USPAP Compliance Addendum

Loan # A-13-692202-C
File # CM16034

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

APPRAISAL AND REPORT IDENTIFICATION

This Appraisal Report is one of the following types:

- [x] Appraisal Report — This report was prepared in accordance with the requirements of the Appraisal Report option of USPAP Standards Rule 2-2(a).
- [ ] Restricted Appraisal Report — This report was prepared in accordance with the requirements of the Restricted Appraisal Report option of USPAP Standards Rule 2-2(b). The intended user of this report is limited to the identified client. This is a Restricted Appraisal Report and the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without the additional information in the appraiser's workfile.

ADDITIONAL CERTIFICATIONS

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or specified) personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- This appraisal report was prepared in accordance with the requirements of Title XI of FIRREA and any implementing regulations.

PRIOR SERVICES

- [x] I have NOT performed services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- [ ] I HAVE performed services, as an appraiser or in another capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment. Those services are described in the comments below.

PROPERTY INSPECTION

- [ ] I have NOT made a personal inspection of the property that is the subject of this report.
- [x] I HAVE made a personal inspection of the property that is the subject of this report.

APPRAISAL ASSISTANCE

Unless otherwise noted, no one provided significant real property appraisal assistance to the person signing this certification. If anyone did provide significant assistance, they are hereby identified along with a summary of the extent of the assistance provided in the report.

ADDITIONAL COMMENTS

Additional USPAP related issues requiring disclosure and/or any state mandated requirements:

MARKETING TIME AND EXPOSURE TIME FOR THE SUBJECT PROPERTY

- [x] A reasonable marketing time for the subject property is 30-100 day(s) utilizing market conditions pertinent to the appraisal assignment.
- [x] A reasonable exposure time for the subject property is 30-100 day(s).

APPRAISER		SUPERVISORY APPRAISER (ONLY IF REQUIRED)	
Signature		Signature	
Name	Craig Morley	Name	
Date of Signature	02/01/2016	Date of Signature	
State Certification #	A.0003469-CG	State Certification #	
or State License #		or State License #	
State	NV	State	
Expiration Date of Certification or License	01/31/2018	Expiration Date of Certification or License	
		Supervisory Appraiser Inspection of Subject Property	
Effective Date of Appraisal	05/31/2013	[ ] Did Not [ ] Exterior-only from Street [ ] Interior and Exterior	

Form ID14EC - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Plat Map

Owner	Bell, Kyleen T (Retrospective)						
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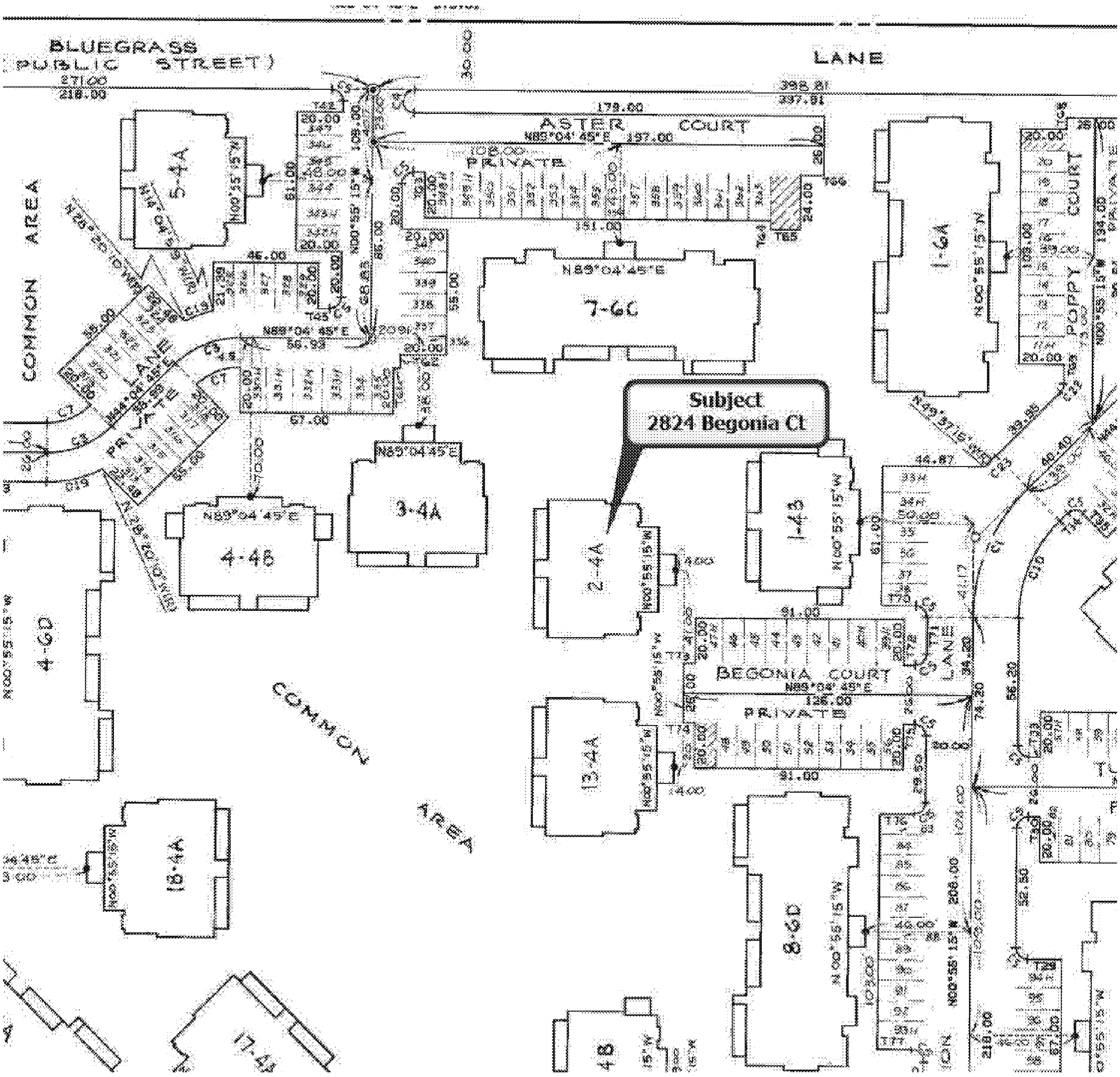

Building Sketch

Owner	Bell, Kyleen T (Retrospective)						
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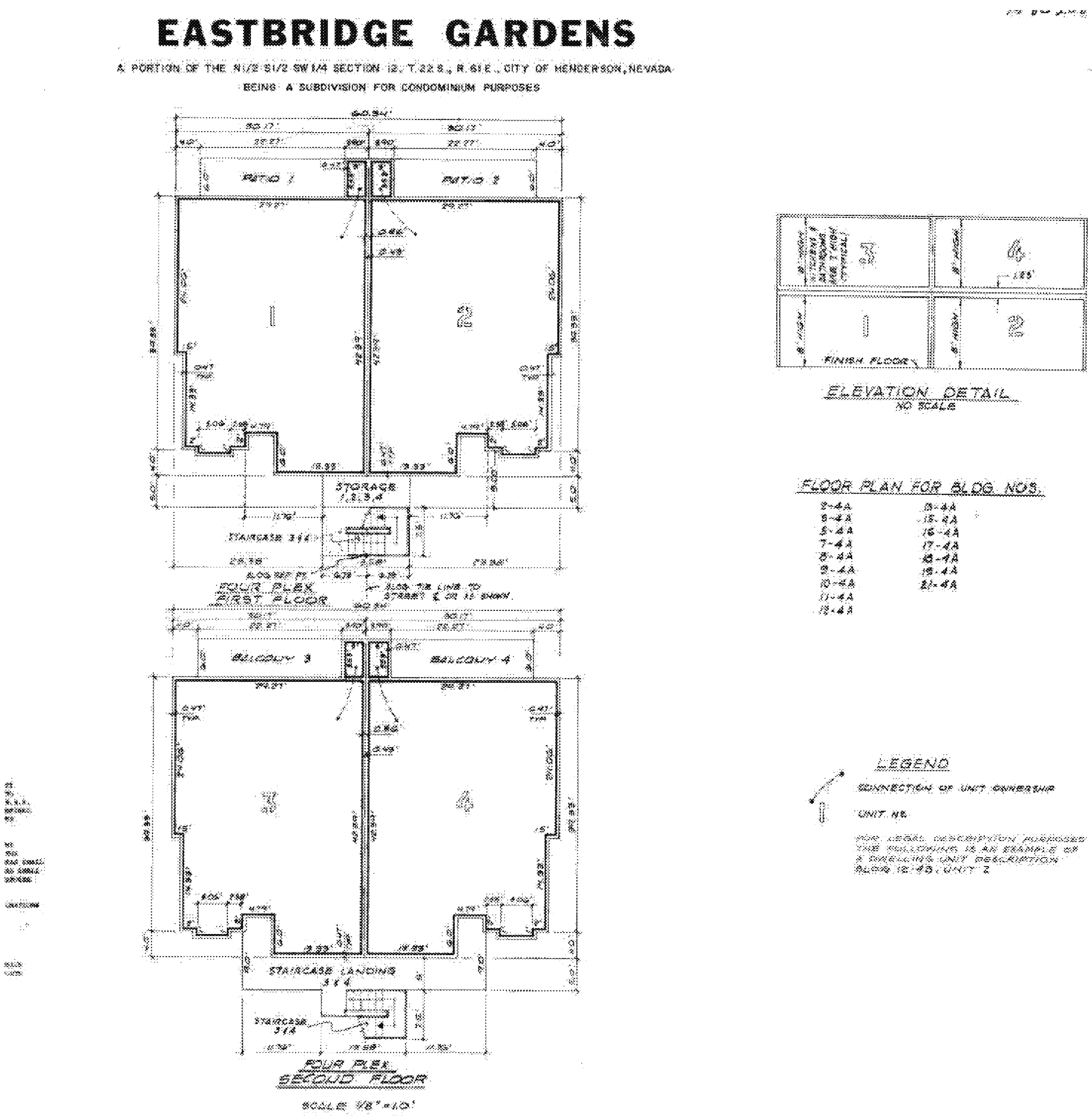

Aerial Map

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

Form MAP.LOC - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Aerial Map

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
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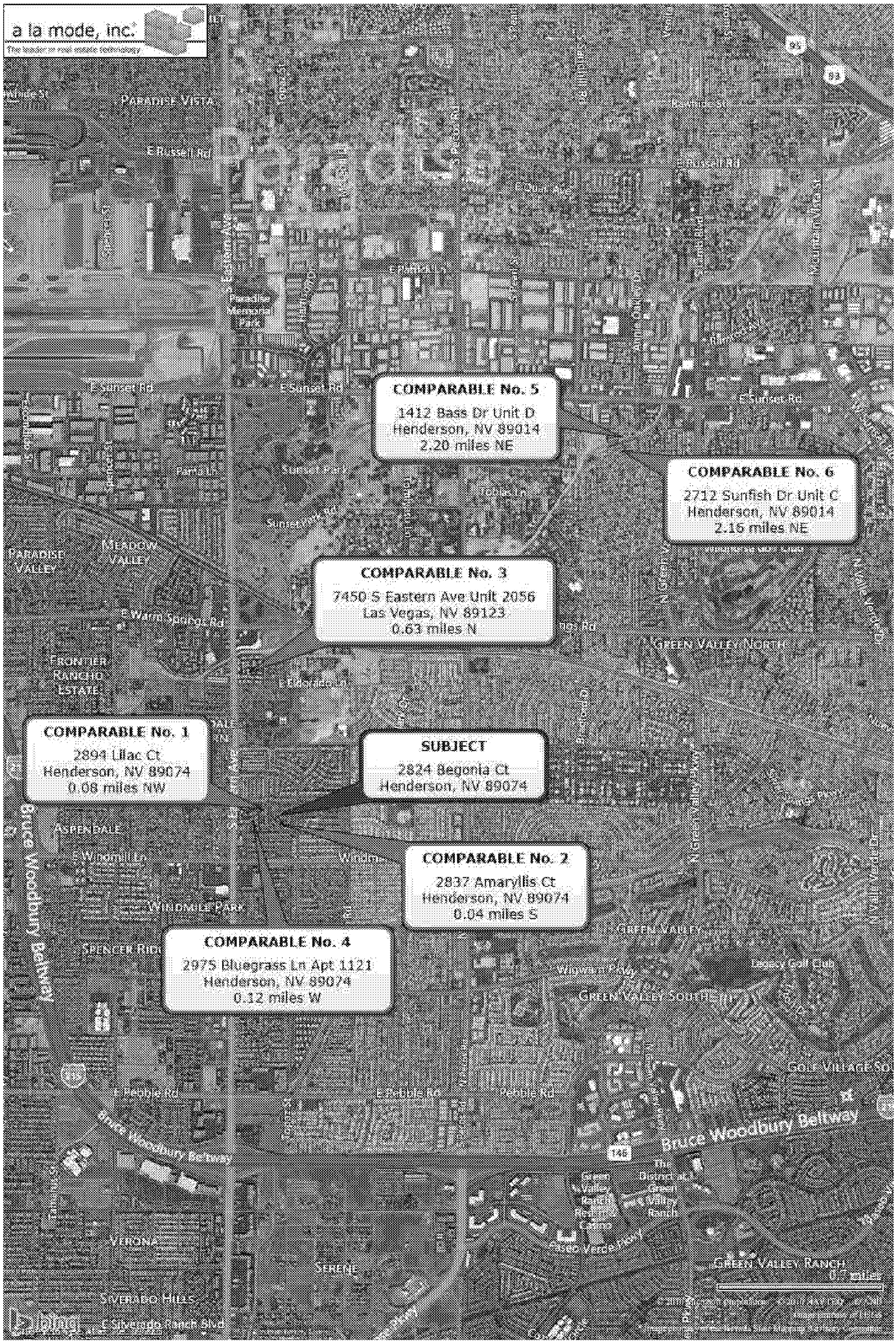


Form MAP.LOC - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Subject Photo Page

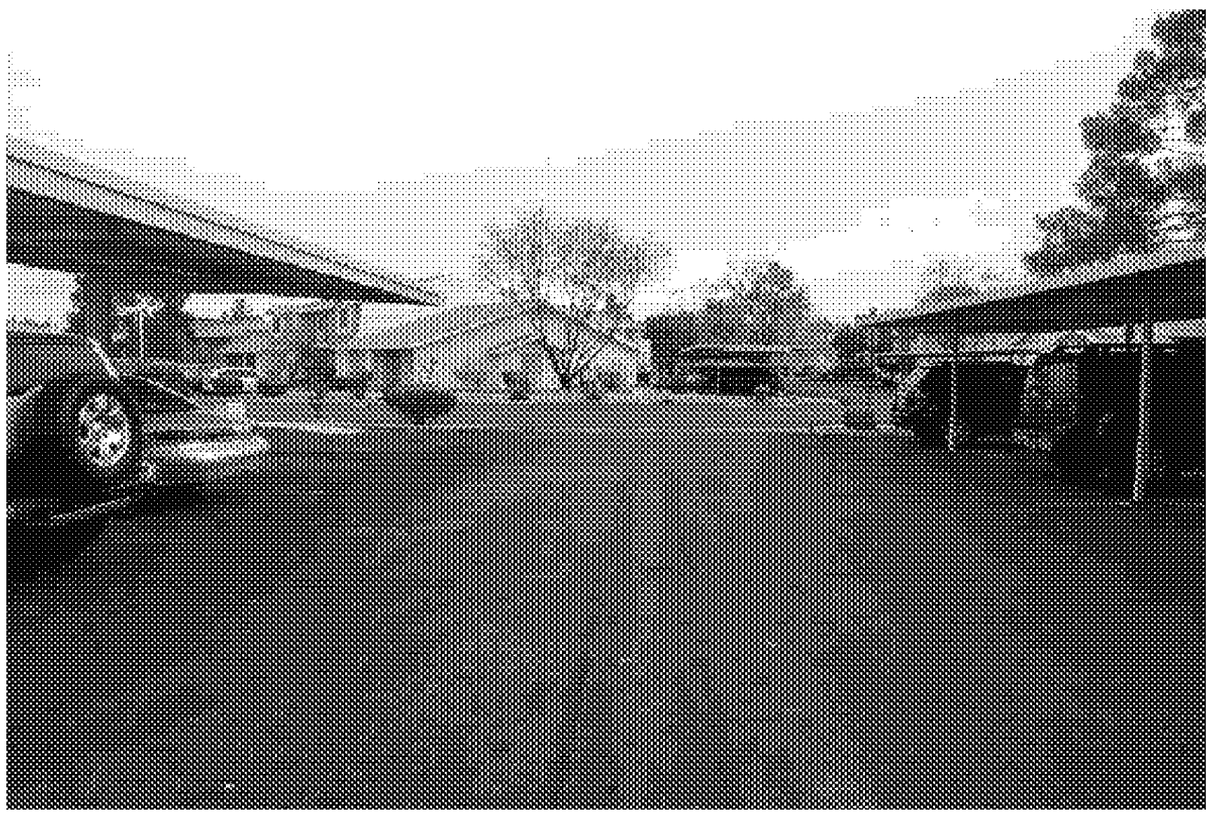
Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

Subject Front

2824 Begonia Ct

Sales Price	
Gross Living Area	1,144
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Typical residential
Site	Condo/2nd Floor
Quality	Stucco/Avg
Age	31

Subject Rear



Subject Street

Comparable Photo Page

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

Comparable 1

2894 Lilac Ct

Prox. to Subject	0.08 miles NW
Sale Price	74,500
Gross Living Area	1,144
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/2nd Floor
Quality	Stucco/Avg
Age	31

Comparable 2

2837 Amaryllis Ct

Prox. to Subject	0.04 miles S
Sale Price	70,000
Gross Living Area	1,211
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/2nd Floor
Quality	Stucco/Avg
Age	31

Comparable 3

7450 S Eastern Ave Unit 2056

Prox. to Subject	0.63 miles N
Sale Price	88,000
Gross Living Area	1,037
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/2nd Floor
Quality	Stucco/Sup
Age	13

Comparable Photo Page

Owner	Bell, Kyleen T (Retrospective)						
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Comparable 4

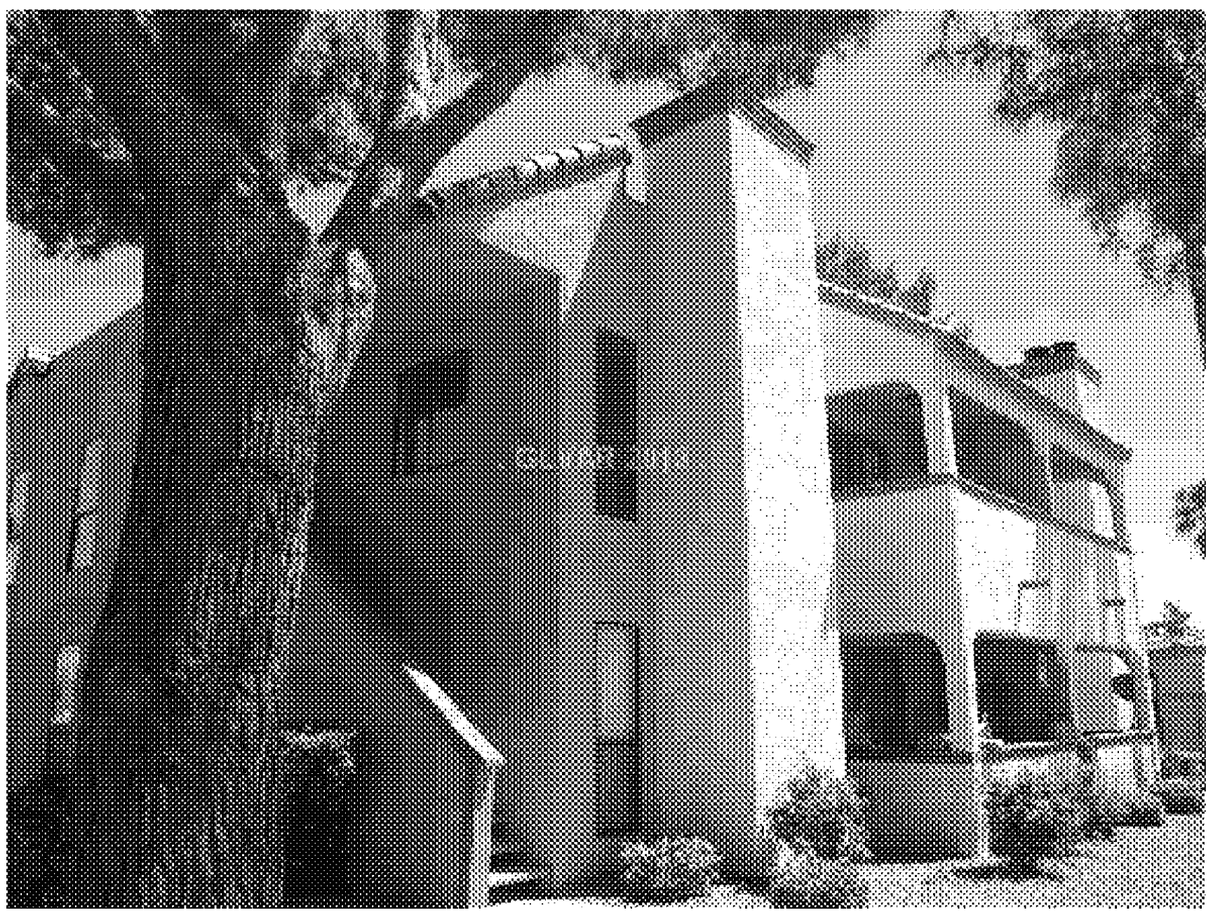
2975 Bluegrass Ln Apt 1121

Prox. to Subject	0.12 miles W
Sale Price	89,000
Gross Living Area	1,282
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/1st Floor
Quality	Stucco/Sup
Age	17

Comparable 5

1412 Bass Dr Unit D

Prox. to Subject	2.20 miles NE
Sale Price	75,100
Gross Living Area	1,004
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/2nd Floor
Quality	Stucco/Sup
Age	30



Comparable 6

2712 Sunfish Dr Unit C

Prox. to Subject	2.16 miles NE
Sale Price	78,400
Gross Living Area	1,004
Total Rooms	5
Total Bedrooms	2
Total Bathrooms	2
Location	Residential/Avg
View	Residential/Avg
Site	Condo/2nd Floor
Quality	Stucco/Sup
Age	30

Scope of Work Clarification

File No. CM16034

Owner	Bell, Kyleen T (Retrospective)						
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SCOPE OF WORK CLARIFICATION

DEFINITION OF VALUE
Definition of market value as defined herein is provided by Fannie Mae.

