefit of the condominium owners. This creates a fiduciary duty on the VTCOA to act in the best interest of the collective condominium owners. However, it is actually operated more as a for profit business by and for the benefit of its officers and/or members of the board of directors, LAP, JASON, and VTP, LLC.
- 16. Plaintiffs are informed and believe and thereon allege that in 2022, the members of the board under the control of JOSEPH, who worked for VTP, LLC, sold a number of units to JOHNSON, an officer of and/or is the alter ego of SF DIVERSIFIED, with the incentive that the VTCOA dues would be substantially less than other condominium owners such as Plaintiffs. This is an unfair business practice as it shifts the burden of the cost for operating expenses to other condominium owners without their consent and allows JOHNSON and/or his alter ego SF DIVERSIFIED to benefit at the expense of other condominium owners by allowing JOHNSON and/or his alter ego SF DIVERSIFIED to save about \$140,000.00 per year on the association dues or about \$633,712.00 (including penalties and interests) since about June 2022.
- 17. Although a majority of the condominium owners in the Vietnam Town condominium complex are in favor of a change in the members of the VTCOA board of directors, inexplicably, <u>all</u> of the board members have kept their positions despite being disliked and alleged by condominium owners to have been unscrupulous though sham elections. As an example, ROSALIE who only received 7 votes out of 362, coming in dead last, however, has remained a part of the 3 member board of directors for the VTCOA for years. Recently, in September 2025, an election for board members was scheduled, however, this election was unilaterally postponed by ROSALIE because she missed the submission date to register as a candidate.
- 18. On 10/29/2025, an election for board members was held for the first in about 7 years.
 JASON was granted a seat without being subjected to an election process. Pursuant to
 Section 4.3 of the Bylaws of the Vietnam Town Condominium Owners Association

("ByLaws"), elections should be staggered every 2 years. Given that there has been no election for 7 years, all of the board seats should be subjected to an election. JASON who is an agent for VTP, LLC have also failed to pay their assessments is not eligible to be a candidate pursuant to the Bylaws Section 5.1.

- 19. Also, through sham elections, it appears that the board of directors along with LAP, JASON and their alter ego VTP, LLC, who have all profited one way or another at the expense of the condominium owners such as Plaintiffs by acts such as but not limited to misusing the association dues for their own personal benefit and arbitrarily allowing certain condominium owners and developers to pay substantially less than other condominium owners, are now passing along this ability to make a profit by controlling the VTCOA to JOHNSON who is an agent and/or officer of SF DIVERSIFIED.
- 20. None of the condominium owners know who JOHNSON is and as such, there should be no reason for JOHNSON to be elected to the board of directors, however, through a sham election, JOHNSON was elected as a member of the board of directors for the VTCOA.
- 21. Based on information and belief, Plaintiffs allege that JOHNSON on behalf of SF DIVERSIFIED is on the board of directors to ensure that SF DIVERSIFIED is allowed to continue to underpay its share of the association dues, indicating that it was fully aware that it was unjustly enriched to the detriment of the other condominium owners such as Plaintiffs.
- 22. Sham elections are also comprised of forged signatures on voting ballots and casting votes for condominium units that are not eligible to vote. The whole voting process lacks transparency and based on information is believed to be controlled by JOSEPH, LAP, JASON, and VTP, LLC.

FIRST CAUSE OF ACTION

Conversion

(Against VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP and NGOC)

