

Tentative Ruling:

For all the reasons discussed below, plaintiff has met its burden to show undisputed issues of fact about all material issues. The court grants summary judgment as requested against defendants.

The parties are instructed to appear at the hearing for oral argument. Appearance by Zoom Videoconference is optional and does not require the filing of Judicial Council form RA-010, Notice of Remote Appearance. (See [Remote Appearance \(Zoom\) Information | Superior Court of California | County of Santa Barbara](#).)

Background:

On June 2, 2021, California Organic Fertilizers, Inc. (“Borrower”) executed a promissory note with Mechanics Bank (“Plaintiff”) for \$500,000, secured by a commercial security agreement, and guaranteed by Timothy Stemwedel (“Guarantor”). The Borrower defaulted on the loan, failing to pay the amount due despite demands from Plaintiff. As of November 4, 2025, the principal owed on this loan was \$151,332.78, with daily interest accruing. Plaintiff alleges that its collateral remains in the possession of Borrower and/or Guarantor.

On April 29, 2020, Borrower executed another promissory note for \$734,380.89, which matured on April 29, 2025. Borrower defaulted on this loan as well, with \$18,328.30 in principal outstanding as of November 4, 2025. This loan was also guaranteed by Guarantor and secured by a commercial security agreement. Plaintiff claims entitlement to immediate possession of collateral due to these breaches.

Both loans were governed by business loan agreements, and Plaintiff asserts it performed all required obligations. Plaintiff seeks recovery of unpaid principal, interest, attorneys’ fees, and possession of collateral as described in the security agreements and UCC filings.

The complaint asserts the following causes of action: (1) Breach of Written Promissory Note (Loan No. XXX628) against California Organic Fertilizers, Inc.; (2) Breach of Commercial Guaranty (Loan No. XXX628) against Timothy Stemwedel; (3) Breach of Commercial Security Agreement (Loan No. XXX628) against California Organic Fertilizers, Inc.; (4) Breach of Business Loan Agreement (Loan No. XXX628) against California Organic Fertilizers, Inc.; (5) Breach of Written Promissory Note (Loan No. XXX321) against California Organic Fertilizers, Inc.; (6) Breach of Commercial Guaranty (Loan No. XXX321) against Timothy Stemwedel; (7) Breach of Commercial Security Agreement (Loan No. XXX321) against California Organic Fertilizers, Inc.; (8) Breach of Business Loan Agreement (Loan No. XXX321) against California Organic Fertilizers, Inc.; (9) Common Count for money had and received against California Organic Fertilizers, Inc. and Timothy Stemwedel.

Mechanics Bank moves for summary judgment or summary adjudication of issues in the alternative. No opposition or reply was filed.

Where plaintiff seeks summary judgment, he or she has burden is to produce admissible evidence on each element of a “cause of action” entitling plaintiff to judgment. This means that plaintiff, who bears the burden of proof at trial by a preponderance of evidence, must

produce evidence that would require a reasonable trier of fact to find any underlying material fact more likely than not. (*Aguilar v. Atlantic Richfield Co.* (2001) 25 Cal.4th 826, 851.) It is not plaintiff's burden to disprove affirmative defenses asserted by defendant. (*Oldcastle Precast, Inc. v. Lumbermens Mutual Case. Co.* (2009) 170 Cal.App.4th 554, 565.) Defendant has no evidentiary burden until plaintiff produces admissible and undisputed evidence on each element of a cause of action. (Code Civ. Proc., § 437c, subd. (p)(1).)

Plaintiff has met its burden to show undisputed issues of fact about all material issues. It is undisputed that on June 2, 2021, California Organic Fertilizers, Inc. executed a Promissory Note to repay a loan ending in 6628 in the principal amount of \$500,000, a Commercial Security Agreement granting a security interest in all inventory, accounts, contract rights etc. of California Organic Fertilizers, Inc. to secure repayment of the loan, and a Business Loan Agreement outlining the terms of the loan. It is also undisputed that on April 29, 2020, California Organic Fertilizers, Inc. executed a promissory note for \$734,380.89. It is undisputed that Timothy Stedewel executed a Commercial Guaranty for payment of the loan.

It is also undisputed that California Organic Fertilizers, Inc. previously executed on April 29, 2020 a Promissory Note to repay a loan ending in 8321 in the principal amount of \$734,380.89, a Commercial Security Agreement granting a security interest in all inventory, accounts, contract rights etc. of California Organic Fertilizers, Inc. to secure repayment of the loan, and a Business Loan Agreement outlining the terms of the loan. It is undisputed that Timothy Stedewel executed a Commercial Guaranty for payment of this loan as well.

California Organic Fertilizers, Inc. breached the terms of the loan documents by failing to make timely payments; Timothy Stedewel breached the guaranty by failing to pay the obligations; the remaining unpaid principal on the note and guaranty re the loan ending in 6628 is the principal amount of \$151,332.78 and interest of \$10,912.87; the remaining unpaid principal on the note ending is the principal balance due of \$18,328.30. Plaintiff has performed all acts required under the note and guaranty.

Plaintiff has met its burden to show undisputed issues of fact about all material issues. As plaintiff has no obligation to address any affirmative defenses, and as defendant has not filed opposition, the court should grant summary judgment as requested against defendants.