CLARIFICATION OF SCOPE OF WORK
This addendum is not a modification of the assumptions, limiting conditions or certifications in the appraisal report, but a "clarification" of the appraiser's actions with respect to generally accepted appraisal practice and the requirements of this assignment. The intent is to clarify and document what the appraiser did and or did not do in order to develop the value opinion.

REPORTING LIMITATIONS OF THE ASSIGNMENT - The appraisal process is technical and requires the reader/intended user to fully comprehend the process. Supplemental reporting requirements and the realities of the market, including the reliability of the data sources, inability to verify key information and the reliance on information sources as being factual and accurate, can affect the conclusions within the report.

The "single point of value" (SPV) is based on a definition of market value which itself is based on criteria that may or may not be consistent in the marketplace. Guidelines require the selection and reporting of a SPV, taken from a range of value indicators that may vary high or low from the SPV due to factors that cannot be quantified or qualified within the constraints of the data, market conditions and time limits imposed in the development of the report and associated scope of work.

The subject property was measured by the appraiser and the calculations rounded to the nearest 1/4 foot. The calculated square footage is based on widely accepted methods for measuring and reporting, however since different measuring techniques and or standards will yield slightly different results, there is no warranty that the GLA stated in the report will be consistent with other reporting services and or with other determinations (assessor records, etc.). The calculated square footage of living area is "for comparative purposes only" as part of the valuation analysis and should not be relied upon for other purposes.

SCOPE OF WORK: The appraiser conducted a visual inspection of the property from the public street. Interior photos from the MLS are viewed when available. Overall condition ratings are based on what can be observed from the public street with consideration given to comments about condition provided in the MLS or ratings that may be provided from the County Assessor.

These statements are a guide for comparison purposes (as part of the valuation process) and do not represent a detailed analysis of the physical or operational condition of these items. This report is not a home inspection. Any statement is advisory based only upon observation. The reader or intended user should not rely on this report to disclose hidden conditions and defects. The following will assist the reader in comprehending the scope of a complete visual inspection:

EXTERIOR INSPECTION INCLUDES: List amenities, view readily observable exterior areas or may be reported by the MLS or county records, note quality of materials/workmanship and observe the general condition of improvements. Measure the improvements; assess layout and utility of the property. Note the conformity to the market area, a limited check and observation of mechanical and electrical systems. Photograph interior/exterior, view site, observe and photograph each comparable from the street.

INSPECT THE NEIGHBORHOOD: Observations were limited to driving through a representative number of streets in the area, reviewing maps and other data, and observing comparables from the street to determine factors that may influence the value of the subject property.

"Neighborhood" boundaries are not exact and are defined by the influence of physical, social, economic and governmental characteristics (the same criteria used to define census tracts). Over time, small areas merge and once distinct boundaries become less defined. Comparable data was selected based upon the area proximate to the subject that a buyer would consider directly competitive.

EXTENT OF DATA RESEARCH-SALES/LISTINGS: The appraiser used reasonably available information from city/county records, assessor's records, multiple listing service (MLS) data, and visual observation to identify the relevant characteristics of the subject property. Comparables used were considered the most relevant to the analysis of subject property. These sales were adjusted to the subject to reflect the market's reaction (if any) to differences. Photographs taken by the appraiser are originals and un-altered, unless physical access was unavailable.

EXTENT OF INFORMATION VERIFICATION: Sources for information and data verification include County/City public records (Assessor, Recorder, Treasurer, Zoning and GIS), personal observation - Condition, Location, Physical attributes, and Contracts - Transaction Declaration documents. Flood zone determinations are from flood map services available online at the time of the assignment.

Data was verified with sources "deemed to be reliable" and (when cooperative) with agents involved with the transaction, to the extent such verification was possible in the assignment reporting time permitted by the client. The motivations of the parties or other factors (terms, arms-length transactions, etc.) may not have been available or disclosed. In this case, the data was accepted at "face value as factually accurate" and commented on in the report.

The appraiser did not review a survey of the subject site, did not check land records for recorded easements, and has reported only apparent easements and encroachments. There was no confirmation of the subject being within the appropriate setbacks, as dictated by zoning, building, or other regulations.

Scope of Work Clarification

File No. CM16034

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PUBLIC / PRIVATE DATA SOURCES: I have access to county tax records, other public websites and the Multiple Listing Service; as well as, Marshall and Swift and other national cost estimation services, flood data and maps along with private information contained within my office files that is considered necessary and appropriate for this assignment.

THE VALUE OPINION: As market conditions change, this value opinion may not be valid in another time period.

Appraiser License

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE

ACTIVE LICENSE

DATE ISSUED: 04/08/2015
EXPIRATION DATE: 06/30/2017
LICENSE NUMBER: 5451219-CG00
LICENSE TYPE: Certified General Appraiser
ISSUED TO: CRAIG MORLEY
393 E RIVERSIDE DR STE 102
SAINT GEORGE UT 84790

SECRETARY OF COMMERCE

REAL ESTATE DIVISION DIRECTOR

Form 40

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE — REAL ESTATE DIVISION — NOT TRANSFERABLE

This is to Certify That: CRAIG MORLEY — Certificate Number: A.0003469-CG

is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: December 8, 2015 — Expire Date: January 31, 2018

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statues, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: MORLEY & MCCONKIE LC
393 E RIVERSIDE DR STE 102
ST GEORGE, UT 84790

REAL ESTATE DIVISION

JOSEPH (JD) DECKER
Administrator

STATE OF ARIZONA
BOARD OF APPRAISAL

BE IT KNOWN THAT

CRAIG MORLEY

HAS MET ALL THE REQUIREMENTS AS A

Certified General Real Estate Appraiser

CERTIFICATE NUMBER
31944
EXPIRATION DATE
December 31, 2016

CR0057

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The Uniform Standards of Professional Appraisal Practice (USPAP) under ethics prohibits an appraiser from disclosing confidential information that is not part of the public record with the exception of the subject of litigation where I am required to disclose personal involvement over the past 36 months. In most instances, permission for disclosure must be granted by the client.

In general terms, I can disclose work experience to satisfy the "competency" requirements.

Over my career I have testified as an expert witness for the following property types:

- Residential Homes
- Subdivision/Residential Building Lots
- Commercial/Industrial Buildings
- Lodging/Motels
- Apartments/Multi Family Housing
- Restaurants
- Power Line Easements
- Water Line Easements
- Vacant Land
- Water Rights

I have given expert witness testimony or provided depositions on the following cases since 2005:

01/2005 Re: Subdivision Gemstone Properties 2620 W 450 N Hurricane, UT
Fifth District Court
Plaintiff: Gemstone Properties vs
Defendant: Lane Blackmore
Case # 080500320

03/2005 Re: Residential Property Located at 1020 E Fort Pierce Drive, St George
Fifth District Court
Petitioner: Judith Lowry
Respondent: Kenneth Lowry
Case # 044500246 DA

08/2007 Re: Commercial Property on West Tabernacle 23 North and 200 West, and 212 W Tabernacle, St George, UT
Fifth District Court
Plaintiff: City of St George vs
Defendant: Carlos Oliver
Case # 070501250

12/2007 Re: Commercial Property on West Tabernacle 23 North and 200 West, and 212 W Tabernacle, St George, UT
Fifth District Court
Plaintiff: City of St George vs
Defendant: Carlos Oliver
Case # 070501250

07/2008 Re: Home Located at 3011 Home on Kings Court Lane, Washington, UT
Fifth District Court
Plaintiff: Monty Moshier
Defendant: A. Kent Cottam
Case # 060501010 CN

04/2008 Re: Home Located at 2228 Chaco Trail, St George, UT
Fifth District Court
Plaintiff: Delanoye Robertson
Defendant: Bank of America
Case # 090501755

08/2008 Re: Lot 27 Dixie Springs Plat F, St George, UT
Fifth District Court
Plaintiff: Jean E Rankin
Defendant: Chris E Roberts
Case # 070503034 CN

11/2009 Re: Copper Cliffs Subdivision, 4370 S 1200 W, Hurricane, UT
Federal Court Bldg., St George
Plaintiff: Sunfirst Bank
Defendant: Brent Hofhines
Case #090501055 DC

09/2010 Re: Home Located at 320 E Virgin St Bunkerville, NV
District Court Family Division, Clark Co., NV
Plaintiff: Lisa Woods
Defendant: Michael Woods
Case # D370934

08/2011 Re: Property Located on Pine Tree Way, Brian Head, UT
Pre Trial Deposition
Plaintiff: The Pines at Brian Head
Defendant: Rocky Mountain Power
Case # 090500231

3/2012 Re: ±65.76 Acres of Vacant Land Located in Hurricane, UT
Fifth District Court Case
Deposition
Plaintiff: Hurricane Land Holdings
Defendant: 800 North, LLC, et al.,
Case # 100503361

4/2012 Re: ±3.39 Acres of Commercial Land
Utah State Tax Commission
Plaintiff: Baron Hughes Investments
Defendant: Iron County
Appeal# 12-444

2/2013 Re: 591.1 Acre Feet of Underground Water
Nevada District Court, Clark County Nevada
Plaintiff: Virgin Valley Water District
Defendants: Michael E. Johnson and other named defendants

8/2013 Re: Schlicht v Foundation Specialists and Repair LC et al
Fifth District Court
Plaintiff: Schlicht
Defendants: Foundation Specialists and Repair LC et al
Appraiser File #13-048

8/2013 Re: Gregory F Berry v Leng
Fifth District Court
Plaintiff: Gregory F Berry
Defendants: Leng
Appraiser File #13-153

2/2014 Re: Paradise Canyon Homeowner Association v S&S Construction, Inc
Fifth District Court
Plaintiff: Paradise Canyon HOA
Defendant: S&S Construction, Inc
Appraiser File: #13-191

PROFESSIONAL SERVICE
I have been appraising property in Utah for over 30 years and have had my Utah Certified General Appraiser license since Utah began licensing appraisers.

I am a Certified General Appraiser in Nevada. I have been licensed here for 12 years.

I am a Certified General Appraiser in Arizona. I have been licensed here for 3 years.

I have served three terms as sub chapter chairman for Southern Utah for the Appraisal Institute.

I was appointed by the governor of Utah to the Utah Appraisal Standards Board in June of 2004 where I served a second 4 year term. I was selected as Chairman of that board in 2007 and again in 2010.

I am a certified instructor by the State of Utah for mortgage lending continuing education dealing with appraisal related issues.

I am a hearing officer for Washington County for property tax appeals.

I am an instructor for Appraiser Continuing Education in both Utah and Nevada dealing with a variety of issues that include FHA appraisal requirements, residential market analysis, and common appraisal problems.

Elected as President for Washington County Board of Realtors for 2013.
Elected as Vice President of Utah Association of Realtors for 2014.
Director of National Association of Appraisers
Director of Utah Association of Appraisers
NAR Real Property Valuation Committee

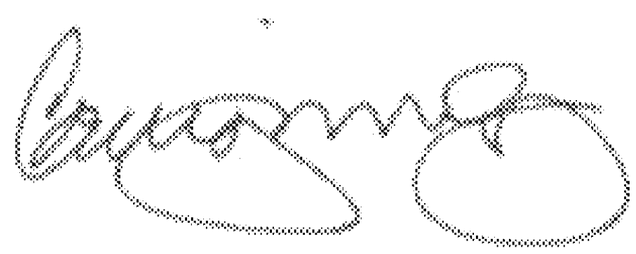
PROFESSIONAL ARTICLES
I have published the following articles in the State of Utah. August 2005 "USPAP Q & A". The "Utah Real Estate Appraiser Review" in October 2006 regarding Trainee Supervision and Conduct. December 2007 in the "Utah Real Estate Appraiser Review"

article addressing Common Appraisal Problems. September 2008 in the "Utah Association of Appraiser's Newsletter" regarding Policies and Procedures of the Appraisal Standards Board. March 2009 in the "Utah Association of Appraiser's Newsletter" regarding Guiding Principles of USPAP, Honesty, Competency, Ethical Behavior. August 2009 Utah Association of
Appraiser's Newsletter regarding Home Valuation Code of Conduct (HVCC). March 2010 in "Appraiser's Newsletter", USPAP 2010 and New Rules Governing AMCs.

A more detailed resume and copy of my license and certificate are attached hereto:

COMPENSATION

My hourly rate of compensation for this assignment is Two Hundred Fifty Dollars ($250) per hour for expert report. The hourly rate for deposition and expert testimony is at a rate of Two Hundred Fifty Dollars ($250) per hour.



Craig Morley, GAA, MAA

CRAIG MORLEY
Morley & McConkie LC
393 East Riverside Drive Ste. 102
St. George, Utah 84790

PROFESSIONAL DESIGNATIONS

National Association of Real Property Appraisers, MAA
Certified General Appraiser with Licenses in Utah, Nevada, & Arizona
National Association of Realtor, GAA

OTHER

Appraisal Institute Associate Member
Served as chairman for the Southern Utah Chapter of the Appraisal Institute for three terms
Served as Chairman of the Utah Division of Real Estate Appraisal Standards Board
Continuing Education Instructor for the Utah Appraisers Association
Past President of the Washington County Board of Realtors
Director of the National Association of Appraisers
Director of the Utah Association of Appraisers
NAR Real Property Valuation Committee

EDUCATION

Brigham Young University 1979-1982
Major in Finance
Extra Major Skill in Economics
Graduate of Lambert Real Estate School

COMPLETED COURSES RELATED TO REAL ESTATE APPRAISING

Economics 110, Introduction to Economics – Fall, 1979
Economics 300, Macro Economics – Fall, 1980
Economics 301, Micro Economics – Spring 1981
Economics 487, Quantative Methods & Models – Fall 1982
Statistics 222, Business Statistics – Fall 1980
Accounting 232, Business Mathematics – Spring 1980
Accounting 202, Cost Accounting – Fall 1980
Accounting 201, Financial Accounting – Spring 1980
Accounting 242, Business Law – Fall 1981
Business Management 401, Finance – Fall 1981
Business Management 301, Finance – Spring 1981
Business Management 341, Marketing – Spring 1981
Business Management 405, Banking – Fall 1982
Business Management 410, Investments – Fall 1982
Business Management 413, Real Estate Principles – Spring 1982
Ag. Economics, Real Estate Appraising – Spring 1982
Computer Science 132, 133, 141 – 1981-82

PARTIAL LIST OF CONTINUING EDUCATION COURSES

St. George Symposium: Water Valuation, Smart Buildings, Local Economic Issues, Market Derived Adjustments, Cutting Edge Issues and Complex Residential Assignments	03/24/2000	UCAI
Future Focus: Report on Residential Appraisal Trends	12/01/2000	UCAI
Case Studies in Law & Ethics For Appraisers	12/01/2000	UCAI
Standards of Professional Practice, Part A (USPAP)	06/07/2001	UCAI
Property Flipping and Predatory Lending Seminar	10/18/2001	NRED
Case Studies in Commercial Highest & Best Use	11/02/2001	UCAI
Case Studies in Residential Highest & Best Use	11/03/2001	UCAI
#303 Loan Fraud and the Misleading Appraisal Report	10/15/2002	UCAI
National USPAP Update	02/01/2003	MCKI
Residential Construction	02/04/2003	MCKI
Loss Prevention Program for Real Estate Appraisers	04/22/2003	LIA
St. George Symposium: Loss Prevention, Technical Themes for Rural appraisals, State Rules for Supervising Appraisers, New Code of Professional Ethics of the Appraisal Institute	03/29/2003	UCAI
Appraising for FHA	11/07/2003	DHUD
Online Valuation of Detrimental Conditions in Real Estate	02/01/2004	AI
Online Internet Search Strategies for R.E. Appraisers	02/04/2004	AI
Appraising for FHA	11/07/2004	DHUD
National USPAP Update Equivalent	02/24/2005	MCKI
The Professional's Guide to the Uniform Residential Appraisal Report Seminar	06/29/2005	LVCAI
Appraising for FHA-HUD	12/02/2005	UAA
Online Appraising form Blueprints & Specifications	02/03/2006	AI
Appraising for FHA-HUD	02/16/2006	UAA
National UAPAP Update Course	05/05/2006	UAA
Protections and Compensation for the value of Signage Under Federal law	10/06/2006	LIRES
Appraising REO and Foreclosure Properties	03/10/2007	MCKI
7 Hour National USPAP Course	11/12/2007	AI
St George Symposium	04/12/2008	UCAI
7 Hour National USPAP Course	03/15/2008	AI
Utah Appraiser Experience Review Committee Seminar	10/22/2008	UDRE
St. George Symposium (Subdivision Valuation Course)	03/28/2009	UCAI
Business Practices & Ethics	05/12/2009	AI
7-Hour National USPAP Course	01/11/2010	AI
Appraising FHA Today	01/16/2010	AI
Online Feasibility Market Value	01/18/2010	
St George Symposium	03/26/2010	AI
Feasibility, Market Value, Investment	05/07/2010	AI
St George Symposium	03/26/2011	AI
Interactive Valuation Modeling & Case Studies, No. 226	04/29/2011	COLINS
National USPAP Update No. 101(2012/13)	11/30/2011	COLINS

Appraisal Summit & Expo	12/02/2011	COLINS
**Utah Chapter of the Appraisal Institute*		UCAI
**Nevada Real Estate Division*		NRED
**Utah Division of Real Estate*		*UDRE*
**McKissock, Inc.*		MCKI
**Liability Insurance Administrators*		LIA
**Division of Housing and Urban Development*		DHUD
**Appraisal Institute*		AI
**Utah Association for Appraisers*		UAA
**Lied Institute for Real Estate Studies*		LIRES
**Las Vegas Chapter of the Appraisal Institute*		*LVCAI*
**The Columbia Institute School of Valuation Studies*		*COLINS*

ACCREDITATIONS

National Association of Realtors
Utah Association of Realtors
Washington County Board of Realtors
FHA Certified and Approved
Expert Witness in U.S. District Court
Member of The Utah Chapter of Appraisal Institute
Chairman of the Southern Chapter of Appraisal Institute
Co-Owner/Partner of Morley & McConkie LC

EMPLOYMENT

Experience appraising most types of real property including raw land, improved properties, single family residential, high density residential, commercial and industrial properties. Feasibility studies and market surveys.
Real estate marketing, licensed with Bushnell Real Estate in Provo, Utah
General Contractor, construction of most types of structures. Involved primarily With bidding and job costing. Journeyman mason.

EMPLOYMENT SUMMARY

M-13 Construction 8/78-1/81
Bushnell Real Estate, Inc. 1/81-1/83
Investment Systems Consultants 1/83-3/85
Blake, Ence & Morley Appraisal Service 3/85-1/92
Morley & McConkie LC Appraisal Services 1/92-Present

PARTIAL LIST OF CLIENTELE:

Heritage Savings Bank
Zions First National Bank
Quality Mortgage USA
Sunfirst Bank
Utah Valley Bank
Valley Bank of Nevada
Clark County Credit Union
St. George City
Washington City
L.D.S. Church
State Bank of Southern Utah
St. George Federal Credit Union
Republic Mortgage
Beehive Credit Union
American Federal Mortgage
SGI Mortgage
Utah Housing Finance Agency
Richards Woodbury Mortgage
First Interstate Bank
Far West Bank
Federal Housing Administration
Chase Manhattan Bank

Wells Fargo Bank
Southland Corporation
Continental Finance
IMC
Washington Mutual
The Associates Finance
State of Utah
Medallion Mortgage
LSI Services, Inc.
Crestar Mortgage Capital Corp.
Headlands Mortgage Co.
Desert Valley Mortgage
Chemical Financial Services Corp.
Long Beach Mortgage
United Savings Bank
G.F. Hansen Loan Quality, Inc.
Norwest Mortgage, Inc.
Mortgage Service America Co.
Westgate Mortgage
Bank One
Numerous developers, attorneys
And individuals

STATE OF UTAH
DEPARTMENT OF COMMERCE
DIVISION OF REAL ESTATE
ACTIVE LICENSE

DATE ISSUED: 04/30/2013

EXPIRATION DATE: 06/30/2015

LICENSE NUMBER: 5451219-CG00

LICENSE TYPE: Certified General Appraiser

ISSUED TO:

CRAIG MORLEY
393 E RIVERSIDE DR STE 102
SAINT GEORGE UT 84790

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE REAL ESTATE DIVISION NOT TRANSFERABLE

This is to Certify That: CRAIG MORLEY Certificate Number: A.0003469-CG

is duly authorized to act as a CERTIFIED GENERAL APPRAISER from the issue date to the expiration date at the business address stated here in, unless the certificate is sooner revoked, cancelled, withdrawn, or invalidated.

Issue Date: December 26, 2013 Expire Date: January 31, 2016

In witness whereof, THE DEPARTMENT OF BUSINESS AND INDUSTRY, REAL ESTATE DIVISION, by virtue of the authority vested in Chapter 645C of the Nevada Revised Statues, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: MORLEY & MCCONKIE LC
393 E RIVERSIDE DR STE 102
ST GEORGE, UT 84790

REAL ESTATE DIVISION

CARL J ANDERSON
Administrator

STATE OF ARIZONA
BOARD OF APPRAISAL
BE IT KNOWN THAT
CRAIG MORLEY
HAS MET ALL THE REQUIREMENTS AS A
Certified General Real Estate Appraiser

CERTIFICATE NUMBER
31924
EXPIRATION DATE
December 31, 2016

CR0057

EXHIBIT 28

EXHIBIT 28

3270 Explorer: Loan Master Maint and Display (MAS1/AQN1)

465 - JPMORGAN CHASE BANK, N.A.