- 23. The allegations made in paragraphs 1-21 above are incorporated herein and made a part hereof.
- 24. Based on information that the substantial amount of funds collected and entrusted to the VTCOA and its officers (JOSEPH, ROSALIE, XIN) from the Vietnam Town Commercial Condominium owners through association dues and fines as well as over \$6,398,430.71 in insurance proceeds cannot be accounted for, it is believed that members and officers of the VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC have secretly and fraudulently misappropriated these funds without the consent of the condominium owners, such as Plaintiffs, for their own benefit and for the benefit of JASON, VTP,LLC, and LAP with no intentions of returning any of the funds, substantially interfering with the necessary structural repairs to the Vietnam Town condominium development that is desperately needed for which the insurance proceeds were to be used and the condominium owners of Vietnam Town such as Plaintiffs are entitled to.
- 25. The officers and members of the board of directors of the VTCOA who have a fiduciary duty to the condominium owners of Vietnam Town to provide an accounting of the aforementioned association funds and insurance proceeds they were entrusted with failed to do so, when a demand for accounting of these funds were made by Plaintiffs.
- 26. Wherefore, Plaintiffs seek a judgment for compensatory damages against the VTCOA, JOSEPH, KHANH, XINH, ROSALIE, NGOC, LAP, JASON, and VTP, LLC for \$6,398,430.71 in addition to any association funds misappropriated that each have unjustly been enriched (amount to be determined according to proof) and each were aware was for the benefit of the collective condominium owners of the Vietnam Town

condominium development, such as Plaintiffs; enjoining JOSEPH, ROSALIE, XIN, KHANH, LAP, JASON, SF DIVERSIFIED'S agent, and NGOC from being an officer or member of the board of directors for the VTCOA indefinitely; and punitive damages in an amount to deter such malicious conduct pursuant to California Code, Civil Code §3294.

SECOND CAUSE OF ACTION

Breach of Fiduciary Duty (Against VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC)

- 27. The allegations made in paragraphs 1-25 above are incorporated herein and made a part hereof.
- 28. The VTCOA by and through its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) have failed to ensure that each unit owner pays its fair share of the association dues, which is calculated based on the square footage of the unit pursuant to Section 4.5 of the Vietnam Town Declaration a Plan for Commercial Condominium Ownership ("CC&Rs"). This unfairly shifts the burden of the operating costs of the Vietnam Town condominium complex to the rest of the condominium owners.
- 29. The VTCOA by and through its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) have intentionally allowed units owned by NGOC, LAP, VTC, LLC and SF DIVERSIFIED to either be exempt from paying their dues or paying substantially less per square footage than all of the other Vietnam Town commercial condominium unit owners, unfairly forcing these other condominium owners to bear the cost of the operating expenses of the Vietnam Town commercial condominium complex.
- 30. The VTCOA by and through its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) allocated funds to repair SF DIVERSIFIED's condominium units rather than other more urgent repairs such as but not limited to the

- parking garage that benefits the entire Vietnam Town Commercial Condominium unit owners by allowing more customers, which means more business and profits. It is unfair to favor one condominium owner at the expense of the rest of the condominium owners.
- 31. The lack of parking causes an interference in the business of all of the other Vietnam

 Town Commercial Condominium unit owners such as the Plaintiffs and their tenants, as
 the difficulty in finding a parking space reduces the volume of their businesses, leading to
 loss profits.
- 32. Since 2023, the VTCOA by and through its board of directors and officers (JOSEPH, XINH, and ROSALIE) failed to exercise due care when making major expenditures and committed waste in a sum of about \$1,024,593.00 such as paying \$162,398.00 for a trash compactor that is not permitted to be operated by the City before it ensured that it had all the proper permits; about \$199,000.00 for unusable sub-meters; and potentially wasting about \$663,195.00 to fix unapproved sub-meters.
- 33. The VTCOA by and through its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) in secret passed the Third Amendment to the Vietnam Town Declaration a Plan for Commercial Condominium Ownership ("Third Amendment to the CC&Rs") through the use of a sham voting process. None of the Vietnam Town Commercial Condominium unit owners other than those the VTCOA and its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) favored were aware that there was a proposed Third Amendment that was to be voted on.
- 34. The VTCOA by and through its board of directors and officers (JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC) used the Third Amendment to the CC&Rs to allow them to increase its revenue by allowing them to assess fines over the use of certain areas of the Vietnam Town Commercial Condominium development that it previously had no authority over.

- 35. Since 2018, VTP, LLC has unpaid assessments, penalties, and interests that amounts to \$7,254,350.81 This is unfair to the rest of the condominium owners in Vietnam Town, such as Plaintiffs because it shifts the burden of the operating cost for Vietnam Town to them.
- 36. Since June 2022, SF DIVERSIFIED has also underpaid \$633,712.00 in assessments, penalties, and interests without the consent of the rest of the condominium owners of the Vietnam Town condominium development, such as Plaintiffs in addition to unpaid penalties and interests. This is unfair to the rest of the condominium owners because it shifts the burden of the operating cost for the Vietnam Town condominium development to them.
- 37. Wherefore, Plaintiffs seek a judgment against the VTCOA, ROSALIE, JOSEPH, XIN, KHANH for compensatory damages in the amount of \$633,712.00 for allowing SF DIVERSIFIED to underpay its \$633,712.00 in assessments, penalties, and interests; against the VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC for \$7,254,350.81 for allowing VTP, LLC underpay in assessments, penalties, and interests, which have unjustly enriched each of these condominium owners to the detriment of the rest of the condominium owners in terms of monetary savings that each (SF Diversified and VTP, LLC) were aware was for the benefit of the collective condominium owners of the Vietnam Town condominium development, such as Plaintiffs; against the VTCOA, ROSALIE, JOSEPH, XIN for \$1,024,593.00 for wasting the association funds; and enjoining JOSEPH, ROSALIE, XIN, KHANH, LAP, JASON, SF DIVERSIFIED'S agent and NGOC from being board members from being part of the board of directors for the VTCOA.

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THIRD CAUSE OF ACTION

Failure to Enforce Governing Documents (Against VTCOA, ROSALIE, JOSEPH, XIN, KHANH, LAP and NGOC)

- 38. The allegations made in paragraphs 1-36 above are incorporated herein and made a part hereof.
- 39. Pursuant to Civil Code § 5975, in an action to enforce the governing documents, the prevailing party shall be awarded reasonable attorney's fees and costs.
- 40. Wherefore, Plaintiffs seek a judgment against the VTCOA, ROSALIE, JOSEPH, and XIN for compensatory damages in the amount of \$633,712.00 for allowing SF DIVERSIFIED to underpay its \$633,712.00 in assessments, penalties, and interests; against the VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC for \$7,254,350.81 for allowing VTP, LLC underpay in assessments, penalties, and interests, which have unjustly enriched each of these condominium owners to the detriment of the rest of the condominium owners in terms of monetary savings that each (SF Diversified and VTP, LLC) were aware was for the benefit of the collective condominium owners of the Vietnam Town condominium development, such as Plaintiffs; enjoining JOSEPH, ROSALIE, XIN, KHANH, LAP, JASON, SF DIVERSIFIED'S agent and NGOC from being board members from being part of the board of directors for the VTCOA; and enjoining the VTCOA and its officers/board of directors from allowing a condominium owner of the Vietnam Town condominium development to pay less than the fair share of the association dues as calculated according to CC&Rs Section 4.5; and attorney's fees and costs of litigation.

FOURTH CAUSE OF ACTION

Selective or Arbitrary Enforcement of the CC&Rs (Against VTCOA, ROSALIE, JOSEPH, XIN, KHANH, LAP and NGOC)

- 41. The allegations made in paragraphs 1-39 above are incorporated herein and made a part hereof.
- 42. Wherefore, Plaintiffs seek a judgment against the VTCOA, ROSALIE, JOSEPH, and XIN for compensatory damages in the amount of \$633,712.00 for allowing SF DIVERSIFIED to underpay its \$633,712.00 in assessments, penalties, and interests; against the VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC for \$7,254,350.81 for allowing VTP, LLC underpay in assessments, penalties, and interests, which have unjustly enriched each of these condominium owners to the detriment of the rest of the condominium owners in terms of monetary savings that each (SF Diversified and VTP, LLC) were aware was for the benefit of the collective condominium owners of the Vietnam Town condominium development, such as Plaintiffs; enjoining JOSEPH, ROSALIE, XIN, KHANH, LAP, JASON, SF DIVERSIFIED'S agent, and NGOC from being board members from being part of the board of directors for the VTCOA; and enjoining the VTCOA and its officers/board of directors from allowing a condominium owner of the Vietnam Town condominium development to pay less than the fair share of the association dues as calculated according to CC&Rs Section 4.5; and attorney's fees and costs of litigation.