Loan Number: [redacted] **Borrower Name:** BELL,KYLEEN

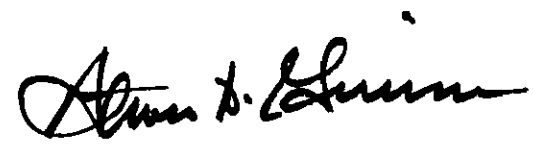
```
MAS1 LOAN [redacted]    MSP LOAN MASTER MAINT. & DISPLAY    06/25/16   11:38:46
     NAME K  BELL       TYPE 13 1ST MTG,CONVEN W/O INS                GROUP
-- AQN1 -- ACQUISITION AND SALES ----------------------------------------------
  ACQN     ACQUISITION       OLD LOAN      ACQUISITION   OLD SVCR    Y/E RPTG
  DATE       PRIN BAL         NUMBER           ID         NUMBER    FROM ACQ DT
 021403            .00    [redacted]       P-CORRESPO      ___          N
(MMDDYY)                                                              (Y/N)

ACQUISITION   OLD LN # INDEX
   TYPE          STOP DATE
    1             120134
1-ORIGINATED     (MMDDYY) MERS ORIG ORG ID _______
2-PURCHASED
3-SERV TRANSFER  SPEC CD: ___    RCRS CD: __    CUST CD: ______
ORIG NOTE HLD NM ______________________________________________________________
        LOAN SERV        NEW SERV                CONTRACT LOAN        SERV
         SOLD ID       LOAN NUMBER              SERV SOLD DT       TRANS DT
1ST     __________   ____________________           MMDDYY           MMDDYY
2ND     ____________ ________________________

----------------------------* ADDITIONAL MESSAGES *-----------------------------
LIFE-OF-LOAN: LEGAL ACTION *COMPLEX*
DISCHARGED CH7 BANKRUPTCY
LOAN IS IN FORECLOSURE, F/C STOP = 3   FULL SETTLEMENT        10/24/11
```

[redacted]

Electronically Filed
08/08/2016 04:13:11 PM



CLERK OF THE COURT

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Attorneys for Plaintiff and Counter-Defendant JPMorgan Chase Bank, N.A.

DISTRICT COURT

CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Plaintiff, vs. SFR INVESTMENTS POOL 1, LLC, a Nevada Limited Liability company; *et. al*, Defendants.	CASE NO. A-13-692202-C DEPT NO. XXIV
SFR INVESTMENTS POOL 1, LLC a Nevada limited liability company, Counter-Claimant/Cross-Claimant, vs. JPMORGAN CHASE BANK N.A., a national association; *et. al.* Counter-Defendant/Cross Defendants.	

PLAINTIFF JPMORGAN CHASE BANK, N.A.'S OPPOSITION TO SFR INVESTMENTS POOL 1, LLC'S MOTION FOR SUMMARY JUDGMENT

Time of hearing: 9:00 a.m.
Date of hearing: August 23, 2016

Plaintiff JPMorgan Chase Bank, N.A. ("Chase") opposes Defendant SFR Investments Pool 1, LLC's Motion for Summary Judgment. This opposition is made based on the following points and authorities, the exhibits attached hereto and attached to Chase's Appendix of Exhibits to

Motion for Summary Judgment, the documents on file in this case, and any argument that the Court may hear.

I. INTRODUCTION

In this case, the Court must determine whether Defendant SFR Investments Pool 1, LLC ("SFR") purchased free and clear title to 2824 Begonia Court, Henderson, Nevada 89074 (the "Property"). SFR has moved for summary judgment, contending that, because it purchased the Property from a 2013 foreclosure sale held on behalf of Eastbridge Gardens Condominiums (the "HOA"), it took title without remaining subject to a Deed of Trust recorded against the Property. SFR's motion fails for numerous reasons.

First, SFR fails to marshal the necessary admissible evidence to show that it is entitled to judgment in its favor as a matter of law. *See* N.R.C.P. 56. This alone warrants the denial of its motion. Second, the Housing and Economic Recovery Act of 2008 ("HERA") precluded the foreclosure sale from extinguishing the Deed of Trust because property interests of Federal National Mortgage Association ("Fannie Mae")[1] are protected while Fannie Mae is under the conservatorship of the Federal Housing Finance Agency ("FHFA" or the "Conservator"). Third, the Deed of Trust was recorded prior to the Association's Second Restated Declaration of Restrictions ("CC&Rs"), thus taking priority over any HOA lien. Fourth, the Court should void the sale due to the gross inadequacy of the price paid by SFR, in addition to the other irregularities in the sale. Fifth, *SFR Investments Pool 1 v. U.S. Bank*, 130 Nev. Adv. Op. 75, 334 P.3d 408 (2014) ("*SFR vs. U.S. Bank)*, does not apply retroactively. Sixth, SFR is not a bona fide purchaser, as it knew the Property was at risk of litigation at the time of purchase and had constructive notice that the sale would not extinguish the Deed of Trust. Seventh, Chase maintains the right to redeem the lien because the Association conveyed only its lien interest to SFR. Eighth, the pre-October 2015 version of NRS 116.3116 *et seq.* (the "State Foreclosure Statute") is unconstitutional. Finally, the voluntary payment doctrine does not preclude Chase's

[1] The relationship between Chase, as the servicer of the Loan, and Fannie Mae, as owner of the Loan, is governed by Fannie Mae's Single-Family Servicing Guide (the "Guide"), a central governing document for Fannie Mae's relationship with servicers nationwide. *See* Chase's App. to Mot. for Summary Judgment at Ex. 4 ¶ 11; Ex. 6, Guide at A1-1-03, F-1-14. The Guide is publicly available on Fannie Mae's website.

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unjust enrichment claim. As such, SFR's Motion for Summary Judgment should be denied.

II. STATEMENT OF DISPUTED FACTS

A. Standard of Review

Summary judgment can only be granted if there is "no genuine issue as to any material fact and . . . the moving party is entitled to a judgment as a matter of law." N.R.C.P. 56(c). The party moving for summary judgment bears the initial burden of production to show the absence of a genuine issue of material fact." *Cuzze v. Univ. & Cmty. Coll. Sys. of Nevada*, 123 Nev. 598, 602, 172 P.3d 131, 134 (2007). In addition, the Court must view the evidence, and any reasonable inferences drawn from it, *in the light most favorable to the nonmoving party*. *Wood v. Safeway, Inc.*, 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005) (emphasis added).

B. SFR's Motion Relies on Inadmissible Evidence

SFR asks the Court to accept various factual allegations central to its motion that are based on a declaration of SFR's attorney, Jacqueline Gilbert (the "Gilbert Declaration," attached as Exhibit A to SFR's Motion for Summary Judgment ("SFR's Motion")), a declaration of SFR's manager, Christopher Hardin (the "Hardin Declaration," attached as Exhibit B to SFR's Motion), and documents attached to both declarations. This "evidence" is largely inadmissible and may not be considered by the Court.

Affidavits supporting a motion for summary judgment "shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence, and shall show affirmatively that the affiant is competent to testify to the matters stated therein." N.R.C.P 56(e). Rule 56(e) further requires that all sworn or certified copies of papers referred to in the affidavit be attached and served with the motion. This "rule is mandatory, and a district court's reliance upon an affidavit which does not comply with the rule may constitute reversible error." *Havas v. Hughes Estate*, 98 Nev. 172, 173, 643 P.2d 1220, 1221 (1982).

The declarations SFR provides to support SFR's Motion fail to meet the requirements of N.R.C.P 56(e). Gilbert and Hardin each attempt to testify about matters of which they have no personal knowledge—a requirement for admissible witness testimony. *See* NRS 50.025 ("A witness may not testify to a matter unless . . . [e]vidence is introduced sufficient to support a

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finding that the witness has personal knowledge of the matter").

Gilbert is not the Clark County Recorder. She has no basis for claiming that the copies of documents she allegedly reviewed are "true and correct" copies of recorded instruments. Indeed, Gilbert makes assertions based on mere "information and belief" after reviewing records from an unnamed title company, *not* certified records from the Clark County Recorder. *See* Gilbert Decl., ¶ 6. Gilbert is also not a Chase employee or agent and cannot attest to whether the Chase production constitutes business records such that it would fall within an exception to the hearsay rule. *Id.* at 8, 9 & 11. Thus, not only does her declaration lack foundation, it relies on hearsay documents. *See* NRS 51.135 (authorizing a hearsay exception for "[a] memorandum, report, record or compilation of data, in any form, of acts, events, conditions, opinions or diagnoses, made at or near the time by, or from information transmitted by, a person with knowledge, all in the course of a regularly conducted activity, **as shown by the testimony or affidavit of the custodian or other qualified person**"); NRS 51.155 (authorizing a hearsay exception for records of "public officials or agencies," not for records of title companies). The Gilbert Declaration is inadmissible, and all the attached exhibits are unauthenticated and hearsay.

The Hardin Declaration also lacks foundation and relies on hearsay. Despite his claim to have personal knowledge, Hardin is not a representative of the Association or the Clark County Recorder. He has no foundation to testify about whether the Association had a super-priority lien. *See* Hardin Decl. at ¶ 8. Nor does Hardin have a foundation to testify about whether a lis pendens was recorded against the Property prior to the foreclosure sale. *See id.* ¶ 17. These portions of the Hardin Declaration are inadmissible.

C. Chase Disputes SFR's Proffered Facts

Aside from being inadmissible, many of SFR's submitted facts are in dispute, for the reasons set forth in the following table[2]:

SFR's "Undisputed" Fact	Chase's Response[3]

[2] To the extent that SFR's "undisputed facts" refer to dates, Chase does not concede any date that is not reflected and supported by recorded documents.

[3] Each response set forth incorporates Chase's objections to admissibility set forth in the preceding section.

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SFR's "Undisputed" Fact	Chase's Response[3]
"Nevada adopted Uniform Common Interest Ownership Act as NRS 116, including NRS 116.3116(2)."	The referenced Act and statute speak for themselves.
"Grant, Bargain, Sale Deed, transferring the Property to Bell, recorded as Instrument No. 199504210001512."	The referenced document speaks for itself.
"Association perfected and gave notice of its lien by recording its Second Restated Declaration of Restrictions ('CC&Rs') as Instrument No. 200202060001001."	The referenced document was recorded on ***February 5, 2003*** – well ***after*** the Deed of Trust was recorded as Instrument No. 20030205-01001 ***November 25, 2002.*** As such, the Association perfected its lien after the Deed of Trust was recorded on the property. *See* Chase's App. to Mot. for Summary Judgment at Ex. 10.
"Deed of Trust in favor of Republic Mortgage, LLC ('Republic') ('FDOT'), recorded as Instrument No. 200211250002874. The FDOT contained a Condominium Rider that allowed the Lender to pay the Borrower's Association Assessment and add that amount to the Borrower's debt to Lender. The FDOT also included language that allowed the Lender to escrow funds for '(a) taxes and assessments and other items which can attain priority over [the FDOT] as a lien or encumbrance on the Property[,]' and to 'do and pay for whatever is reasonable or appropriate to protect [its] interest in the Property . . . [including] but . . . not limited to: (a) paying any sums secured by a lien which has priority over [the FDOT]; (b) appearing in court; and (c) paying reasonable attorney's fees to protect its interest.'"	Disputed. SFR mischaracterizes the Condominium Rider. Under the Condominium Rider, a lender ***may***, but is not required to, pay assessments in the event of a default. Further, the Condominium Rider attached to the First Deed of Trust does not identify the Association.
"The Association appointed Nevada Association Services, Inc. ('NAS') as the Association's agent for the purpose of collecting delinquent assessments, giving full power and authority to NAS to act on behalf of the Association, including to proceed with a non-judicial foreclosure."	The referenced document speaks for itself.
"Association recorded Notice of Delinquent Assessment ('NODA') as Instrument No. 201104010001371. The homeowner, Bell, was mailed the NODA."	Disputed. At the time of the recording of the Notice of Delinquent Assessment, Kyleen Bell (the "Borrower") only owed 3 months of assessments totaling $540. *See* Chase's App. to Mot. for Summary Judgment at Ex. 8.
"Bell became delinquent on her FDOT	Undisputed.

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SFR's "Undisputed" Fact	Chase's Response[3]
payments."	
"After more than 30 days elapsed from the date of mailing of the operative NODA, Association recorded a Notice of Default as Instrument No. 201109210000506. Within 10 days of recordation, the Notice of Default was thereafter mailed to numerous parties, including in pertinent part, Bell, and the Bank (including its agents) several times. The Bank received the Notice of Default, and does not dispute receiving this notice."	Disputed. None of the documents SFR cites in support of these allegations indicate that the referenced document was mailed "several times." Further, at the time of the recording of the Notice of Default, the Borrower tendered the full amount of the assessments due, leaving her with a credit of $7.09 with the HOA but owing NAS $1,066.01 in just collection fees. *See* Chase's App. to Mot. for Summary Judgment Exs. 11 at 62:18-65:7 and Ex. 12; *See also* Ex.29 attached hereto (Chase-Bell_NAS0040). Due to the payments by the Borrower, only <u>two months of assessments</u> were owed at the time of the recording of the Notice of Default. *See* Ex. 11 at 71:23-72:11 and Ex. 13.
"After more than 90 days elapsed from the date of the mailing of the Notice of Default, Association mailed a Notice of Foreclosure Sale ('First Notice of Sale') to numerous parties, including in pertinent part, Bell, the Bank (including its agents) several times, and the Ombudsman's office. The First Notice of Sale was thereafter recorded as Instrument No. 201206010001979. The Bank received the First Notice of Sale."	The referenced document speaks for itself. The receipt of the referenced document and action taken after the foreclosure sale are immaterial.
"Assignment of First Deed of Trust, from Republic to JPMorgan Chase Bank, National Association, recorded as Instrument No. 201210250002057."	Undisputed.
"Substitution of Trustee, substituting Pioneer National Title of Nevada, Inc. for National Default Servicing Corporation ('NDSC') under FDOT, recorded as Instrument No. 201210250002058."	Disputed. The referenced document substitutes National Default Servicing Corporation for Pioneer National Title of Nevada, Inc.
"Assignment of First Deed of Trust to JPMorgan Chase Bank, National Association, re-recorded as Instrument No. 201304290002908."	Undisputed.
"After more than 90 days elapsed from the date of the mailing of the Notice of Default, Association mailed a Notice of Foreclosure Sale ('Second Notice of Sale') to numerous parties, including in pertinent part, Bell, the Bank (including its agents) several times, and	The referenced document speaks for itself. The receipt of the referenced document and action taken after the foreclosure sale are immaterial.

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SFR's "Undisputed" Fact	Chase's Response[3]
the Ombudsman's office. The Bank received the Second Notice of Sale. The Bank does not dispute receiving this notice. The Bank took no action after it received the Second Notice of Sale."	
"The Second Notice of Sale was posted on the Property in a conspicuous place."	Immaterial.
"Association recorded the Second Notice of Sale as Instrument No. 201305070000894."	Disputed. None of the documents SFR cites in support of these allegations indicate that the referenced document was mailed "several times." Further, at the time of the recording of the Second Notice of Sale, the borrower only owed 5 months of assessments. *See* Chase's App. to Mot. for Summary Judgment Ex. 16.
"The Second Notice of Sale was posted at six public places within Clark County for 20 consecutive days."	Immaterial. Further, none of the documents SFR cites in support of these allegations indicate that the referenced document was posted for 20 consecutive days.
"A Notice of Breach and Election to Sell Under Deed of Trust is recorded by NDSC, as trustee on behalf of the Bank, as Instrument No. 201305090002867."	Undisputed, although the correct title of the referenced document is "Notice of Default and Election to Sell Under Deed of Trust."
"The Second Notice of Sale was published in the Nevada Legal News for three consecutive weeks."	Immaterial.
"Association foreclosure sale took place and SFR placed the winning bid of $10,100.00. This amount was paid by SFR."	The Foreclosure Deed cited in support of these allegations speaks for itself.
"There were multiple bidders in attendance at the sale."	Disputed. SFR's statement that "there were multiple bidders in attendance at the sale" mischaracterizes paragraph 15 of the Hardin Declaration and the Certificate of Sale cited in support thereof. Hardin stated that he has "never attended a sale where there was only one qualified bidder in attendance." Further, the Certificate of Sale does not list the number of bidders on the Property. Here, only 2 investors bid on the Property. *See* Chase's App. to Mot. for Summary Judgment Ex. 11 at 78:7-15.
"No one acting on behalf of the Bank attended the sale."	Immaterial.

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SFR's "Undisputed" Fact	Chase's Response[3]
"Foreclosure Deed vesting title in SFR recorded as Instrument No. 201306100002206.	Disputed. The "Foreclosure Deed" recorded on June 10, 2013 as Clark County Recorded Instrument No. 201306100002206 states as follows: Nevada Association Services, Inc. as agent for Eastbridge Gardens Condominiums does hereby grant and convey, but without warranty express or implied to: SFR Investments Pool 1, LLC . . . all **its** right, title and interest in and to that certain property… *See* Chase's App. to Mot. for Summary Judgment Ex. 17 (emphasis added). The interest NAS had as agent for the Association was merely a lien interest, not a title interest.
"As recited in the Foreclosure Deed, the Association foreclosure sale all requirements of law were complied with [sic], including but not limited to mailing of copies of the NODA and Notice of Default, the recording of the Notice of Default, and the posting and publication of the Notice of Sale."	Disputed. While the "Foreclosure Deed" speaks for itself, Chase disputes the broad legal conclusion that the sale "complied with all requirements of law" and the implication that the document references recording of the Notice of Default.
"SFR has no reason to doubt the recitals in the Foreclosure Deed. If there were any issues with delinquency or noticing, none of these were communicated to SFR."	Immaterial. SFR's doubts and subjective beliefs are not facts relevant to this case. To the extent the Court could construe these doubts and subjective beliefs as a material fact, Chase disputes it. SFR concedes that it knew the Property posed a litigation risk, yet it bought the Property anyway. As set forth below, SFR had inquiry notice to confirm the circumstances of the sale but chose to be willfully ignorant when it purchased the property. *See* Ex. 30 attached hereto, P. Kelso Dep. Tr., at 53:21-54:3.
"Further, neither SFR, nor its agent, have any relationship with the Association besides owning property within the community. Similarly, neither SFR, nor its agent, have any relationship with NAS, the Association's agent, beyond attending auctions, bidding, and occasionally purchasing properties at publically-held auctions conducted by NAS."	As noted above, to the extent that Hardin's assertions regarding SFR's relationship with the Association and NAS are based on what was relayed by other members of SFR, these statements are hearsay.
"The Bank never contacted NAS or the Association prior to the sale."	Immaterial and disputed. While Chase's contact with NAS prior to the sale is irrelevant for purposes of the present motion, the citations in support of this allegation do not support the

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SFR's "Undisputed" Fact	Chase's Response[3]
	broad statement that "[t]he Bank never contacted NAS or the Association prior to the sale."
"The Bank never paid or tried to pay any portion of the Association's lien."	The citations in support of this allegation do not support the broad statement that "[t]he Bank never . . . tried to pay any portion of the Association's lien." Further, the Borrower tried to pay the Association's lien and tendered the full amount of the assessments due, leaving her with a credit of $7.09 with the HOA but owing NAS $1,066.01 in just collection fees. *See* Chase's App. to Mot. for Summary Judgment Exs. 11 at 62:18-65:7 and Ex. 12; *See also* Ex. 29 attached hereto.
"The Bank did not challenge the foreclosure sale in any civil or administrative proceeding."	Immaterial.
"No release of the superpriority portion of the Association's lien was recorded against the Property."	Disputed. The Hardin Declaration cited to in support of this factual allegation lacks foundation, as Hardin has no personal knowledge of the acts of third parties such as the Association and the Association trustee. Specifically, Hardin lacks knowledge as to whether the lien was in fact released. Further, he has no personal knowledge of whether there was a "super-priority" portion included in the lien. To the extent that Hardin relies on information provided by the Association, this assertion contains hearsay.
"No lis pendens was recorded against the Property."	Immaterial and disputed. The Hardin Declaration cited to in support of this factual allegation lacks foundation, as Hardin has no personal knowledge of the acts of the Clark County Recorder. Finally, to the extent that Hardin relies on website information, this assertion contains hearsay.
"The Bank recorded a Rescission of its Notice of Default and Election to Sell Under Deed of Trust."	Undisputed.
"After the Association foreclosure sale, the Bank recorded another Notice of Breach and Election to Sell Under Deed of Trust as Instrument No. 20130926001088."	Undisputed, although the correct title of the referenced document is "Notice of Default and Election to Sell Under Deed of Trust."
"SFR recorded its Notice of Lis Pendens on the Property."	Immaterial.

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SFR's "Undisputed" Fact	Chase's Response[3]
"The Bank recorded a Notice of Lis Pendens on the Property."	Immaterial.
"Bell was dismissed from the action without prejudice."	Immaterial.
"Nevada Supreme Court issues SFR Investments Pool 1, LLC v. U.S. Bank, N.A., opinion holding that a properly held association foreclosure sale pursuant to NRS 116.31162-116.31168 extinguishes a first deed of trust."	While the referenced opinion speaks for itself, Chase disputes any implication that the opinion applies retroactively to the foreclosure sale in this case.
"The Bank recorded a Request for Notice against the Property."	Immaterial.
"SFR has been paying the homeowner's association assessments since it acquired the Property."	Immaterial.

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III. SFR IS NOT ENTITLED TO SUMMARY JUDGMENT

A. SFR Fails to Provide Evidence of Necessary Facts

As the counterclaimant with the burdens of proof and persuasion on its quiet title claim, SFR "must present evidence that would entitle it to a judgment as a matter of law in the absence of contrary evidence" to satisfy its initial burden of production for summary judgment. *Cuzze*, 123 Nev. at 602, 172 P.3d at 134. SFR fails to do so. Its entire Motion is premised on the conclusion that the Association foreclosed on a super-priority lien. *See* SFR's Motion at 9. NRS 116.3116(2) provides a homeowners association with a super-priority lien only in situations involving charges incurred to remove or abate a public nuisance or delinquent assessments "which would have become due in the absence of acceleration during the 9 months immediately preceding institution of an action to enforce the lien." *Id.* Missing from SFR's Motion is any evidence to suggest—much less establish as a matter of law—that the Association had a super-priority lien under NRS 116.3116 in the first place. See N.R.C.P. 56(c). For instance, none of the HOA Notices recorded on the property indicate which portion of the HOA Lien, if any, includes a super-priority portion. This glaring evidentiary omission alone requires that the Court deny SFR's Motion. However, even if the Court were to overlook this defect in SFR's position, its summary judgment motion

still should be denied for the reasons discussed below.