FIFTH CAUSE OF ACTION

Unfair Business Practices (Against All Defendants, Except the VTCOA)

43. The allegations in paragraphs 1-41 are incorporated into this cause of action for relief under Business and Professions Code section 17200, et seq. (see Korea Supply Co. v. Lockheed Martin Corp. (2002) 29 Cal.4th 1134).

- 44. It is alleged on information and belief that each of the Defendants' businesses have engaged in an unfair business practice and each of the individuals named as Defendants are liable as an agent by virtue of Business and Professions Code Section 17095; alter ego; and/or as a co-conspirator.
- 45. More particularly, it is alleged on information and belief that Defendants JOSEPH, ROSALIE, XINH, KHANH, LAP, NGOC, JASON, JOHNSON, SF DIVERSIDIED, , and VTP, LLC have acted and/or conspired with one another to commit acts such as but not limited to arbitrary assessment of fines to those not in their favor; reduce dues for themselves and those in their favor; misappropriate funds for their own benefit; self-dealing; and fraud in the operation of the VTCOA to the detriment and in contravention of the rights of the other Vietnam Town Commercial Condominium owners, such as the Plaintiffs, under Business and Professions Code section 17200 including under the CC&Rs.
- 46. It is further alleged on information and belief that each of the Defendants will continue to engage in the unfair business practices alleged herein unless enjoined by the Court.
- 47. Defendants JOSEPH, ROSALIE, XINH, KHANH, LAP, NGOC, JASON, VTP, LLC, JOHNSON, and SF DIVERSIFIED conspired with one another to deliberately run the VTCOA as a for profit business benefiting themselves rather than a non-profit corporation that should equally benefit each and every Vietnam Town Commercial Condominium unit owners, such as the Plaintiffs.
- 48. Plaintiffs have lost money and profits and have otherwise been damaged, and continue to suffer such losses, as a direct result of the practices alleged.

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49. Wherefore, Plaintiffs seek a judgment against the VTCOA, ROSALIE, JOSEPH, and XIN for compensatory damages in the amount of \$633,712.00 for allowing SF DIVERSIFIED to underpay its \$633,712.00 in assessments, penalties, and interests; against the VTCOA, JOSEPH, ROSALIE, XIN, KHANH, LAP, and NGOC for \$7,254,350.81 for allowing VTP, LLC underpay in assessments, penalties, and interests, which have unjustly enriched each of these condominium owners to the detriment of the rest of the condominium owners in terms of monetary savings that each (SF Diversified and VTP, LLC) were aware was for the benefit of the collective condominium owners of the Vietnam Town condominium development, such as Plaintiffs; enjoining JOSEPH, ROSALIE, XIN, KHANH, LAP, JASON, SF DIVERSIFIED'S agent, and NGOC from being board members from being part of the board of directors for the VTCOA; and enjoining the VTCOA and its officers/board of directors from allowing a condominium owner of the Vietnam Town condominium development to pay less than the fair share of the association dues as calculated according to CC&Rs Section 4.5; and attorney's fees and costs of litigation.

PRAYER FOR RELIEF

Plaintiff requests the following relief:

1. For compensatory damages:

(A) against the VTCOA, ROSALIE, JOSEPH and XIN, jointly and severally: -\$1,024,593.00 (waste caused by ROSALIE, JOSEPH, and XIN);

(B) – <u>against JOSEPH, KHANH, XIN, ROSALIE, NGOC, LAP, JASON, and VTP.</u>

LLC (misappropriated association funds):

To be determined according to proof.