B. The Federal Foreclosure Bar Defeats SFR's Claim to an Interest in the Property Free and Clear of the Deed of Trust

SFR's claim for an interest in the property free and clear of the deed of trust is precluded by federal statute. As fully briefed in Chase's Motion for Summary judgment and incorporated herein, in July 2008, Congress passed HERA, Pub. L. No. 110-289, 122 Stat. 2654, codified at 12 U.S.C. § 4511 *et seq.*, which established the FHFA to regulate Fannie Mae, the Federal Home Loan Mortgage Corporation ("Freddie Mac"), and the Federal Home Loan Banks. In September 2008, FHFA placed Fannie Mae and Freddie Mac (together, "the Enterprises") into conservatorships "for the purpose of reorganizing, rehabilitating, or winding up [their] affairs." 12 U.S.C. § 4617(a)(2). HERA includes a broad statutory "exemption" captioned "Property protection" that provides that when the Enterprises are under the conservatorship of FHFA, none of their property "shall be subject to . . . foreclosure . . . without the consent of [FHFA]." 12 U.S.C. § 4617(j)(3) ("Federal Foreclosure Bar"). Chase fully incorporates the arguments in its Motion for Summary Judgment ("Chase Motion"), which alone, is a basis for setting aside the HOA Foreclosure Sale. *See* Chase's Motion filed July 9, 2016 at 2:3 – 23:12.

C. The HOA Sale Was Tainted by Unfairness and Oppression

SFR argues that the Association's foreclosure sale should stand for several reasons. First, SFR contends that Chase is not entitled to an equitable remedy. *See* SFR's Motion at 12:14-13:6. Next, SFR argues the nominal purchase price of $10,100 is inconsequential because commercial reasonableness is not a requirement and "price alone is never enough to unwind a sale." *Id.* at 14:5-11. Alternatively, SFR contends that its purchase price was adequate and the sale was reasonable because there was no fraud, unfairness or oppression. *Id.* at 14:4 – 18:20. Finally, SFR asserts that Chase has waived any argument that fraud, oppression, or unfairness caused the grossly inadequate price. *Id.* at 10:11-13. None of these arguments are availing, as mapped out in Chase's Motion, which Chase fully incorporates herein. *See* Chase's Motion at 23:13 – 30-9. Here, the property was sold for only 14.4% of its value. *See* Exs. 22 & 25. Further, there are sale improprieties, including premature recording of the HOA Lien, Notice of Default, and Second

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Notice of Sale in violation of the State Foreclosure Statute, and an HOA Lien comprised primarily of NAS's unreasonable collection fees and costs despite Borrower's payments on the assessments portion of the HOA Lien. *See* Chase's Motion at 23:13-29:23.

1. *Chase Is Entitled to An Equitable Remedy*

SFR contends *Shadow Wood HOA v. N.Y. Cmty. Bancorp.,* does not permit Chase to set aside a foreclosure sale on equitable grounds because *Shadow Wood* involved a homeowner, not a lienholder. 132 Nev. Adv. Op. 5, 366 P.3d 1105 (2016); *see* SFR's Motion at 12:17-21. In support of this argument, SFR contends that a homeowner can seek equitable relief because it has a bundle of property rights, whereas a lienholder merely has a collateral interest that gives it a right to foreclose and can be compensated with money damages. *Id.* at 12:20-25. This contention is meritless.

Nowhere in its analysis does the *Shadow Wood* Court hold that only property owners may set aside a foreclosure sale on equitable grounds. Rather, the *Shadow Wood* Court explicitly recognized that parties other than property owners may seek quiet title, stating "a plaintiff **not in possession** still may seek to quiet title by invoking the court's inherent equitable jurisdiction to settle title disputes." *Shadow Wood* 366 P.3d at 1111. Other cases recognize this principle by permitting lienholders to challenge foreclosure actions. *Nationstar Mort., LLC v. Amber Hills II Homeowners Ass'n, Inc.*, 2016 WL 1298108, at *4-5 (D. Nev. Mar. 31, 2016) (rejecting argument that lender's quiet title claim was time-barred and permitting lender to proceed with its suit for quiet title); *Wells Fargo Bank, N.A. v. Premier One Holdings, Inc.*, No. 67873 (Nev. June 22, 2016) (finding meritless the argument that the lender had no standing to argue the commercial reasonableness of the sale).

Nevada courts have specifically held that a deed of trust constitutes a property interest. *Leyva v. Nat'l Default Serv. Corp.*, 255 P.3d 1275, 1279 (Nev. 2011) (holding that an assignment of a deed of trust must be in writing signed by the assignor because a deed of trust conveys an estate or interest in land as contemplated by the statute of frauds); *Summa v. Greenspun*, 96 Nev. 247, 252, 607 P.2d 569, 572 (1980) (holding that the statute of frauds applies to the surrender of a deed of trust because, unlike a mortgage, a trust deed "conveys the trustor's title or interest in land

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to the trustee," and is "a conveyance of an interest in land within the statute of frauds"); *Ray v. Hawkins*, 76 Nev. 164, 166–67, 350 P.2d 998, 999 (1960) (explaining that a trust deed is a conveyance of land, but declining to decide whether an incomplete reference in a trust deed means the trust deed transferred fee title or instead operated like a mortgage).

By way of further illustration, in recognizing that Nevada is a "title theory" state, the Nevada Supreme Court has held that a trust deed conveys an interest properly characterized as "title." *See, e.g., Thomas v. BAC Home Loans Servicing, LP*, No. 56587, 2011 WL 6743044, at *3(Nev. 2011) ("[A] deed of trust conveys to the trustee the legal title of the property for the purpose of securing the borrower's performance under the note and deed of trust for the benefit of the beneficiary.") (emphasis added). Similarly, in a case holding that a promissory note secured by a deed of trust had been paid in full, the Nevada Supreme Court affirmed a trial court order "requiring reconveyance of title." *Miller v. York*, 548 P.2d 941, 942, 945 (Nev. 1976). While the "title" conveyed in a trust deed is not *possessory* title, *Edelstein v. Bank of N.Y. Mellon*, 286 P.3d 249 (Nev. 2012), it is still a property interest.

Even if a deed of trust did not constitute a property interest (which it does), equity compels the Court to permit lienholders to sue for quiet title. Any "bundle of rights" from the homeowner standpoint is necessarily impacted by the existence, or non-existence, of a senior deed of trust since having a lien on property would impact the extent of that "bundle." For instance, if a borrower has fee title to a property that it bought using a loan, which in turn is secured by a deed of trust, the borrower's "bundle of rights" in the property is subject to the deed of trust. If only the borrower may set aside the foreclosure sale, it could revive its "bundle of rights" to the exclusion of the lender's deed of trust. This is an untenable result. Moreover, precluding a lienholder from seeking quiet title unfairly punishes an innocent party. The property owner is directly responsible for the deficiency allowing the association to foreclose, whereas a lienholder is not.

Further, SFR contends that the Bank's Notice of Lis Pendens should be expunged "because the Bank does not state a viable claim for relief to quiet title." SFR's Motion at 23:10-13. Based on Chase's Motion, and the arguments set forth above, disprove this assertion. The request for expungement must be denied and Chase's claim for equitable relief should stand.

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2. *The HOA Sale Price Was Not Adequate*

SFR relies on *Shadow Wood*, *Golden v. Tomiyasu, Long v. Towne*, and *Iama Corp. v. Wham* to claim that "commercial reasonableness deals with looking at whether there was conduct in the sale process that led to the low price, not simply comparing price to value. . . ." *See* SFR's Motion at 17:19-18:7. This reliance is misplaced. *Golden*, *Long*, and *Iama* are inapposite, as they predate the Restatement by 15 years or more. *Golden*, 79 Nev. 503, 387 P.2d 989 (Nev. 1963); *Iama Corp. v. Wham*, 99 Nev. 730, 669 P.2d 1076 (1983); *Long v. Towne*, 98 Nev. 11, 639 P.2d 528 (1982). Further, *Shadow Wood* explicitly supports an analysis under the Restatement, as it cites Restatement (Third) of Prop.: Mortgages § 8.3 cmt. b for the proposition that "a court is warranted in invalidating a sale where the price is less than 20 percent of fair market value." 366 P.3d at 1112 (emphasis added).

Further, SFR's Motion states that the Court must take into account in its analysis that this was a forced sale and failure to do so will result in an inaccurate depiction of the value of the property. *See* SFR's Motion at 17:9-17. The analysis in *Shadow Wood* as to the adequacy of the sale price did not rely on the forced HOA sale amount. Rather, the Court cited to the Restatement, which specifically calls for a comparison between a forced HOA sale price and the fair market value. *Shadow Wood* at 366 P.3d at 1112.

SFR has not provided any evidence of the adequacy of the HOA Sale price. Rather, SFR states that since it out bid multiple bidders, it was willing to pay "more than any other bidder was willing to pay," and as such, the sale price was adequate. *See* SFR's Motion at 17:19-18:7. This argument is not enough to grant summary judgment and is problematic for several reasons. First, there was only one other bidder at the HOA Sale. *See* Chase's App. to Mot. for Summary Judgment Ex. 11 at 78:7-15. Second, in this case, SFR's attempt to purchase property with a fair market value of $70,000 (by a BPO just a few months prior to the sale) for a mere $10,100 unquestionably constitutes a grossly inadequate price under the Restatement. *See* Chase's App. to Mot. for Summary Judgment at Ex. 22, Broker Price Opinion. Additionally, an expert also valued the Property at $70,000 on the date of the HOA Sale. *See* Chase's App. to Mot. for Summary Judgment at Ex. 25, Expert Report by Craig Morley. The $10,100 purchase price is only 14.4% of

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the Property's fair market value as of the date of the HOA Sale using the date in the BPO. Thus, SFR's purchase price is so low that it would constitute an abuse of discretion for this Court to refuse to invalidate the sale, *See* Restatement § 8.3 cmt. b. At the very least, the HOA Sale is rendered suspect due to the grossly inadequate sale price.

3. *The HOA Sale was Rife with Irregularities Amounting to Unfairness that Cannot be Ignored*

Even were the Court to require improprieties beyond an inadequate price, *see Golden v. Tomiyasu*, at 387 P.2d 989, the HOA Sale was marred by additional improprieties that amount to unfairness.

a. The Deed of Trust is Senior to the HOA Lien

SFR in its resuscitation of purported undisputed facts states that the "Association perfected and gave notice of its lien by recording its Second Restated Declaration of Restrictions ('CC&Rs') as Instrument No. 200202060001001." *See* SFR's Motion at 3:24-25. With this statement, SFR admits that the lien relates back to the CC&Rs recorded on February 5, 2003 and therefore the lien was perfected as of February 5, 2003. *See* Chase's App. to Mot. for Summary Judgment at Ex. 10. The Deed of Trust was recorded on November 23, 2002, ***before*** the recordation of the CC&R's that purport to perfect the HOA Lien. *See* Chase's App. to Mot. for Summary Judgment at Ex. 3. Therefore, the Deed of Trust is senior to the HOA Lien because it was recorded prior to the CC&Rs on which the HOA Lien is based. *See* Chase's Motion at 25:8-17. Further, the CC&R's included a "Mortgage Protection" provision that protected the Deed of Trust from any impairment due to a breach of the CC&R's. *See* Chase's App. to Mot. for Summary Judgment Ex. 10 at § 6.1(e).

b. While the Borrower Attempted to Pay the HOA Debt, NAS Recorded Notices that Failed to Comply with NRS 116

N.R.S. § 116.3116 provides that the HOA can only take action to enforce the liens comprised of at least six months of unpaid assessments. N.R.S. § 116.3116(3). At the time of the recording of the Notice of Delinquent Assessment, the Borrower only owed 3 months of assessments totaling $540. *See* Chase's App. to Mot. for Summary Judgment at Ex. 8. Then, prior

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to the recordation of the Notice of Default, the borrower tendered $1,053.95 to the HOA and entered into a repayment plan to pay down the left over fees owed to NAS. *See* Ex.29 attached hereto and Chase's App. to Mot. for Summary Judgment at Ex. 8. Due to the $1,053.95 payment, the assessments to the HOA were paid off in their entirety and the borrower was left with a credit of $7.09. *See* Chase's App. to Mot. for Summary Judgment Ex. 11 at 62:18 – 65:7; *see also* Ex. 12. Also as a result of the Borrower's payment, when the Notice of Default was recorded by NAS on September 21, 2011, the Borrower only owed <u>two months of assessments</u>. *See* Chase's App. to Mot. for Summary Judgment Ex. 16. Finally, when the Second Notice of Sale was recorded on February 11, 2013 and the HOA Sale eventually occurred on May 31, 2013, the borrower only <u>owed 5 months of assessments</u>. *See* Chase's App. to Mot. for Summary Judgment Exs. 16 and 17. Based on this timeline, the HOA Notices were recorded prematurely, in violation of the State Foreclosure Statute.

4. *Chase Has Not Waived Its Right to Argue Unfairness in the Sale*

SFR argues that Chase "has waived any right to challenge the sale" because it "failed to specifically allege such fraud, oppression or unfairness in its pleadings." SFR's Motion at 10:11-13 (citing NRCP 8(a)-(c), 12 (b)). The record plainly disproves this assertion. *See, e.g.*, Chase's Am. Compl. ¶¶ 39, 48 ("The HOA Sale did not comply with NRS Chapter 116, including, **but not limited to**, providing notice"); Chase's Am. Answer to Countercl. at 8 (stating as a second affirmative defense that "[t]he alleged homeowner's association ('HOA') foreclosure sale was not reasonable, and **the circumstances of the sale of the property violated the HOA's obligation of good faith under NRS 116.1113 and duty to act in a reasonable manner.**"); *id.* at 9 (stating as a tenth affirmative defense that "[t]he HOA foreclosure sale is void or otherwise insufficient to extinguish the deed of trust based on the HOA's failure to comply with all mailing, noticing **and/or other requirements of Nevada and federal law**.").[4]

D. <u>SFR is Not a Bona Fide Purchaser Status Cannot Save SFR</u>

[4] Chase also asserts as an affirmative defense SFR's purchase of the Property with knowledge of the senior Deed of Trust, a specific sale impropriety on which Chase now relies. *See* Chase's Am. Answer to Countercl. at 8.

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SFR asserts that, even if the Association Foreclosure Sale was invalid, SFR is a bona fide purchaser. *See* SFR's Motion at 19:5-6, 21:14-16. To support this claim, SFR argues that it "had no notice of a competing or superior interest in the Property." *Id.* at 19:28. Nevada law and the evidence in this case demonstrate otherwise.

1. *SFR Is Not a Bona Fide Purchaser*

"The bona fide doctrine protects a subsequent purchaser's title against competing legal or equitable claims of which the purchaser had no notice at the time of the conveyance." *25 Corp. v. Eisenman Chem. Co.*, 101 Nev. 664, 675, 709 P.2d 164, 172 (1985) (citing 77 Am.Jur.2d Vendor and Purchaser § 633 at 754 (1975) and *Berge v. Fredericks*, 95 Nev. 183, 591 P.2d 246 (1979)); A subsequent purchaser is not a bona fide purchaser if he or she was under a duty to inquire. *Tai-Si Kim v. Kearney*, 838 F. Supp. 2d 1077, 1088 (D. Nev. 2012) (citing *Berge v. Fredericks*, 95 Nev. 183, 591 P.2d 246, 249 (1979)). A duty to inquire arises when a purchaser "possesses facts which would lead a reasonable person under the circumstances to investigate. Even if the subsequent purchaser does not actually conduct an investigation, the law deems him or her to have constructive notice of whatever the investigation would uncover." *Id.* (internal citation omitted).

SFR is not a bona fide purchaser of the Property. First, SFR knew that the Property was at risk of litigation by virtue of the Association sale on [date]. *See* Ex. 30, P. Kelso Dep. Tr., at 53:21-54:3 (SFR did a "risk assessment" and Hardin "was aware when he was bidding on these properties [including 2824 Begonia Court] and purchasing them from the HOA sales that there was a risk of litigation."); *id.* at 54:7-12 (SFR knew "the homes were going for the prices that they were [] because of the risk of litigation [] associated with it."); *id.* at 134:7-12 (testifying that "probably somebody associated with the First Deed of Trust" would be involved in the litigation); *id.* at 129:12-16, 130:16-22. SFR also knew that a court could find that the deed of trust was not extinguished by the sale. *Id.* at 56:2-9 (SFR knew **"that there was that possibility that the Court wouldn't rule with SFR's interpretation"** of NRS 116) (emphasis added); *id.* at 129:17-24. SFR nevertheless decided to take its chances and purchase the Property.

Moreover, the recorded documents in this case would have caused a reasonable person in SFR's position to investigate the sale. *See* NRS 111.315 (recording operates as notice to third

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persons). All of the foreclosure notices state that the Association is foreclosing pursuant to its CC&Rs. This fact would have led a reasonable purchaser to review the CC&Rs to determine when the CC&R's were recorded in relation to the Deed of Trust or whether any provision precluded the sale from extinguishing the Deed of Trust.

SFR, however, did not investigate these facts. *See* Ex. 30, P. Kelso Dep. Tr. at 108:9-10; 134:22-135:10. Had SFR done so, it would have discovered that the Deed of Trust was recorded before the CC&R's. Cloaking SFR with bona fide purchaser status would unfairly reward SFR for remaining oblivious, ignoring signs that the sale was flawed, and exploiting NRS Chapter 116's non-judicial foreclosure process. The Court should reject any argument that SFR is a bona fide purchaser.

2. Bona Fide Purchaser Status Is Not Dispositive

Even if SFR is a bona fide purchaser (which it is not), such status is not dispositive. In *Shadow Wood*, the Nevada Supreme Court instructed that courts determining whether to set aside a foreclosure sale "must consider the entirety of the circumstances that bear on the equities." *Shadow Wood*, 366 P.3d at 1114 (emphasis added). Accordingly, the *Shadow Wood* Court considered all the issues raised by the parties. *Id.* at 1115. Notably, the Nevada Supreme Court held that a purchaser's BFP status is not dispositive. Rather, if a purchaser is found to be a BFP, then the district court may consider the harm to the innocent purchaser when deciding whether it is equitable to set aside the association foreclosure sale. *Id.* at 24. In other words, BFP status is **merely one factor** for the district court to evaluate as part of "the entirety of the circumstances." *See id.* at 20. Based on SFR's knowledge of the risk of litigation, the recorded documents and SFR's lack of investigation as set forth above, the equities weigh in favor of Chase and, at the very least, preclude summary judgment in SFR's favor.

E. NRS 116.31166's Conclusive Presumption Cannot Preclude the Court from Invalidating the Improper Association Foreclosure

SFR also tries to insulate itself from the defects in the Foreclosure Sale by arguing that the Foreclosure Deed recitals constitute conclusive proof of the matters recited pursuant to NRS 116.31166. SFR's Motion at 9:7-10. SFR's position fails for several reasons.

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1. ***Chapter 116's Foreclosure Scheme Is Unconstitutional***

The prior version of NRS 116.3116 *et seq.* that applied to the Association foreclosure sale violates due process on its face and constitutes an unconstitutional taking. Chase fully incorporates the arguments in its Motion for Summary Judgment, which alone, is a basis for setting aside the HOA Foreclosure Sale. *See* Chase's Motion at 27:25 – 30:9.

2. ***The Conclusive Recitals Cannot Defeat Equitable Challenges***

Even if the Court could apply NRS 116.31166 despite its facial violations of due process, the vague statements included in the Foreclosure Deed are not sufficient to dispose of this case. In *Shadow Wood*, the Nevada Supreme Court established that NRS 116.31166's conclusive presumptions cannot defeat equitable challenges to an association foreclosure sale. *See Shadow Wood,* 366 P.3d at 1110. The *Shadow Wood* foreclosure sale purchaser argued that NRS 116.31166's "conclusive" recitals "bar any post-sale challenge regardless of basis, whether it disputes the HOA's compliance with the statutory default, notice, and timing requirements or, as here, seeks to set aside the sale for equity-based reasons." *Id.* The Nevada Supreme Court rejected this argument. *Id.* (declining "to give the default recital such a broad and unprecedented reading").

F. *SFR vs. U.S. Bank* Cannot Apply Retroactively

SFR's position also failed because the precedent on which SFR's entire position is based does not apply retroactively to the HOA Sale here. SFR relies on the Nevada Supreme Court's decision in *SFR vs. U.S. Bank* for the proposition that a homeowners association lien has "priority over a first deed of trust." SFR's Motion at 9:7-8. As fully briefed in Chase's Motion for Summary Judgment "Chase's Motion," which is fully incorporated herein, this reliance is misplaced, as *SFR vs. U.S. Bank* does not apply retroactively to HOA foreclosures conducted before September 18, 2014. *See* Chase's Motion at 23:13-25:7.

G. Chase's Unjust Enrichment Claim Survives Summary Judgment

SFR contends that Chase's unjust enrichment claim is "barred by the voluntary payment doctrine" and cannot otherwise succeed because SFR's retention of Chase's money would not

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violate "fundamental principles of justice or equity and good conscience." SFR's Motion at 21:20-22, 22:25-27. Both arguments are meritless.

1. The Voluntary Payment Doctrine Does Not Apply

As the party asserting the voluntary payment doctrine defense, SFR "bears the burden of proving its applicability." *See Nev. Ass'n Servs., Inc. v. Dist. Ct.*, 338 P.3d 1250, 1254 (Nev. 2014). The voluntary payment doctrine bars a party that has paid taxes or assessments: (1) from recovering overpayments from the taxing or assessing body itself, and (2) only if the party that paid did so voluntarily and with full knowledge of the facts. *Id.* at 1254; *see also Berrum v. Otto*, 255 P.3d 1269, 1273 n.5 (Nev. 2011). Indeed, "the purpose of the doctrine is to encourage stability and certainty for the taxing entity." *Berrum*, 255 P.3d at 1273 n.5 (emphasis added).

SFR cites three cases that involve the voluntary payment defense, all of which involve parties trying to recover payments from the taxing or assessing entities. *See Nev. Ass'n Servs., Inc.*, 338 P.3d at 1252 (seeking to recover community association fees from the association); *Best Buy Stores, v. Benderson-Wainberg Assocs.*, 668 F.3d 1019, 1023 (8th Cir. 2012) (seeking to recover from landlord insurance-related costs billed by and paid to landlord); *Randazzo v. Harris Bank Palatine, N.A.*, 262 F.3d 663, 666 (7th Cir. 2001) (seeking to recover stock proceeds paid to a bank in relation to bank's claim that it had a legal right to such proceeds).

Here, Chase is not attempting to recover tax payments from the government or insurance payments from the insurer. Rather, it seeks to recover these payments from SFR, which claims to have owned the Property since May 31, 2013, but failed to pay taxes and insurance on the same.[5] The doctrine does not prevent Chase's equitable claim to recover payments from SFR that Chase made without knowledge of the alleged fact that SFR owned the Property free and clear of the First Deed of Trust.

2. SFR's Retention of Benefits to the Loss of Chase is Inequitable and Unjust

[5] Chase asserts its unjust enrichment claim in the alternative in the event that the Court deems the First Deed of Trust was extinguished.

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SFR's argument that it did not "retain[] property belonging to" Chase because Chase does not possess an ownership interest in the Property is inapposite. SFR's Motion at 23:1-3. Unjust enrichment pertains not only to the retention of money or property, but also to retention of "a benefit to the loss of another." *Topaz Mut. Co. v. Marsh*, 839 P.2d 606, 613 (Nev. 1992). It would be both inequitable and unjust for SFR to retain the benefits conferred upon it by Chase's payment of property taxes and hazard insurance – the absence of a lien for failure to pay taxes and the protection of the property in the event of a hazard.[6]

IV. CONCLUSION

For the reasons set forth above, SFR is not entitled to summary judgment and its motion should be denied.

DATED: August 8, 2016

By: /s/ Holly Ann Priest

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[6] SFR's claim that it did not benefit from the insurance payments "unless the Bank made SFR an additional insured," SFR's Motion at 22:20-21, likewise lacks merit. The benefit conferred on SFR was the protection of *the Property* that it claims to own.

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 8th day of August, 2016, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing PLAINTIFF JPMORGAN CHASE BANK, N.A.'S OPPOSITION TO SFR INVESTMENTS POOL 1, LLC'S MOTION FOR SUMMARY JUDGMENT, was served to the parties following in the manner set forth below:

KIM GILBERT EBRON
Howard C. Kim
Diana S. Cline
Jacqueline A. Gilbert
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Las Vegas, Nevada 89139

Attorneys for SFR Investments Pool 1, LLC

[ ] E-MAIL TRANSMISSION

[ ] U.S. MAIL, POSTAGE PREPAID

[XX] Via the Wiznet E-Service-generated "Service Notification of Filing" upon all counsel set up to receive notice via electronic service in this matter

/s/ C. Wells
An employee of Ballard Spahr LLP

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EXHIBIT 29

EXHIBIT 29

KYLE BENT GRILL

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April 14 2011

Pay to the Order of Eastbrook Engrs $ 1953 75

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Wells Fargo Bank, N.A.
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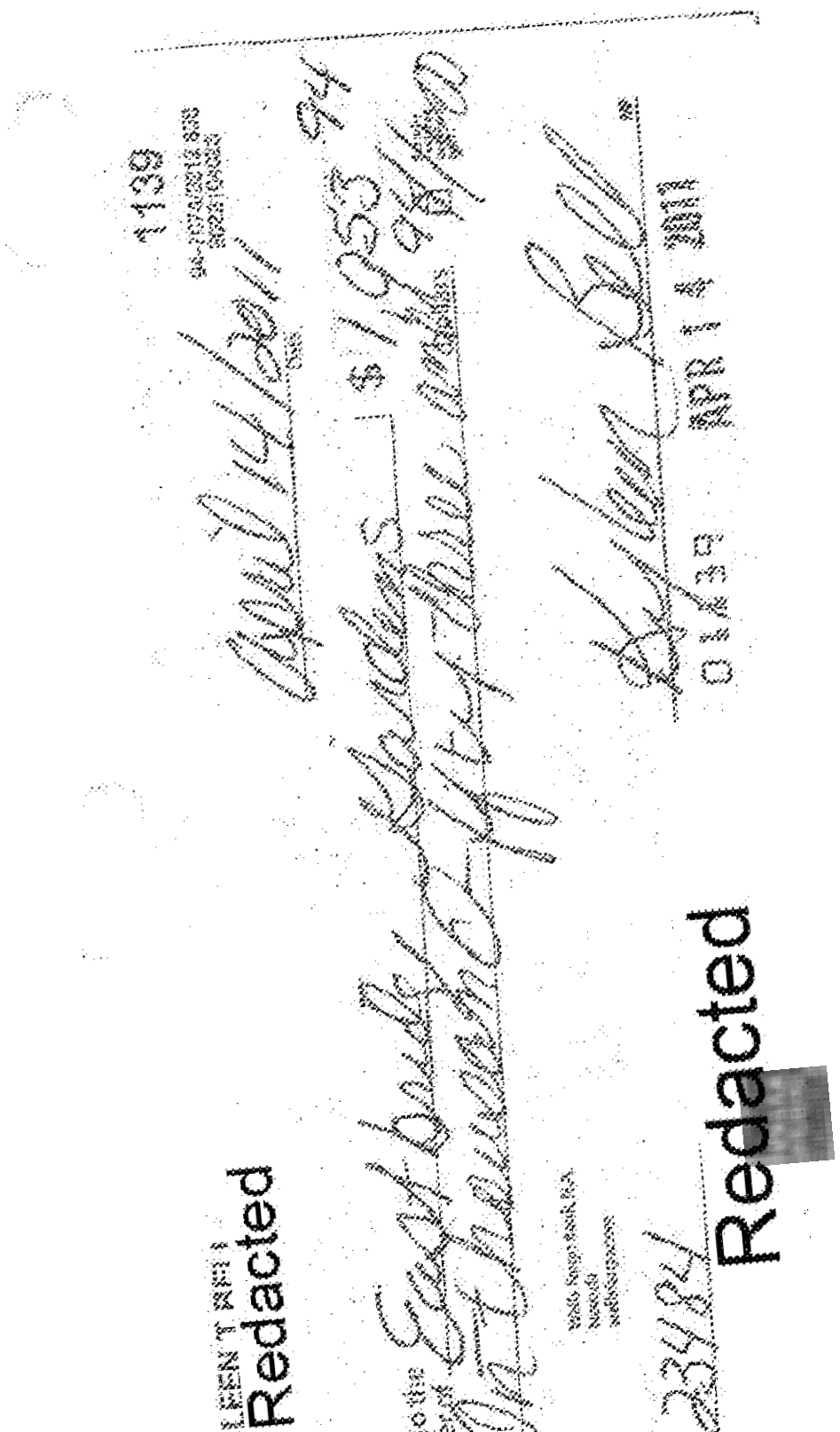

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Accounting

ATIONS, DETACH COUPON, AND RETURN IT WITH YOUR PAYMENT

Kyleen T. Bell

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Account Number	Payment Due By
23484	4/1/2011
Amount Due	**Amount Enclosed**
1,053.94	

Make checks payable to your association
Detach and return this portion with your remittance

Property: 2824 Begonia Court
Henderson, NV 89074

Eastbridge Garden's Homeowners Association
c/o Colonial Property Management
P.O. Box 63275
Phoenix, AZ 85082-3275

In accordance with the rules of the National Automated Clearing House, information from the check sent with this payment may be used to create an electronic debit to your account. The electronic debit on your statement is valid as proof of payment.

APR 14 2011

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EXHIBIT C

AFFIDAVIT OF CUSTODIAN OF RECORDS

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

Case No.: A-13-692202-C

AFFIANT, being first duly sworn, deposes and says:

1. That Affiant is the Paralegal (position or title) of Nevada Association Services ("NAS") and in the capacity as Paralegal (position or title), is a custodian of the records of NAS.

2. That NAS is licensed to do business as a Corporation in the State of Nevada.

3. That on the 31st day of ~~April~~ March, 2016, that Affiant was served with a Subpoena from the law offices of BALLARD SPAHR LLP, in connection with the above-entitled cause, calling for testimony and the production of records.

4. That the deponent has examined the original of those records and has made or caused to be made a true and exact copy of them and that the reproduction of them attached hereto is true and complete.

5. That the original of those records was made at or near the time of the act, event, condition, opinion or diagnosis recited therein by or from information transmitted by a person with knowledge, in the normal course and scope of a regularly conducted business activities of NAS.

6. As the duly authorized representative and custodian of records of NAS, I attest that these records are trustworthy to the best of my knowledge.

Executed on: 5/12/2016

AFFIANT

SUBSCRIBED and SWORN to before me this 12 day of ~~April~~ May, 2016.

Maren Parry

1-224 pages

MAREN PARRY
Notary Public
State of Nevada
Appt. No. 03-60305-1
My Appt. Expires Mar. 9, 2019

BALLARD SPAHR LLP
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EXHIBIT 30

EXHIBIT 30

1 DISTRICT COURT

2 CLARK COUNTY, NEVADA

3

4 JPMORGAN CHASE BANK, NATIONAL
ASSOCIATION, a national
5 association,

6 Plaintiff,

CASE NO.
7 vs. A-13-692202-C

8 SFR INVESTMENTS POOL 1, LLC, a
Nevada Limited Liability Company;
9 DOES I through X, ROE CORPORATIONS
I through X, inclusive,

10

Defendants.
11 _____/
///

12

13

14

15

16 DEPOSITION OF PAULINA KELSO

17 30(b)(6) SFR INVESTMENTS POOL 1, LLC

18 Taken at the offices of Ballard Spahr, LLP

19 on Friday, June 24, 2016

20 at 1:38 p.m.

21 at 100 N. City Parkway, Suite 1750
Las Vegas, Nevada

22

23

24

25 Reported by: Denise R. Kelly, CCR #252, RPR

1 SFR INVESTMENTS POOL 1, LLC, a
Nevada Limited Liability Company;
2
Plaintiff,
3
vs.
4
JPMORGAN CHASE BANK, N.A., a
5 national association; KYLEEN T.
BELL, an individual; DOES I
6 through X; ROE CORPORATIONS
I through X, inclusive,
7
Counterdefendants/
8 Crossdefendants.
/
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1 APPEARANCES:

2 For Plaintiff/
Counterdefendant: LINDSAY DEMAREE, ESQ.
3 BALLARD SPAHR, LLP
100 N. City Parkway
4 Suite 1750
Las Vegas, Nevada 89106
5
For Defendant
6 Counterclaimant: KAREN HANKS, ESQ.
KIM GILBERT EBRON
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Suite 110
8 Las Vegas, Nevada 89139
9
10
11 * * * * *
12
13
14 INDEX

WITNESS PAGE
15 PAULINA KELSO
Examination by Ms. Demaree 17

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19 INFORMATION TO BE SUPPLIED
None
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1 view the properties typically prior to purchasing. So
2 he stated that that would be one risk is what
3 condition the property is going to be in once he
4 receives it and also the risk of litigation.
5 Q. What did he tell you about the risk of
6 litigation?
7 A. Just that he's aware that there is a
8 possibility that the homes that he purchases will go
9 into litigation.
10 Q. So is the risk just that they would be
11 tied up in litigation or was it the risk of an adverse
12 decision to SFR?
13 MS. HANKS: Objection. Form.
14 THE WITNESS: I believe he stated that it
15 was just the general risk of litigation for the
16 properties. I don't know that he specifically said
17 one or the other that he mentioned.
18 BY MS. DEMAREE:
19 Q. Why was the risk of litigation considered?
20 A. I guess I'm not sure what you mean.
21 Q. So you said that the risk of litigation
22 was something that Chris Hardin said he considered in
23 doing a risk assessment, correct?
24 A. I don't know that he said that he even did
25 a risk assessment. He just said that he was aware

1 when he was bidding on these properties and purchasing
2 them from the HOA sales that there was a risk of
3 litigation.
4 Q. Did the risk of litigation affect whether
5 or not he bid on the property?
6 A. No, I don't think so.
7 Q. Did the risk of litigation affect how much
8 he would pay for the property?
9 A. I don't know that it was how much he would
10 pay, but he described that's why the homes were going
11 for the prices that they were was because of the risk
12 of litigation was associated with it.
13 Q. And the risk of litigation that was
14 associated with purchasing a property at an HOA sale,
15 that's what you're talking about?
16 A. Yes.
17 Q. And I'm just trying to clarify what risk
18 of litigation means in this context, do you know?
19 A. So prior to the Supreme Court's decision,
20 they knew that they were counting on their
21 interpretation of NRS 116. So it would be to that
22 extent. And then after the ruling, then it was still
23 a risk of litigation associated with NRS 116, and not
24 as much as a risk anymore but that there still would
25 be issues interpreting the law.

1 BY MS. DEMAREE:
2 Q. So SFR understood that there was a
3 possibility that a court could find a First
4 Deed of Trust was not extinguished after an HOA
5 foreclosure sale?
6 MS. HANKS: Objection. Scope.
7 THE WITNESS: That there was that
8 possibility that the Court wouldn't rule with SFR's
9 interpretation, yes.
10 BY MS. DEMAREE:
11 Q. Again, just so we are clear with this line
12 of questioning, these were things that Chris Hardin
13 discussed with you when you asked him about risk
14 assessments, correct?
15 A. Yes. For the most part, those are things
16 that have also just come through other, not
17 specifically our conversation yesterday, but what he's
18 told me before.
19 Q. But he did say that the risk of
20 litigation?
21 A. He did.
22 Q. So we will go through in a more organized
23 fashion about what Chris Hardin did with respect to
24 each property or what he believes he did based on his
25 general practices. But other than that, is there

1 are the three that I can think of that would survive.
2 But things that he would have to potentially pay if he
3 was to buy the property, that he would have to take
4 care of.
5 Q. Anything else that he looked at on the
6 Clark County Recorder's web page?
7 A. I think those were the ones he's mentioned
8 to me.
9 Q. Did he look for CC&Rs?
10 A. I have not heard him say that to me.
11 Q. Has he looked for Deeds of Trust?
12 A. He doesn't look for them, but he'll notice
13 them if they are on there, if they are recorded.
14 Q. Before the sale, does SFR obtain copies of
15 any of the recorded documents?
16 A. Before a sale? No, I don't believe so.
17 Q. So Chris Hardin would rely on the Clark
18 County Recorder's website to learn information about
19 the three notices, the tax liens, utilities, things
20 like that?
21 A. Yes.
22 Q. You also mentioned Zillow?
23 A. I did.
24 Q. And why would he look at Zillow?
25 A. So he can put in the house address and

1 looking for was, you know, the things that matter to
2 him were location, age of the property, square
3 footage, room numbers. I believe those things.
4 BY MS. DEMAREE:
5 Q. Would that also apply to the
6 Morning Springs property?
7 A. I believe so, yes.
8 Q. Other than what you just testified about,
9 was there anything else SFR considered when deciding
10 to bid on the Morning Springs property?
11 A. I don't believe so, no.
12 Q. Did SFR consider the risk of litigation in
13 purchasing both the Morning Springs and Begonia
14 properties?
15 A. SFR was aware that there is likely -- that
16 there is a risk that litigation will likely ensue.
17 Q. We talked about this earlier. And I
18 believe you said you weren't -- it was a risk that the
19 Court might disagree with SFR's position on NRS 116.
20 A. Correct. That and just the risk in
21 general. Even if they did side like they did, then,
22 you know, there is still a risk of litigation because
23 the other side is going to want to, you know, contend
24 that.
25 Q. How did the risk of litigation impact

1 SFR's decision to bid on the property?
2 A. I don't know that it impacted it, the
3 decision to bid. I just believe that SFR is aware of
4 that risk.
5 Q. Did the risk of litigation impact SFR's --
6 did it impact how much SFR was willing to pay for the
7 property?
8 A. From my understanding, what SFR was
9 willing to pay was just the events of that day and a
10 gut reaction what was happening at the auction played
11 into what they were willing to pay.
12 Q. Did the risk of litigation lower the
13 amount that SFR was willing to pay?
14 A. I don't believe so.
15 Q. So --
16 A. The homes in general, when I've talked to
17 Chris, the homes in general at HOA foreclosures were
18 going for these types of amounts because people were
19 aware of the risk of litigation. I don't know that a
20 risk of litigation would play into how much he was
21 willing to pay. Do you know what I'm saying? In
22 general just that risk brought the prices down.
23 Q. You mentioned that the amount that Chris
24 would pay was a gut reaction. What do you mean by
25 that?

1 MS. HANKS: Objection. Form.
2 THE WITNESS: Can you say that again.
3 BY MS. DEMAREE:
4 Q. You mentioned that SFR considered the risk
5 of litigation?
6 A. Correct.
7 Q. I'm trying to understand risk of
8 litigation by whom? Who else would be involved in
9 that litigation?
10 A. Yeah. I think, like I said before,
11 probably somebody associated with the First
12 Deed of Trust. And then gosh, it could be others too.
13 I just don't know off the top of my head. But it
14 would be anybody associated, I guess, with that house.
15 Q. But SFR didn't get copies of the actual
16 HOA notices before the sale, did it?
17 A. No. It doesn't -- you mean the recorded
18 documents?
19 Q. Yes.
20 A. No, it doesn't pull them prior to an HOA
21 sale.
22 Q. Did SFR contact the person associated with
23 the First Deed of Trust before a sale?
24 A. It's my understanding they do not.
25 Q. Does SFR obtain copies -- well, did SFR

1 ever confirm with the foreclosure agents for the
2 properties whether or not the association published
3 the Notice of Sale?
4 A. Prior to the auction?
5 Q. Yes.
6 A. I don't believe so.
7 Q. Did SFR ever confirm with the foreclosure
8 agent whether or not the association properly mailed
9 the notices?
10 A. I don't believe so.
11 Q. Did SFR ever cap the amount that it was
12 willing to bid for a particular property?
13 A. It's my understanding that there was not a
14 cap.
15 Q. But was there -- I think as your counsel
16 mentioned earlier, Chris Hardin might have a certain
17 amount allocated to spend on a certain day?
18 A. No, not that he would have a certain
19 amount allocated. At the time he was attending so
20 many auctions that he told me he would maybe have a
21 couple hundred thousand for auctions, but that doesn't
22 mean -- he stated to me he didn't have a cap. He
23 doesn't have a maximum of what he can bid on a
24 property.
25 Q. But he would have an amount set aside for

REPORTER'S DECLARATION

STATE OF NEVADA)
) ss
COUNTY OF CLARK)

I Denise R. Kelly, CCR #252, RPR, do hereby declare:

That I reported the taking of the deposition of the witness, PAULINA KELSO, commencing on Friday, June 24, 2016, at the hour of 1:38 p.m.

That prior to being examined, the witness was by me duly sworn to testify to the truth, the whole truth, and nothing but the truth.

That I thereafter transcribed my said shorthand notes into typewriting and that the typewritten transcript of said deposition is a complete, true, and accurate transcription of my said shorthand notes taken down at said time.

During the deposition, the deponent was advised of the opportunity to read and sign the deposition transcript. The original signature page is being forwarded to Karen Hanks, Esq. to obtain the deponent's signature. After 30 days the original transcript will be sent to Lindsay Demaree, Esq.

I further certify that I am not a relative or employee of an attorney or counsel of any of the parties, nor a relative or employee of any attorney or counsel involved in said action, nor a person financially interested in the action.

Dated this 1st day of July, 2016.

Denise R. Kelly
CCR #252, RPR

12.2. Additional Insurance Coverage: The Association, acting through the Board of Directors, shall purchase such other insurance as it may deem necessary or appropriate including, but not limited to, the fidelity bonds naming all persons signing checks or otherwise possessing fiscal responsibilities on behalf of the Association, officers' and directors' errors and omissions insurance, and plate glass insurance.

12.3. Review of Coverage: The Board of Directors shall annually determine whether the amounts and types of insurance coverage that it has obtained pursuant to this Article shall provide adequate coverage for the Project, based upon the then-current construction costs, insurance practices in the area in which the Project is located, and all other factors which may indicate that either additional insurance coverage or increased coverage under existing policies is necessary or desirable to protect the interests of the Association, the Owners and their respective mortgagees. If the Board of Directors determines that increased coverage or additional insurance is appropriate, it shall obtain the same.

12.4. Waiver by Owners: As to all policies of insurance maintained by the Association which will not be voided or impaired thereby, the Owners hereby waive and release all claims against the Association, the Board of Directors, and the agents and employees of each of the foregoing, with respect to any loss covered by such insurance, whether or not caused by the negligence of, or breach of, any agreement by said persons, but only to the extent of the insurance proceeds received in compensation for such loss.

12.5. Premiums, Proceeds and Settlement: Insurance premiums for all blanket insurance coverage and any other insurance coverage which the Board has determined is necessary to protect the interests of the Association, the Owners and their respective mortgagees shall be a Common Expense to be included in the regular assessment levied by the Association. All insurance proceeds paid to the Association shall be disbursed as follows: (1) in the event of any damage or destruction to the Common Area, such proceeds shall be disbursed in accordance with the provisions of the Article entitled "Damage or Destruction to the Common Area"; and (2) In the event of any other loss, the proceeds shall be disbursed as the Board shall deem appropriate, subject to the limitations set forth in the Article entitled "Mortgagee Protection". The Association is hereby granted the authority to negotiate loss settlements with the appropriate insurance carriers. A majority of the Board of Directors must sign a loss settlement of a loss claim, and such signatures shall be binding on the Association and its Members. In the event any Owner shall directly or indirectly damage or destroy any portion of the Common Area, the Association shall levy as a special assessment against said Owner, after notice and hearing given and had, that amount equal to the difference between the replacement cost of that portion of the Common Area damaged or destroyed and the amount of the insurance proceeds received by the Association as a result of said damage or destruction. "Replacement Cost" as used in this Section shall mean the fair market value of the property on the day said damage or destruction occurred.

12.6. Rights and Duties of Owner to Insure: Each Owner may obtain insurance on his personal property and on all other property and improvements within his Unit. Nothing herein shall preclude any Unit Owner from carrying any public liability insurance as he may deem desirable to cover his individual liability for damage to person or property occurring inside his individual Unit or elsewhere upon the Project. If obtainable, such liability insurance coverage carried by an Owner shall contain a waiver of subrogation of claims against the Association, the

Board of Directors, their agents and employees and all other Owners. Such other policies shall not adversely affect or diminish any liability under insurance obtained by the Association, the Board of Directors, their agents and employees and all other Owners. If any loss intended to be covered by insurance carried by the Association shall occur and the proceeds payable thereunder shall be reduced by reason of insurance carried on by any Owner, such Owner shall assign the proceeds of such insurance carried on by him to the Association to the extent of such reduction, for application by the Board of Directors to the same purposes as the reduced proceeds are to be applied.

12.7. Notice of Expiration: All policies of insurance maintained by the Association shall contain a provision that said policies shall not be cancelled or terminated or allowed to expire by their own terms without sixty (60) days prior written notice to the Board of Directors and to such Owners and such first mortgagees who have filed written requests with the carrier for such notice.

12.8. Trustee for Policies: The Association is hereby appointed and shall be deemed trustee for the interests of all insureds under the policies of insurance maintained by the Association. All insurance proceeds under such policies shall be paid to the Board of Directors as trustees and the Board shall have full power to receive such funds on behalf of the Association, the Owners, and their respective mortgagees and to deal therewith as provided for herein.

ARTICLE XIII.

DAMAGE OR DESTRUCTION TO THE COMMON AREA

13.1. Damage to or destruction of all or any portion of the Common Area shall be handled in the following manner:

(a) In the event of damage or destruction to the Common Area and the insurance proceeds are sufficient to effect total restoration, the Association shall, as promptly as is practical, cause the Common Area to be repaired and reconstructed in a good workmanlike manner to its condition prior to such damage or destruction.

(b) If the insurance proceeds available are at least ninety percent (90%) of the estimated cost of total restoration and repair to the Common Area, the Association shall, as promptly as practical, cause such Common Area to be repaired and reconstructed in a good workmanlike manner to its condition prior to the destruction or damage, and the difference between the insurance proceeds and the actual cost shall be levied by the Association as a special assessment equally against each of the Owners.

(c) If the insurance proceeds available are less than ninety percent (90%) of the estimated cost of total restoration and repair to the Common Area, the Owners shall, by the consent or vote of a majority of the Owners, determine whether (i) to rebuild and restore the Common Area as promptly as practical to its condition prior to the damage or destruction, and to raise the necessary funds over and above the insurance proceeds available by levying equal assessments against all Condominiums; (ii) to rebuild and restore the Common Area in

a way which utilizes all available proceeds and an additional amount not in excess of ten percent (10%) of the estimated cost of total restoration and repair to the Common Area, and which is assessable equally to all Condominiums, but which is less expensive than rebuilding and restoring the Common Area to its condition prior to the damage or destruction; or (iii) to not rebuild and to distribute the available insurance proceeds equally to the Owners and their respective mortgagees as their interests may appear, subject to the limitations set forth in the Article herein entitled "Mortgagee Protection"; provided, however, that unless the County shall agree to the contrary, it shall be the obligation of the Association and each of the Owners to rebuild the private streets, utilities and open spaces at least to the extent said streets, utilities and spaces were accepted initially by the County.

(d) In the event the Association shall determine not to rebuild the Common Area damaged or destroyed, such Common Area shall be cleared and landscaped and the costs thereof shall be paid for with the available insurance proceeds.

13.2. In the event any excess insurance proceeds remain after any reconstruction or clearance of the damaged or destroyed Common Area by the Association pursuant to this Article, the Board of Directors, in its sole discretion, may retain such sums in the General Fund of the Association, or distribute such excess insurance proceeds equally to all Owners, subject to the prior rights of mortgagees whose interests may be protected by the insurance policies carried by the Association. In the absence of any such rights, the rights of an Owner and the mortgagee of his Unit as to each such distribution shall be governed by the provisions of the mortgage encumbering said Unit.

13.3. Restoration and repair of any damage to the interior of any individual Condominium Unit, including, without limitation, all fixtures, cabinets, furniture and improvements therein, together with restoration and repair of all interior paint, wall coverings and floor coverings, shall be made by and at the individual expenses of the Owner of the Unit so damaged. In the event of a determination to rebuild that portion of the Common Area so damaged or destroyed, the Owner of any Unit damaged shall make such interior repair and restoration as is necessary to make his respective Unit habitable, and complete said repairs as promptly as practicable in a lawful and workmanlike manner and in accordance with the plans approved by the Board or its designated Architectural Control Committee as provided for in this Declaration.

13.4. All amounts collected pursuant to special assessments as provided for herein shall only be used for the purpose set forth in this Article, and shall be deposited by the Board of Directors in a separate bank account to be held in trust for such purposes.

13.5. If the Association shall decide to repair or restore any damaged or destroyed Common Area pursuant to this Article, and such repair or restoration operations have not actually commenced within one (1) year from the date of such damage, the covenant against partition provided for in this Declaration shall terminate and shall be of no further force and effect.

ARTICLE XIV.

COVENANT AGAINST PARTITION

14.1. Except as otherwise provided in this Section, the Common Area shall remain undivided, and there shall be no judicial partitions thereof. Nothing herein shall be deemed to prevent partition of a co-tenancy in a Condominium.

14.2. The Owner of a Condominium Unit in the Project may maintain a partition action as to the entire Project as if the Owners of all the Units in the Project in the same proportion as their interests in the Common Area. The court shall order partition under this Article only by sale of the entire Project, and only upon showing of one of the following:

(a) More than three (3) years before the filing of the action, the Project was damaged or destroyed so that a material part was rendered unfit for its prior use, and the Project has not been rebuilt or repaired substantially to its state prior to the damage or destruction;

(b) Three-fourths (3/4) or more of the Project is destroyed or substantially damaged and at least two-thirds (2/3) of the first mortgagees (based upon one (1) vote for each first mortgage owned) or Owners oppose repair or restoration of the Project;

(c) The Project has been in existence more than fifty (50) years, is obsolete and uneconomical, and at least two-thirds (2/3) of the first mortgagees (based upon one (1) vote for each first mortgage owned) or Owners oppose repair or restoration of the Project.

14.3. The Board of Directors is hereby appointed as attorney-in-fact to sell the entire Project for the benefit of all of the Owners thereof upon partition of the Project which power shall: (1) be binding upon all of the Owners, whether they assume the obligations of these restrictions or not; (2) be exercisable by a vote of at least seventy-five percent (75%) of the voting power of the Board of Directors; (3) be exercisable only after recordation of the certificate by the Board of Directors which certificate shall provide that said power is properly exercisable hereunder, and said certificate shall be conclusive evidence thereof in favor of any person relying thereon in good faith.

ARTICLE XV.

ANNEXATION OF ADDITIONAL PROPERTY

Additional real property may be annexed to the Project and such additional real property may become subject to this Declaration by any of the methods set forth hereinafter:

15.1. Other Additions: Additional real property may be annexed to the Project and brought within the general plan and scheme of this Declaration upon the approval by vote or

written consent of Members entitled to no less than two-thirds (2/3) of the total voting power of the Association.

15.2. Rights and Obligations of Members in Added Territory: Subject to the provisions of Section 2.04 of this Article, upon the recording of a notice of addition of the territory containing the provisions as set forth in this Section, all provisions contained in this Declaration shall apply to the real property described in such notice of addition of territory (the "added territory") in the same manner as if it were originally covered by this Declaration. Thereafter, the rights, powers and responsibilities of the parties to this Declaration with respect to the added territory shall be the same as with respect to the property originally covered hereby, and the rights, powers and responsibilities of the Owners, lessees and occupants of Units within the added territory as well as within the property originally subject to this Declaration, shall be the same as if the added territory were originally covered by this Declaration. From and after recordation of the first deed of a Condominium from Grantor to an individual purchaser in the added territory, the Owners of Condominiums located in the added territory shall share equally in the payment of assessments to the Association to meet Common Expenses of the entire property.

15.3. Title to Association Properties: Prior to the conveyance of any Condominium with annexed property to a purchaser thereof pursuant to a final subdivision Public Report, title to the Association Properties, if any, within said annexed property shall be conveyed to the Association, free and clear of any and all encumbrances and liens, subject to reservations, easements, covenants, conditions and restrictions then foregoing shall not be deemed to include taxes constituting a lien not yet payable.

15.4. Notice of Addition to Territory: The addition authorized under Section 2.01 of this Article shall be made by filing the record of notice of addition to territory, or other similar instrument, which notice or instrument may contain the Supplemental Declaration, if any, affecting each such addition with respect to the added territory which shall be executed by two (2) officers of the Association certifying that the vote or written consent of the requisite percentage of Members has been obtained. Recordation of such notice for addition shall extend the general plan and scheme of this Declaration to such added territory. The filing of record of said notice of addition shall constitute and effectuate the annexation of the Annexed Property described therein, and there upon said Annexed Property shall become and constitute a part of the property, become subject to this Declaration and encompassed within the general plan and scheme of covenants, conditions, restrictions, reservation of easements and equitable servitudes contained herein, and become subject to the functions, powers and jurisdiction of the Association; and the Unit Owners of Condominiums in said annexed property shall automatically become Members of the Association. Such notice of addition may contain such additions and modification of the covenants, conditions, restrictions, reservation of easements and equitable servitudes contained in this Declaration as may be necessary to reflect the different character, if any, of the annexed property, and as are not inconsistent with the general plan and scheme of this Declaration. In no event, however, shall such notice of addition revoke, modify or add to the covenants, conditions, restrictions, reservation of easements, or equitable servitudes established by this Declaration as the same shall pertain to the real property originally covered by this Declaration.

ARTICLE XVI.

GENERAL PROVISIONS

16.1. Enforcement:

(a) The County, the Association or the Owner of any Condominium in the Project, including the Declarant, shall have the right to enforce by proceedings at law or in equity all of the covenants now or hereafter imposed by this Declaration and by Bylaws, respectively, including, without limitation, the right to prosecute a proceeding at law or in equity against the person or persons who have violated or are attempting to violate any of said covenants to enjoin or prevent them from doing so, to cause said violation to be remedied and/or to recover damages for said violation.

(b) The result of every act or omission whereby any of the covenants contained in this Declaration or the provisions of the Bylaws are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowed by law or equity against a nuisance either public or private shall be applicable against every such result and may be exercised by any Owner, by the Association or by its successors in interest.

(c) The remedies herein provided for breach of the covenants contained in this Declaration of the provisions of the Bylaws shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

(d) The failure of the Association to enforce any of the covenants contained in this Declaration or the provisions of the Bylaws shall not constitute a waiver of the right to enforce the same thereafter.

(e) A breach of the covenants contained in this Declaration or of the provisions of the Bylaws shall not affect or impair the lien or charge of any bona fide mortgage or deed of trust made in good faith and for value on any Condominium or the improvements thereon; provided, however, that any subsequent Owner of such property shall be bound by said covenants, whether or not such Owner's title was acquired by foreclosure, trustee's sale or otherwise.

(f) The Association shall have the right and power to assess late charges against a Member and/or suspend said Member's voting rights and right to use the recreational facilities, if any, for the period during which any assessment against his Condominium remains unpaid and delinquent after notice and hearing, given and had, and to assess monetary penalties and to suspend a Member's voting rights and right to use the recreational facilities for a period not to exceed thirty (30) days after notice and hearing, given and had, for any infraction of the rules and regulation published by the Association. Any late charge or monetary penalty assessed pursuant to this Section shall be levied as a special assessment against said Owner and, together with interest, costs of collection and reasonable attorneys' fees for the collection thereof, shall be charged on the land and shall be a continuing lien upon the property against which each such special assessment is made.

(g) In addition to the above general rights of enforcement, the appropriate governmental authorities shall have the right, through its agents and employees, to enter upon any part of the Project for the purpose of enforcing any applicable Nevada vehicular laws, and is hereby granted an easement over the Project for the purpose.

16.2. Severability: Invalidation or any one of these covenants by judgment or court order shall in no way affect any other provisions hereof, which shall remain in full force and effect.

16.3. Term: The covenants set forth in this Declaration shall run with and bind the Project, and shall inure to the benefit of and be enforceable by the Association or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date the Original Declaration is recorded after which time said covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by a majority of the then Owners, has been recorded, agreeing to change said covenants and restrictions in whole or in part.

16.4. Construction: The provisions of this Declaration shall be literally construed to the effect its purpose of creating a uniform plan for the development of the Project and for the maintenance of said Project. The Article and Section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

16.5. Singular Includes Plural: Whenever the context of this Declaration may so require, the singular shall include the plural, and the masculine shall include the feminine and neuter.

16.6. Amendments: Any and all amendments to this Declaration shall be enacted by requiring the vote or written assent of Members representing seventy-five percent (75%) of the total voting power of the Association; provided, however, that the percentage of the voting power necessary to amend a specific provision shall not be less than the percentage of affirmative votes prescribed for action to be taken under said provision. Furthermore, the provisions of this Declaration shall not be amended without the written consent of the County of Clark to the extent such provisions relate to the original conditions placed on the Project by the County or to the extent such provisions affect the County's rights herein.

16.7. Encroachments: None of the rights and obligations of the Owners created herein or by the deed shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of an Owner if said encroachment occurred due to the willful conduct of said Owner.

16.8. Notices: Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is made by registered or certified mail, it shall be deemed to have been delivered forty-eight (48) hours after a copy of the same had been deposited in the United States Mail, postage prepaid, addressed to any person

at the address given by such person to the Association for the purpose of service of such notice, or to the Condominium Unit of such person if no address has been given to the Association. If such notice is so sent by regular mail, it shall be deemed to have been delivered when received. Such address may be changed from time to time by notice in writing to the Association.

16.9. Attorneys' Fees: If any Owner defaults in making payment of assessments or in the performance or observance of any provision of this Declaration, and the Association has obtained the services of an attorney in connection therewith, the Owner covenants and agrees to pay the Association any costs or fees incurred, including reasonable attorneys' fees, regardless of whether legal proceedings are instituted. In case a suit is instituted, the prevailing party shall recover the cost of the suit in addition to the aforesaid costs and fees.

16.10. Property Exemption: All public property within the Project shall be exempt from the provisions of this Declaration.

IN WITNESS WHEREOF, the undersigned, being the President of the Board of Directors of the EASTBRIDGE GARDENS CONDOMINIUMS, has executed this Restated Declaration of Conditions, Covenants and Restrictions on the 30th day January, 2003.

John Corso

By: JOHN CORSO
Its: President

20030205
.01001

CERTIFICATION

I, the undersigned, do hereby certify as follows:

1. That I am the Secretary of the EASTBRIDGE GARDENS CONDOMINIUMS, a Nevada non-profit corporation;

2. That the foregoing Restated Declaration of Covenants, Conditions and Restrictions was adopted to comply with the provisions of Nevada Revised Statutes Chapter 116; and

3. That the foregoing Restated Declaration of Covenants, Conditions and Restrictions of the Association was adopted by the Board at a meeting of the Board of Directors held on the 30th day of January, 2003

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 30th day of Jan, 2003

By: JEAN STAHL
Its: Secretary

STATE OF NEVADA)
): ss
COUNTY OF CLARK)

This instrument was acknowledged before me on 30th day of January, 2003 by JEAN STAHL.

NOTARY PUBLIC

JASON SPERNAK
NOTARY PUBLIC
STATE OF NEVADA
Date Appointment Exp: July 17, 2006
Certificate No: 99-50962-1

***** CLARK COUNTY, NEVADA *****
FRANCES DEANE, RECORDER
RECORDED AT REQUEST OF: LAW OFFICES OF JAY HOMPTON &
02-05-2003 12:40 DMU PAGE COUNT: 33
OFFICIAL RECORDS
BOOK/INSTR:20030205-01001 FEE: 45.00
RPTT: .00

EXHIBIT 12

EXHIBIT 12

Resident Delinquency Detail

Posted Date 11/1/2010 AND 7/22/2011 11:59:00 PM

65839|B
7/10

Eastbridge Garden's HOA

Account #	Property Address	Resident Contact
23484	2824 Begonia Court	Kyleen T. Bell

Code	Date	Amount	Applied	Remaining	Balance	Check#	Memo
Assessment	11/1/2010	180.00	180.00	0.00	0.00		Assessment
Assessment	12/1/2010	180.00	180.00	0.00	0.00		Assessment
Late Fees	12/15/2010	25.00	25.00	0.00	0.00		Late fee
Assessment	1/1/2011	180.00	180.00	0.00	0.00		Assessment
Late Fees	1/15/2011	25.00	25.00	0.00	0.00		Late fee
Intent to Lien	1/27/2011	50.00	50.00	0.00	0.00		intent to lien fee
Interest	1/30/2011	1.58	1.58	0.00	0.00		Interest
Assessment	2/1/2011	180.00	180.00	0.00	0.00		Assessment
Late Fees	2/15/2011	25.00	25.00	0.00	0.00		Late fee
Interest	2/28/2011	2.36	2.36	0.00	0.00		Interest
Assessment	3/1/2011	180.00	180.00	0.00	0.00		Assessment
Late Fees	3/15/2011	25.00	25.00	0.00	0.00		Late fee
Interest	3/30/2011	3.15	3.15	0.00	0.00		Interest
Assessment	4/1/2011	180.00	180.00	0.00	0.00		Assessment
Late Fees	4/15/2011	25.00	25.00	0.00	0.00		Late fee
Interest	4/30/2011	3.94	3.94	0.00	0.00		Interest
Assessment	5/1/2011	180.00	180.00	0.00	0.00		Assessment
Prepaid	5/5/2011	-1,053.94	1,053.94	0.00	0.00	211373NAS	PARTIAL PAYMENT
Assessment	6/1/2011	180.00	180.00	0.00	0.00		Assessment
Late Fees	6/15/2011	25.00	25.00	0.00	0.00		Late fee
Prepaid	6/15/2011	-392.09	392.09	0.00	0.00	1142	Pif thru 6-1-2011
Assessment	7/1/2011	180.00	180.00	0.00	0.00		Assessment
Prepaid	7/1/2011	-392.09	205.00	-187.09	-187.09	1144	

Current	30 - 59 Days	60 - 89 Days	>90 Days	Balance
-187.09	0.00	0.00	0.00	-187.09

Count: 1

Total Units: 162

8/1 -180

-7.09

Bell, Kyleen
2824 Begonia Court

Eastbridge Gardens Condominiums
Account No.:23484

Assessments, Late Fees, Interest, Attorneys Fees & Collection Costs	**Amount (Monthly)** Present Rate	**NAS #N65839 Amount (CURRENT)** NAS FEES	**Amount (TOTAL)** NAS COSTS
Dates of Delinquency:	11/1/2010	11/1/2010	11/1/2010
11/01/2010-8/3/2011	8/3/2011	8/3/2011	8/3/2011
Balance Forward	0.00	0.00	0.00
Assessment Amount	180.00	0.00	0.00
No. of Periods Delinquent	10	0	0
Total Assessments Due	1800.00	0.00	0.00
Late fee amount	25.00	0.00	0.00
No. of Periods Late Fees Incurred	6	0	0
Total Late Fees Due	150.00	0.00	0.00
Interest Due	11.03	0.00	0.00
Mgmt Intent to Lien	50.00	0.00	0.00
Management Co. Fee/ Admin Fee	200.00	0.00	0.00
Management Company (2)	0.00	0.00	0.00
Demand Letter	0.00	135.00	0.00
Notice of Delinquent Assessment Lien	0.00	325.00	0.00
Release of Notice of Delinquent Assessment Lien	0.00	30.00	0.00
Mailing	0.00	16.00	29.10
Recording Costs	0.00	0.00	28.00
Intent to Notice of Default	0.00	75.00	0.00
Payment Plan Fee	0.00	30.00	0.00
Payment Plan Breach Letters	0.00	25.00	0.00
Escrow Demand Fee	0.00	0.00	0.00
Notice of Default Fees	0.00	0.00	0.00
Title Report	0.00	0.00	0.00
Notice of Sale Fee	0.00	0.00	0.00
Posting & Publication Cost	0.00	0.00	0.00
Courier	0.00	0.00	0.00
Postponement of Sale	0.00	0.00	0.00
Conduct Foreclosure Sale	0.00	0.00	0.00
Prepare/Record Deed	0.00	0.00	0.00
Subtotals	$2211.03	$636.00	$57.10

Credit	Date	
Payment to HOA	4/19/2011	(1053.94)
	6/15/2011	(392.09)
	7/1/2011	(392.09)
		(0.00)
		(0.00)
		(0.00)
Interest	4/19/2011	(0.00)
Late charges	4/19/2011	(0.00)
Management Co		(0.00)
		(0.00)
NAS Fees		(0.00)
NAS Costs		(0.00)
HOA TOTAL		**1066.01**

Assessments:	$11.88
Interest:	$11.03
Late charges:	$150.00
Management Co:	$200.00
Collection fees:	$636.00
Collection costs:	$57.10
GRAND TOTAL:	$1066.01

Nevada Association Services, Inc. is a debt collector. Nevada Association Services, Inc. is attempting to collect a debt. Any information obtained will be used for that purpose.

AF IDA TO TUDI OF R ORDS

STA E OF NE A A } ss
O NT OF C AR

Case No A 13 922 2 C

AFFIANT, being first d l sworn, depos and says

1. That Affiant is the (pos n or title) a ada

so iation Ser ices (AS) and i the capacity as osition or

title is a custo ian of the records of NA

2. That NAS is licensed to do usiness as a

In the tate of

That on the ay of t 2016 that flant was serve with a

Su poena from the law offices of 14 R S R LL in connection wit he above

e titled cause, calling for testimon and the production of records.

That the de onent has examined the original of those records and h e

made or caused to e made a true and exact cop of them and tha the reproducti n

of them attached hereto is tr e and complete

5. That the original of those records was made at or near the time of the

act, event, condition, opinion or diagnosis recited therein by or from information

transmitted y a person ith nowledge, in the normal course and scope of a

regularly cond cted business acti ities of NAS.

6. As the duly a thori ed representative and custodian of records of NAS I

attest that these re ords re trustworth to the ext n no

E ecuted on

S BSCR B D and S ORN to before me
this da o p 1, 2016

EXHIBIT 14

EXHIBIT 14

Inst #: 201109210000506
Fees: $15.00
N/C Fee: $0.00
09/21/2011 09:18:25 AM
Receipt #: 919725
Requestor:
FIRST AMERICAN NATIONAL DEF
Recorded By: MAT Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

APN # 177-12-410-074
NAS # N65839
First American Title Nevada/NDTS #
Property Address: 2824 Begonia Court
5986048-AJ

NOTICE OF DEFAULT AND ELECTION TO SELL UNDER HOMEOWNERS ASSOCIATION LIEN

IMPORTANT NOTICE

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE!

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS IT MAY BE SOLD WITHOUT ANY COURT ACTION and you may have the legal right to bring your account in good standing by paying all your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account. No sale date may be set until ninety (90) days from the date this notice of default was mailed to you. The date this document was mailed to you appears on this notice.

This amount is $2,058.41 as of September 16, 2011 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage, or as required under your Covenants Conditions and Restrictions. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property or pay other obligations as required by your note and deed of trust or mortgage, or as required under your Covenants Conditions and Restrictions, Eastbridge Gardens Condominiums (the Association) may insist that you do so in order to reinstate your account in good standing. In addition, the Association may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes and hazard insurance premiums.

Upon your request, this office will mail you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your Association may mutually agree in writing prior to the foreclosure sale to, among other things, 1) provide additional time in which to cure the default by transfer of the property or otherwise; 2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your Association permits a longer period, you have only the legal right to stop the sale of your property by paying the entire amount demanded by your Association.

To find out about the amount you must pay, or arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact: Nevada Association Services, Inc. on behalf of Eastbridge Gardens Condominiums, 6224 W. Desert Inn Road, Suite A, Las Vegas, NV 89146. The phone number is (702) 804-8885 or toll free at (888) 627-5544.

If you have any questions, you should contact a lawyer or the Association which maintains the right of assessment on your property.

NAS # N65839

Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure.

REMEMBER, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION.
NOTICE IS HEREBY GIVEN THAT NEVADA ASSOCIATION SERVICES, INC.
is the duly appointed agent under the previously mentioned Notice of Delinquent Assessment Lien, with the owner(s) as reflected on said lien being Kyleen T Bell, dated March 30, 2011, and recorded on 4/1/2011 as instrument number 0001371 Book 20110401 in the official records of Clark County, Nevada, executed by Eastbridge Gardens Condominiums, hereby declares that a breach of the obligation for which the Covenants Conditions and Restrictions, recorded on February 5, 2003, as instrument number 01001 Book 20030205, as security has occurred in that the payments have not been made of homeowner's assessments due from 11/1/2010 and all subsequent homeowner's assessments, monthly or otherwise, less credits and offsets, plus late charges, interest, trustee's fees and costs, attorney's fees and costs and Association fees and costs.

That by reason thereof, the Association has deposited with said agent such documents as the Covenants Conditions and Restrictions and documents evidencing the obligations secured thereby, and declares all sums secured thereby due and payable and elects to cause the property to be sold to satisfy the obligations.

Nevada Association Services, Inc. is a debt collector. Nevada Association Services, Inc. is attempting to collect a debt. Any information obtained will be used for that purpose.

Nevada Associations Services, Inc., whose address is 6224 W. Desert Inn Road, Suite A, Las Vegas, NV 89146 is authorized by the association to enforce the lien by sale.
Legal_Description: Eastbridge Gardens, Plat Book 27, Page 76, Unit 4, Bldg 2-4A in the County of Clark

Dated: September 16, 2011

Autumn Fesel

By: Autumn Fesel, of Nevada Association Services, Inc.
on behalf of Eastbridge Gardens Condominiums

When Recorded Mail To:
Nevada Association Services, Inc.
6224 W. Desert Inn Road, Suite A
Las Vegas, NV 89146
(702) 804-8885
(888) 627-5544

EXHIBIT 15

EXHIBIT 15

Inst #: 201305070000894
Fees: $18.00
N/C Fee: $0.00
05/07/2013 09:26:26 AM
Receipt #: 1604634
Requestor:
NORTH AMERICAN TITLE SUNSET
Recorded By: MAT Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

APN# 177-12-410-074
11 digit number may be obtained at:
http://sandgate.co.clark.nv.us/cicsAssessor/ownr.htm

NOTICE OF FORECLOSURE SALE

Type of Document
(Example: Declaration of Homestead, Quit Claim Deed, etc.)

Recording requested by:

NORTH AMERICAN TITLE COMPANY

Return to:

Name NORTH AMERICAN TITLE COMPANY

Address 8485 W. SUNSET, STE. 111

City/State/Zip LAS VEGAS, NV 89113

This page added to provide additional information required by NRS 111.312 Sections 1-2
(An additional recording fee of $1.00 will apply.)

This cover page must be typed or printed clearly in black ink only.

CS12/03

APN # 177-12-410-074 NAS # N65839
Eastbridge Gardens Condominiums

Accommodation NOTICE OF FORECLOSURE SALE

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL NEVADA ASSOCIATION SERVICES, INC. AT (702) 804-8885. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION, AT 1-877-829-9907 IMMEDIATELY.

YOU ARE IN DEFAULT UNDER A DELINQUENT ASSESSMENT LIEN, March 30, 2011. UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDINGS AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

NOTICE IS HEREBY GIVEN THAT on 5/31/2013 at 10:00 am at the front entrance to the Nevada Association Services, Inc. 6224 West Desert Inn Road, Las Vegas, Nevada, under the power of sale pursuant to the terms of those certain covenants conditions and restrictions recorded on February 5, 2003 as instrument number 01001 Book 20030205 of official records of Clark County, Nevada Association Services, Inc., as duly appointed agent under that certain Delinquent Assessment Lien, recorded on April 1, 2011 as document number 0001371 Book 20110401 of the official records of said county, will sell at public auction to the highest bidder, for lawful money of the United States, all right, title, and interest in the following commonly known property known as: 2824 Begonia Court, Henderson, NV 89074. Said property is legally described as: Eastbridge Gardens, Plat Book 27, Page 76, Unit 4, Bldg 2-4A, official records of Clark County, Nevada.

The owner(s) of said property as of the date of the recording of said lien is purported to be: Kyleen T Bell

The undersigned agent disclaims any liability for incorrectness of the street address and other common designations, if any, shown herein. The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, or encumbrances, or obligations to satisfy any secured or unsecured liens. The total amount of the unpaid balance of the obligation secured by the property to be sold and reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is $7,581.19. Payment must be in cash or a cashier's check drawn on a state or national bank, check drawn on a state or federal savings and loan association, savings association or savings bank and authorized to do business in the State of Nevada. The Notice of Default and Election to Sell the described property was recorded on 9/21/2011 as instrument number 0000506 Book 20110921 in the official records of Clark County.

Nevada Association Services, Inc. is a debt collector. Nevada Association Services, Inc. is attempting to collect a debt. Any information obtained will be used for that purpose.

May 2, 2013

Nevada Association Services, Inc.
6224 W. Desert Inn Road, Suite A
Las Vegas, NV 89146 (702) 804-8885, (888) 627-5544

When Recorded Mail To:
Nevada Association Services, Inc.
6224 W. Desert Inn Road, Suite A
Las Vegas, NV 89146

By: Elissa Hollander, Agent for Association and employee of Nevada Association Services, Inc.

EXHIBIT 17

EXHIBIT 17

Inst #: 201306100002206
Fees: $18.00 N/C Fee: $0.00
RPTT: $188.70 Ex: #
06/10/2013 02:12:20 PM
Receipt #: 1649146
Requestor:
SFR INVESTMENTS POOL 1 LLC
Recorded By: SUO Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

Please mail tax statement and
when recorded mail to:
S F R Investments Pool 1, LLC
5030 Paradise Road, B-214
Las Vegas, NV 89119

FORECLOSURE DEED

APN # 177-12-410-074
First American Title Nevada/NDTS
#5986048

NAS # N65839

The undersigned declares:

Nevada Association Services, Inc., herein called agent (for the Eastbridge Gardens Condominiums), was the duly appointed agent under that certain Notice of Delinquent Assessment Lien, recorded April 1, 2011 as instrument number 0001371 Book 20110401, in Clark County. The previous owner as reflected on said lien is Kyleen T Bell. Nevada Association Services, Inc. as agent for Eastbridge Gardens Condominiums does hereby grant and convey, but without warranty expressed or implied to: S F R Investments Pool 1, LLC (herein called grantee), pursuant to NRS 116.31162, 116.31163 and 116.31164, all its right, title and interest in and to that certain property legally described as: Eastbridge Gardens, Plat Book 27, Page 76, Unit 4, Bldg 2-4A Clark County

AGENT STATES THAT:
This conveyance is made pursuant to the powers conferred upon agent by Nevada Revised Statutes, the Eastbridge Gardens Condominiums governing documents (CC&R's) and that certain Notice of Delinquent Assessment Lien, described herein. Default occurred as set forth in a Notice of Default and Election to Sell, recorded on 9/21/2011 as instrument # 0000506 Book 20110921 which was recorded in the office of the recorder of said county. Nevada Association Services, Inc. has complied with all requirements of law including, but not limited to, the elapsing of 90 days, mailing of copies of Notice of Delinquent Assessment and Notice of Default and the posting and publication of the Notice of Sale. Said property was sold by said agent, on behalf of Eastbridge Gardens Condominiums at public auction on 5/31/2013, at the place indicated on the Notice of Sale. Grantee being the highest bidder at such sale, became the purchaser of said property and paid therefore to said agent the amount bid $10,100.00 in lawful money of the United States, or by satisfaction, pro tanto, of the obligations then secured by the Delinquent Assessment Lien.

Dated: May 31, 2013

By Elissa Hollander, Agent for Association and Employee of Nevada Association Services

STATE OF NEVADA)
COUNTY OF CLARK)

On May 31, 2013, before me, M. Blanchard, personally appeared Elissa Hollander personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by signing his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and seal.

(Seal) (Signature)

M. Blanchard

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)
   a. 177-12-410-074
   b. _____
   c. _____
   d. _____
2. Type of Property:
   a. ☐ Vacant Land b. ☐ Single Fam. Res.
   c. ☑ Condo/Twnhse d. ☐ 2-4 Plex
   e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
   g. ☐ Agricultural h. ☐ Mobile Home
   ☐ Other

FOR RECORDERS OPTIONAL USE ONLY
Book _____ Page: _____
Date of Recording: _____
Notes:

3.a. Total Value/Sales Price of Property $ 36531
b. Deed in Lieu of Foreclosure Only (value of property (_____)
c. Transfer Tax Value: $ 36531
d. Real Property Transfer Tax Due $ 188.70

4. **If Exemption Claimed:**
   a. Transfer Tax Exemption per NRS 375.090, Section _____
   b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity: NAS Employee/Agent for HOA

Signature _____ Capacity: _____

SELLER (GRANTOR) INFORMATION (REQUIRED)	BUYER (GRANTEE) INFORMATION (REQUIRED)
Print Name: Nevada Association Services	Print Name: S F R Investments Pool 1, LLC
Address: 6224 W. Desert Inn Road	Address: 5030 Paradise Road, B-214
City: Las Vegas	City: Las Vegas
State: NV Zip: 89146	State: NV Zip: 89119

COMPANY/PERSON REQUESTING RECORDING (Required if not seller or buyer)

Print Name:	Escrow #
Address:	
City:	State: Zip:

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

EXHIBIT 18

EXHIBIT 18

Escrow Activity 5/31/2013 - 10/8/2014

JPMORGAN CHASE BANK, N.A. – 465

Loan Number: [redacted] **Borrower Name:** BELL,KYLEEN

09/18/14 06/01/11 ESCROW ADVANCE
[redacted]
Transaction Description:
ESCROW ADVANCE
Proc Date: 09/18/2014
Due Date: 06/2011
Tot Received: $95.37+
Escrow Pd: $95.37+
Tran Code: 161

09/18/14 09/01/14 COUNTY TAX
[redacted]
Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 09/18/2014
Due Date: 09/2014
Net Disbursed: $95.37-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

07/29/14 06/01/11 ESCROW ADVANCE
[redacted]
Transaction Description:
ESCROW ADVANCE
Proc Date: 07/29/2014
Due Date: 06/2011
Tot Received: $95.70+
Escrow Pd: $95.70+
Tran Code: 161

07/29/14 08/01/14 COUNTY TAX
[redacted]
Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 07/29/2014
Due Date: 08/2014
Net Disbursed: $95.70-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

02/18/14 06/01/11 ESCROW ADVANCE
[redacted]
Transaction Description:
ESCROW ADVANCE
Proc Date: 02/18/2014

Due Date: 06/2011
Tot Received: $92.60+
Escrow Pd: $92.60+
Tran Code: 161

02/18/14 02/01/14 COUNTY TAX
[redacted]
Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 02/18/2014
Due Date: 02/2014
Net Disbursed: $92.60-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

12/17/13 06/01/11 ESCROW ADVANCE
[redacted]
Transaction Description:
ESCROW ADVANCE
Proc Date: 12/17/2013
Due Date: 06/2011
Tot Received: $92.60+
Escrow Pd: $92.60+
Tran Code: 161

12/17/13 12/01/13 COUNTY TAX
[redacted]
Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 12/17/2013
Due Date: 12/2013
Net Disbursed: $92.60-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

09/19/13 06/01/11 ESCROW ADVANCE
[redacted]
Transaction Description:
ESCROW ADVANCE
Proc Date: 09/19/2013
Due Date: 06/2011
Tot Received: $92.60+
Escrow Pd: $92.60+
Tran Code: 161

09/19/13 09/01/13 COUNTY TAX
[redacted]

Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 09/19/2013
Due Date: 09/2013
Net Disbursed: $92.60-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

07/29/13 06/01/11 ESCROW ADVANCE
[redacted]

Transaction Description:
ESCROW ADVANCE
Proc Date: 07/29/2013
Due Date: 06/2011
Tot Received: $92.83+
Escrow Pd: $92.83+
Tran Code: 161

07/29/13 08/01/13 COUNTY TAX
[redacted]

Transaction Description:
COUNTY TAX
Disb Check No: WIRE
Proc Date: 07/29/2013
Due Date: 08/2013
Net Disbursed: $92.83-
Escrow Payee: 27003
CLARK COUNTY
CLARK COUNTY - TREASURER
500 S GRAND CENTRAL PKWY
LAS VEGAS NV 89106
(702) 455-4323
Batch No: EGL
Tran Code: 312

EXHIBIT 19

EXHIBIT 19

Corporate Advance Activity 5/31/2013 - 10/8/2014

JPMORGAN CHASE BANK, N.A. – 465

Loan Number: [redacted] **Borrower Name:** BELL,KYLEEN

08/29/14 PROPERTY PRESERVATION
[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 961158
Proc Date: 08/29/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Mortgagor Recoverable Corp Adv
Amount: $100.00+
Corp Payee: 91R11
Paymt Reason Cd: PPPD
Paymt Reason: PROPERTY CLEANIN
Tran Code: 631

08/29/14 PROPERTY PRESERVATION
[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 961158
Proc Date: 08/29/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Mortgagor Recoverable Corp Adv
Amount: $60.00+
Corp Payee: 91R11
Paymt Reason Cd: PPKY
Paymt Reason: LOCK CHANGE
Tran Code: 631

08/29/14 PROPERTY PRESERVATION
[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 961158
Proc Date: 08/29/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Mortgagor Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89R01
Paymt Reason Cd: CTIN
Paymt Reason: COLLECTION INSPN
Tran Code: 631

06/26/14 PROPERTY PRESERVATION
[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 908663

Proc Date: 06/26/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Third Party Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89T01
Paymt Reason Cd: BKIN
Paymt Reason: BK PROP INSPECT
Tran Code: 631

05/16/14 PROPERTY PRESERVATION
[redacted]
Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 874522
Proc Date: 05/16/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Third Party Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89T01
Paymt Reason Cd: BKIN
Paymt Reason: BK PROP INSPECT
Tran Code: 631

04/11/14 PROPERTY PRESERVATION
[redacted]
Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 841623
Proc Date: 04/11/2014
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Third Party Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89T01
Paymt Reason Cd: BKIN
Paymt Reason: BK PROP INSPECT
Tran Code: 631

12/11/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 723111
Proc Date: 12/11/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300

Corporate Advance Activity 5/31/2013 - 10/8/2014

JPMORGAN CHASE BANK, N.A. -- 465

Loan Number: [redacted] **Borrower Name:** BELL,KYLEEN

2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $281.60+
Corp Payee: 91R11
Paymt Reason Cd: LGCC
Paymt Reason: LIT COURT COST
Tran Code: 632

12/11/13 ATTORNEY ADVANCES

[redacted]

12/05/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 717447
Proc Date: 12/05/2013
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Mortgagor Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89R01
Paymt Reason Cd: FCIN
Paymt Reason: FC INSPECTION
Tran Code: 631

11/01/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 683826
Proc Date: 11/01/2013
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283

Non Recoverable Corporate Advance
Amount: $14.00
Corp Payee: 89N01
Paymt Reason Cd: FCIN
Paymt Reason: FC INSPECTION
Tran Code: 631

10/24/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 673431
Proc Date: 10/24/2013
Escrow Payee: MG485963
LPS MORTGAGE PROCESSING
LPS PORTFOLIO SOLUTIONS
PO BOX 842651
LOS ANGELES CA 90084
Non Recoverable Corporate Advance
Amount: $3.50+
Corp Payee: 84N01
Paymt Reason Cd: IPFN
Paymt Reason: FNMA FHLMC TECH
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $23.00+
Corp Payee: 91R11
Paymt Reason Cd: FCRC
Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $18.00+

Corp Payee: 91R11
Paymt Reason Cd: FCRC
Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $85.00+
Corp Payee: 91R11
Paymt Reason Cd: FCSL
Paymt Reason: FCL SALE COST
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $85.00+
Corp Payee: 91R11
Paymt Reason Cd: FCSL
Paymt Reason: FCL SALE COST
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $529.00+
Corp Payee: 91R11

Paymt Reason Cd: FCTL
Paymt Reason: TITLE FEES
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Third Party Recoverable Corp Adv
Amount: $19.00+
Corp Payee: 91T11
Paymt Reason Cd: FCAC
Paymt Reason: FC ATTY COST
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Third Party Recoverable Corp Adv
Amount: $200.00+
Corp Payee: 91T11
Paymt Reason Cd: FCRC
Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $48.00+
Corp Payee: 91R11
Paymt Reason Cd: FCRC

Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Third Party Recoverable Corp Adv
Amount: $200.00+
Corp Payee: 91T11
Paymt Reason Cd: FCRC
Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Third Party Recoverable Corp Adv
Amount: $17.00+
Corp Payee: 91T11
Paymt Reason Cd: FCRC
Paymt Reason: FCL RECORDING
Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]
Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Mortgagor Recoverable Corp Adv
Amount: $106.68+
Corp Payee: 91R11
Paymt Reason Cd: FCML
Paymt Reason: FCL MAIL

Tran Code: 632

10/19/13 STATUTORY EXPENSES
[redacted]

Transaction Description:
STATUTORY EXPENSES
Disb Check No: 669806
Proc Date: 10/19/2013
Escrow Payee: ATTIFFANY
TIFFANY & BOSCO PA
STE 300
2525 CAMELBACK RD 3RD FL
PHOENIX AZ 85016
(602) 255-6035
Third Party Recoverable Corp Adv
Amount: $18.00+
Corp Payee: 91T11
Paymt Reason Cd: FCAC
Paymt Reason: FC ATTY COST
Tran Code: 632

10/19/13 ATTORNEY ADVANCES
[redacted]

10/19/13 ATTORNEY ADVANCES
[redacted]

10/19/13 ATTORNEY ADVANCES

[redacted]

10/03/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 653213
Proc Date: 10/03/2013
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(888) 888-5283
Non Recoverable Corporate Advance
Amount: $14.00+
Corp Payee: 89N01
Paymt Reason Cd: FCIN
Paymt Reason: FC INSPECTION
Tran Code: 631

09/28/13 STATUTORY EXPENSES

[redacted]

Transaction Description:
STATUTORY EXPENSES
Disb Check No: 649581
Proc Date: 09/28/2013
Escrow Payee: MG485963
LPS MORTGAGE PROCESSING
LPS PORTFOLIO SOLUTIONS
PO BOX 842651
LOS ANGELES CA 90084
Non Recoverable Corporate Advance
Amount: $5.00+
Corp Payee: 84N01
Paymt Reason Cd: IPFN
Paymt Reason: FNMA FHLMC TECH
Tran Code: 632

09/18/13 ATTORNEY ADVANCES

[redacted]

[redacted]

09/07/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 626590
Proc Date: 09/07/2013
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Non Recoverable Corporate Advance
Amount: $14.00+
Corp Payee: 89N01
Paymt Reason Cd: FCIN
Paymt Reason: FC INSPECTION
Tran Code: 631

08/06/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 593946
Proc Date: 08/06/2013
Escrow Payee: FSSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(008) 008-5283
Mortgagor Recoverable Corp Adv
Amount: $14.00+
Corp Payee: 89R01
Paymt Reason Cd: CTIN
Paymt Reason: COLLECTION INSPN
Tran Code: 631

07/11/13 PROPERTY PRESERVATION

[redacted]

Transaction Description:
PROPERTY PRESERVATION
Disb Check No: 565635

Proc Date: 07/11/2013
Escrow Payee: ESSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(888) 978-5283
Mortgagor Recoverable Corp Adv
Amount: $14.00+
Corp Payee: SSRGI
Paymt Reason Cd: CTIN
Paymt Reason: COLLECTION INSPN
Tran Code: 631

06/12/13 PROPERTY PRESERVATION
[redacted]
Transaction Description
PROPERTY PRESERVATION
Disb Check No: 136541
Proc Date: 06/12/2013
Escrow Payee: ESSPI
SAFEGUARD
7887 SAFEGUARD CIR
CLEVELAND OH 44125
(888) 978-5283
Mortgagor Recoverable Corp Adv
Amount: $14.00+
Corp Payee: SSRGI
Paymt Reason Cd: CTIN
Paymt Reason: COLLECTION INSPN
Tran Code: 631

EXHIBIT 20

EXHIBIT 20

Chase (OH4-7330)
3415 Vision Drive
Columbus, OH 43219-6009

CHASE

ESCROW TRANSACTION HISTORY
November 14, 2002 to April 12, 2016
Loan [redacted]

Tran Date	Transaction Description	Escrow Amount	Balance
11/14/02	Initial Escrow Deposit	$117.59	$117.59
02/10/03	Payment	$58.80	$176.39
02/28/03	County Tax	-$176.00	$0.39
03/03/03	Payment	$58.80	$59.19
04/16/03	Payment	$58.80	$117.99
05/12/03	Payment	$58.80	$176.79
06/16/03	Payment	$58.80	$235.59
07/11/03	Payment	$58.80	$294.39
08/05/03	County Tax	-$186.45	$107.94
08/11/03	Payment	$58.80	$166.74
09/11/03	Payment	$58.80	$225.54
09/22/03	County Tax	-$186.46	$39.08
09/29/03	Payment	$58.80	$97.88
10/30/03	Payment	$58.80	$156.68
12/01/03	Payment	$61.64	$218.32
12/15/03	County Tax	-$186.46	$31.86
01/15/04	Payment	$61.64	$93.50
02/05/04	Payment	$61.64	$155.14
02/12/04	County Tax	-$186.46	-$31.32
03/05/04	Payment	$61.19	$29.87
04/01/04	Payment	$61.64	$91.51
04/15/04	Payment	$61.64	$153.15
04/22/04	Payment	$61.64	$214.79
05/06/04	Payment	$61.64	$276.43
07/27/04	County Tax	-$187.52	$88.91
08/14/04	Payment	$64.93	$153.84
09/08/04	Payment	$64.93	$218.77
09/23/04	County Tax	-$187.54	$31.23
10/16/04	Payment	$59.91	$91.14
11/16/04	Payment	$64.93	$156.07
12/10/04	Payment	$64.93	$221.00
12/13/04	County Tax	-$187.54	$33.46
01/18/05	Payment	$64.93	$98.39
02/14/05	County Tax	-$187.54	-$89.15
02/16/05	Payment	$64.93	-$24.22
03/05/05	Payment	$64.93	$40.71
04/11/05	Payment	$64.93	$105.64
04/29/05	Payment	$64.93	$170.57
06/06/05	Payment	$63.93	$234.50
06/06/05	Escrow Credit	$20.00	$254.50
07/09/05	Payment	$62.51	$317.01
07/25/05	County Tax	-$202.53	$114.48
08/18/05	Payment	$62.51	$176.99
08/31/05	Payment	$62.51	$239.50
09/15/05	Payment	$62.51	$302.01
09/21/05	County Tax	-$202.54	$99.47
10/06/05	Payment	$62.51	$161.98
11/14/05	Payment	$62.51	$224.49
12/15/05	Payment	$62.51	$287.00
12/16/05	County Tax	-$202.54	$84.46
01/14/06	Payment	$62.51	$146.97

Tran Date	Transaction Description	Escrow Amount	Balance
02/13/06	Payment	$62.51	$209.48
02/17/06	County Tax	-$202.54	$6.94
03/15/06	Payment	$62.51	$69.45
04/14/06	Payment	$62.51	$131.96
05/11/06	Payment	$62.51	$194.47
06/05/06	Payment	$73.39	$267.86
06/05/06	Escrow Credit	$70.60	$338.46
07/03/06	Payment	$67.51	$405.97
08/02/06	County Tax	-$218.74	$187.23
08/16/06	Payment	$67.51	$254.74
09/14/06	Payment	$67.51	$322.25
09/20/06	County Tax	-$218.74	$103.51
10/09/06	Payment	$67.51	$171.02
10/30/06	Payment	$67.51	$238.53
12/15/06	Payment	$67.51	$306.04
12/18/06	County Tax	-$218.74	$87.30
01/10/07	Payment	$67.51	$154.81
02/14/07	Payment	$67.51	$222.32
02/22/07	County Tax	-$218.74	$3.58
03/10/07	Payment	$67.51	$71.09
04/16/07	Payment	$67.51	$138.60
05/14/07	Payment	$67.51	$206.11
07/13/07	Payment	$79.59	$285.70
08/01/07	County Tax	-$236.24	$49.46
08/15/07	Payment	$79.59	$129.05
09/17/07	Payment	$79.59	$208.64
09/21/07	County Tax	-$236.24	-$27.60
10/15/07	Payment	$79.59	$51.99
11/15/07	Payment	$79.59	$131.58
12/14/07	Payment	$79.59	$211.17
12/19/07	County Tax	-$236.24	-$25.07
01/16/08	Payment	$79.59	$54.52
02/15/08	Payment	$79.59	$134.11
02/19/08	County Tax	-$236.24	-$102.13
03/14/08	Payment	$79.59	-$22.54
04/18/08	Payment	$79.59	$57.05
05/10/08	Payment	$79.59	$136.64
06/13/08	Payment	$87.05	$223.69
07/14/08	Payment	$87.05	$310.74
08/01/08	County Tax	-$255.14	$55.60
08/14/08	Payment	$87.05	$142.65
09/02/08	Payment	$86.84	$229.49
09/22/08	County Tax	-$255.14	-$25.65
10/15/08	Payment	$87.05	$61.40
11/17/08	Payment	$87.05	$148.45
12/15/08	Payment	$87.05	$235.50
12/18/08	County Tax	-$255.14	-$19.64
01/15/09	Payment	$87.05	$67.41
02/17/09	Payment	$87.05	$154.46
02/18/09	County Tax	-$255.14	-$100.68
03/07/09	Payment	$87.05	-$13.63
04/15/09	Payment	$87.05	$73.42
05/14/09	Payment	$87.05	$160.47
06/03/09	Payment	$92.93	$253.40
07/15/09	Payment	$92.93	$346.33
07/30/09	County Tax	-$229.94	$116.39
08/01/09	Payment	$92.93	$209.32
09/01/09	Payment	$92.93	$302.25
09/22/09	County Tax	-$229.95	$72.30
10/01/09	Payment	$92.93	$165.23

Tran Date	Transaction Description	Escrow Amount	Balance
10/06/09	Payment Reversal	-$92.93	$72.30
10/15/09	Payment	$92.93	$165.23
11/17/09	Payment	$92.93	$258.16
12/14/09	Payment	$92.93	$351.09
12/18/09	County Tax	-$229.95	$121.14
01/19/10	Payment	$92.93	$214.07
02/15/10	Payment	$92.93	$307.00
02/18/10	County Tax	-$229.95	$77.05
03/15/10	Payment	$92.93	$169.98
04/28/10	Escrow Surplus	-$125.90	$44.08
05/10/10	Payment	$92.93	$137.01
05/10/10	Payment	$92.93	$229.94
06/16/10	Payment	$76.65	$306.59
07/06/10	Payment	$76.65	$383.24
07/27/10	County Tax	-$136.28	$246.96
08/16/10	Payment	$76.65	$323.61
09/16/10	County Tax	-$136.27	$187.34
09/23/10	Payment	$76.65	$263.99
10/18/10	Payment	$76.65	$340.64
11/30/10	Payment	$76.65	$417.29
12/15/10	County Tax	-$136.27	$281.02
02/02/11	Payment	$76.65	$357.67
02/02/11	Payment	$76.65	$434.32
02/16/11	County Tax	-$136.27	$298.05
04/01/11	Payment	$76.65	$374.70
04/14/11	Payment	$76.65	$451.35
04/14/11	Payment	$76.65	$528.00
04/14/11	Payment	$76.65	$604.65
04/26/11	Escrow Surplus	-$468.35	$136.30
07/21/11	Payment	$45.42	$181.72
07/26/11	County Tax	-$122.19	$59.53
07/26/11	Payment Reversal	-$45.42	$14.11
09/19/11	County Tax	-$121.92	-$107.81
12/16/11	County Tax	-$121.92	-$229.73
02/14/12	County Tax	-$121.92	-$351.65
07/31/12	County Tax	-$114.12	-$465.77
09/17/12	County Tax	-$113.87	-$579.64
12/21/12	County Tax	-$113.87	-$693.51
02/12/13	County Tax	-$113.87	-$807.38
07/29/13	County Tax	-$92.83	-$900.21
09/19/13	County Tax	-$92.60	-$992.81
12/17/13	County Tax	-$92.60	-$1,085.41
02/18/14	County Tax	-$92.60	-$1,178.01
07/29/14	County Tax	-$95.70	-$1,273.71
09/18/14	County Tax	-$95.37	-$1,369.08
12/17/14	County Tax	-$95.37	-$1,464.45
02/06/15	County Tax	-$95.37	-$1,559.82
07/30/15	County Tax	-$98.79	-$1,658.61
09/17/15	County Tax	-$98.43	-$1,757.04
12/12/15	County Tax	-$98.43	-$1,855.47
02/08/16	County Tax	-$98.43	-$1,953.90
	Ending Escrow Balance as of April 12, 2016		**-$1,953.90**

EXHIBIT 23

EXHIBIT 23

Statement

Statement on HOA Super-Priority Lien Foreclosures

FOR IMMEDIATE RELEASE

4/21/2015

Title 12 United States Code Section 4617(j)(3) states that, while the Federal Housing Finance Agency acts as Conservator, "[no] property of the Agency shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Agency." This law precludes involuntary extinguishment of Fannie Mae or Freddie Mac liens while they are operating in conservatorships and preempts any state law that purports to allow holders of homeownership association (HOA) liens to extinguish a Fannie Mae or Freddie Mac lien, security interest, or other property interest.

As noted in our December 22, 2014 statement on certain super-priority liens, FHFA has an obligation to protect Fannie Mae's and Freddie Mac's rights, and will aggressively do so by bringing or supporting actions to contest HOA foreclosures that purport to extinguish Enterprise property interests in a manner that contravenes federal law. Consequently, FHFA confirms that it has not consented, and will not consent in the future, to the foreclosure or other extinguishment of any Fannie Mae or Freddie Mac lien or other property interest in connection with HOA foreclosures of super-priority liens.

12/22/2014: Statement of the Federal Housing Finance Agency on Certain Super-Priority Liens

###

The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than $5.6 trillion in funding for the U.S. mortgage markets and financial institutions. Additional information is available at **www.FHFA.gov**, on Twitter **@FHFA**, **YouTube** and **LinkedIn**.

Contacts:

Media: Corinne Russell (202) 649-3032 / Stefanie Johnson (202) 649-3030

Consumers: Consumer Communications or (202) 649-3811

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EXHIBIT 25

EXHIBIT 25

ELECTRONICALLY SERVED
02/05/2016 01:17:50 PM

Abran E. Vigil
Nevada Bar No. 7548
Lindsay Demaree
Nevada Bar No. 11949
Holly Priest
Nevada Bar No. 13226
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Las Vegas, Nevada 89106-4617
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E-Mail: demareel@ballardspahr.com
E-Mail: priest@ballardspahr.com

Attorneys for JPMorgan Chase Bank N.A.

DISTRICT COURT

CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Plaintiff, vs. SFR INVESTMENTS POOL 1, LLC, a Nevada Limited Liability company; DOES I through X, ROE CORPORATIONS I through X, inclusive, Defendants.	CASE NO. A-13-692202-C DEPT NO. XXIV
SFR INVESTMENTS POOL 1, LLC a Nevada limited liability company, Counter-Claimant/Cross-Claimant, vs. JPMORGAN CHASE BANK N.A., a national association; KYLEEN T. BELL, an individual; DOES I through X, ROE CORPORATIONS I through X, inclusive, Counter-Defendant/Cross Defendants.	

BALLARD SPAHR LLP
100 NORTH CITY PARKWAY, SUITE 1750
LAS VEGAS, NEVADA 89106
(702) 471-7000 FAX (702) 471-7070

PLAINTIFF'S DESIGNATION OF INITIAL EXPERT WITNESS

Pursuant to N.R.C.P. 16.1(a)(2), JPMorgan Chase Bank N.A. ("Chase") hereby discloses its expert witness:

NAME	TESTIMONY
Craig Morley Nevada License A.0003469-CG Morley & McConkie, LC 393 E. Riverside Drive, Suite 102, St. George, UT 8479	Mr. Morley is designated as an expert witness and will testify regarding his expert knowledge of the facts and circumstances at issue in this matter including, but not limited to, the valuation of the subject property.

Mr. Morley's fee for the expert report is $400 and Mr. Morley will charge $250 an hour for expert witness testimony. Other information for the expert witness including qualifications, testimony information, and report are described as follows and attached as Exhibit A:

DOCUMENT	BATE STAMP
An Appraisal of 2824 Begonia Court Henderson, NV 89074	Chase-Bell_Expert0001 - 0024
Mr. Morley's curriculum vitae, including a list of cases in which Mr. Morley has testified as an expert within the proceeding four years.	Chase-Bell_Expert0025 - 0034

Chase reserves the right to supplement its expert disclosure if additional responsive information is discovered.

Chase further reserves the right to call any expert witness identified by any other party in this case, and further reserves the right to call any expert witness identified by any other party in this case for purposes of rebuttal or impeachment.

DATED this 5th day of February, 2016.

BALLARD SPAHR LLP

By: _____

Abran E. Vigil
Lindsay Demaree
Holly Ann Priest
BALLARD SPAHR LLP
100 North City Parkway, Suite 1750
Las Vegas, Nevada 89106-4617

BALLARD SPAHR LLP
100 NORTH CITY PARKWAY, SUITE 1750
LAS VEGAS, NEVADA 89106
(702) 471-7000 FAX (702) 471-7070

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 5th day of February, 2016, and pursuant to NRCP 5(b), a true and correct copy of the foregoing PLAINTIFF'S DESIGNATION OF INITIAL EXPERT WITNESS was served to the parties following in the manner set forth below:

Howard Kim & Associates Howard C. Kim, Esq. Diana S. Cline, Esq. Jacqueline A. Gilbert, Esq. 1055 Whitney Ranch Drive, Suite 110 Henderson, Nevada 89014 Attorneys for SFR Investments Pool, LLC	

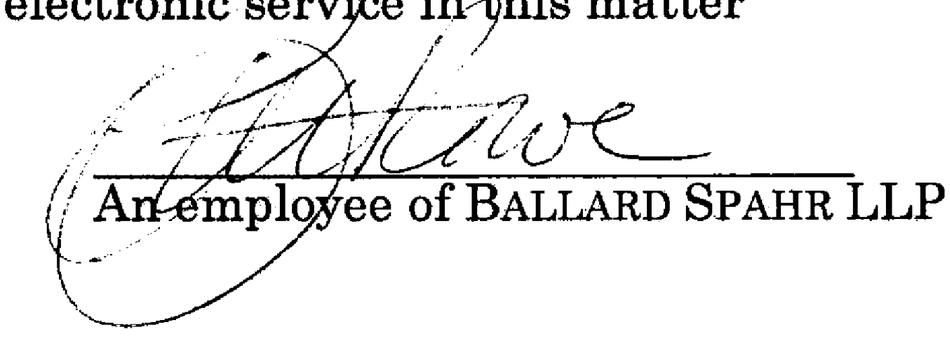
[ ] HAND DELIVERY

[ ] E-MAIL TRANSMISSION

[ ] U.S. MAIL, POSTAGE PREPAID

[ ] Certified Mail, Receipt No. _____,
Return receipt requested

[XX] Via the Wiznet E-Service-generated "Service Notification of Filing" upon all counsel set up to receive notice via electronic service in this matter



An employee of BALLARD SPAHR LLP

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100 NORTH CITY PARKWAY, SUITE 1750
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(702) 471-7000 FAX (702) 471-7070

Residential Appraisal Report

Condominium Unit

LOCATED AT

2824 Begonia Ct
Henderson, NV 89074
Eastbridge Gardens Plat Book 27 Page 76 Unit 4 Bldg 2-4a

FOR

Holly Priest
Ballard Spahr
100 North City Parkway Ste 1750
Las Vegas, NV 89106

OPINION OF VALUE

70,000

AS OF

05/31/2013

BY

Craig Morley
Morley & McConkie, LC
1180 N Town Center #100
Las Vegas, NV 89144
(702) 830-0626
mm@sutap.com

Form GA2V - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAMODE

Owner	Bell, Kyleen T (Retrospective)					File No.	CM16034
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

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ACCURITY
Morley & McConkie, LC

January 29, 2016

Holly Priest
Ballard Spahr
100 North City Parkway Suite 1750
Las Vegas, NV 89106

Owner: Kyleen T Bell - (As of Effective Date of Value)

SUBJECT: 2824 Begonia Court
Henderson, NV 89074
APN 177-12-410-074

Ms. Priest,

At your request, Accurity Valuation/Morley & McConkie has prepared an appraisal to provide an opinion of the market value of the above referenced property. The appraisal assignment is to provide an opinion of market value on a retrospective basis in association with an HOA foreclosure sale. Prior to the HOA sale that took place on May 31, 2013, the property had not sold within the three years prior to the effective date of value of May 31, 2013. There is no evidence that the property was listed for sale within one year prior to the effective date of value. As of the effective date of value the property was sold on May 31, 2013 in an HOA Foreclose by Nevada Association Services presenting Eastbridge Gardens Condominiums to SFR Investments Pool 1 LLC in the amount of $10,100 in a foreclosure deed with a reported Transfer Value of $36,531.

The purpose of the appraisal is to provide an opinion of value with the valuation premise based on Market Value as commonly used by Fannie Mae, Freddie Mac and FHA as defined by FIRREA, OCC, FDIC. An essential element of market value is that a competent marketing effort is made where the property is exposed to the market for an adequate period of time in the open market making prospective buyers aware that the property is available for sale. The appraisal is based on the premise that clear title could be provided at the time of sale. The client is the intended user of the appraisal. The appraisal is intended to be used by the client in a litigation proceeding associated with the HOA foreclosure sale where market value at the time of the sale is to be determined. No other intended use or users are intended.

The property that is the subject of this appraisal consists of a condo that was reported by county records to have been built in 1982 and contained 1,144 square feet of living area with common area amenities of a club house, pool and gardens. The condo is reported to contain two bedrooms and two bathrooms all situated in a PUD Condo development. The condo is assumed to be in average condition as of the effective date of the appraisal.

The appraisal is made with the extraordinary assumption that the improvements are in at least average condition at the time of the appraisal with no significant deferred maintenance. Any change in the condition rating could impact the value conclusion. The inspection is made after the effective date of value based on a drive by inspection of the property.

Based on the analysis contained in the report, my opinion of market value of the property is as follows:

Appraisal Premise	Interest Appraised	Date of Value	Opinion of Value
As Is	Fee Simple	May 31, 2013	$70,000

Data, information, and calculations leading to the opinion of value are incorporated in the report following this letter. The report, in its entirety including all assumptions and condition, is an integral part of, and inseparable from, this letter.

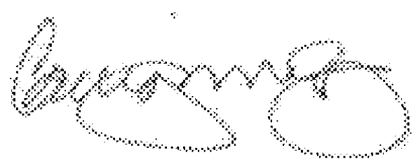
The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal.

The report was prepared for and may be relied upon by the client and stated intended users set forth in the appraisal report, but it's not intended for any other use or users other than those specified herein.

The market value opinion is predicated upon an exposure time of 1 to 3 months, based upon available market data and assumes adequate marketing time and exposure to the market, with a competent marketing effort and are subject to the underlying assumptions and limiting conditions contained in the attached report.

Respectfully submitted,

Accurity Valuation
MORLEY & McCONKIE LC



Craig Morley, GAA MNAA NV License #A.0003469-CG
Expires 01/31/2018 State Certified General Appraiser

SUBJECT

Property Address: 2824 Begonia Ct | City: Henderson | State: NV | Zip Code: 89074

County: Clark | Legal Description: Eastbridge Gardens Plat Book 27 Page 76 Unit 4 Bldg 2-4a

Assessor's Parcel #: 177-12-410-074

Tax Year: 2013 | R.E. Taxes: $ 371 | Special Assessments: $ | Borrower (if applicable): NA

Current Owner of Record: Bell, Kyleen T (Retrospective) | Occupant: ☐ Owner ☐ Tenant ☒ Vacant ☐ Manufactured Housing

Project Type: ☒ PUD ☒ Condominium ☐ Cooperative ☐ Other (describe) | HOA: $ 180 ☐ per year ☒ per month

Market Area Name: Eastbrige Gardens/Silverado Ranch | Map Reference: 29820 | Census Tract: 0053.11

ASSIGNMENT

The purpose of this appraisal is to develop an opinion of: ☒ Market Value (as defined), or ☐ other type of value (describe)

This report reflects the following value (if not Current, see comments): ☐ Current (the Inspection Date is the Effective Date) ☒ Retrospective ☐ Prospective

Approaches developed for this appraisal: ☒ Sales Comparison Approach ☐ Cost Approach ☐ Income Approach (See Reconciliation Comments and Scope of Work)

Property Rights Appraised: ☒ Fee Simple ☐ Leasehold ☐ Leased Fee ☐ Other (describe)

Intended Use: Market Value in an HOA Foreclosure litigation case to measure market value prior to the HOA sale.

Intended User(s) (by name or type): Ballard Spahr, LLP, JP Morgan Chase Bank, N.A.

Client: Ballard Spahr, LLP | Address: 100 North City Parkway, Suite #1750, Las Vegas, NV 89106

Appraiser: Craig Morley | Address: 1180 Town Center Dr #100, Las Vegas NV 89114

MARKET AREA DESCRIPTION

Location:	☐ Urban	☒ Suburban	☐ Rural
Built up:	☒ Over 75%	☐ 25-75%	☐ Under 25%
Growth rate:	☐ Rapid	☒ Stable	☐ Slow
Property values:	☒ Increasing	☐ Stable	☐ Declining
Demand/supply:	☐ Shortage	☒ In Balance	☐ Over Supply
Marketing time:	☒ Under 3 Mos.	☐ 3-6 Mos.	☐ Over 6 Mos.

Predominant Occupancy	One-Unit Housing PRICE $(000)		AGE (yrs)	Present Land Use		Change in Land Use
☒ Owner				One-Unit	60 %	☒ Not Likely
☐ Tenant	80	Low	10	2-4 Unit	5 %	☐ Likely * ☐ In Process *
☐ Vacant (0-5%)	400	High	30	Multi-Unit	15 %	* To:
☒ Vacant (>5%)	140	Pred	20	Comm'l	15 %	
				Public	5 %	

Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): The neighborhood is defined as the area east of I-215, North of Wigwam Pkwy, West of Green Valley Parkway and South of Warm Springs Road. Eastbridge Gardens is an established Condominium project located in the Silverado Ranch area of Henderson that contains multifamily housing and one and two story small to mid sized homes that tend to be average quality with the subdivision bounded on the south by the southern beltway. Commercial services are found along Eastern Ave and Windmill Ln including Smith's Marketplace commercial center. Schools are within a mile and the area is fairly well built out. Market conditions as of the effective date of value were starting to improve after a deep recession where prices had seen significant declines. There were still a number of distressed sales taking place as of the effective date, but with gradual upward movement in prices. Prices saw significant increases after the effective date of value.

SITE DESCRIPTION

Dimensions: See Site Map for Area Calculation | Site Area: Condo/2nd Floor

Zoning Classification: RM-10 | Description: Medium-Density Residential 10 units per acre

Zoning Compliance: ☒ Legal ☐ Legal nonconforming (grandfathered) ☐ Illegal ☐ No zoning

Are CC&Rs applicable? ☒ Yes ☐ No ☐ Unknown | Have the documents been reviewed? ☐ Yes ☒ No | Ground Rent (if applicable) $ /

Highest & Best Use as improved: ☒ Present use, or ☐ Other use (explain)

Actual Use as of Effective Date: Single Family Residential | Use as appraised in this report: Single Family Residential

Summary of Highest & Best Use: The improvements are permitted by zoning. The improvements are physically possible and financially feasible and consistent with the productive use of the site. As of the effective date of the appraisal the improvements represent the highest and best use of the site.

Utilities	Public	Other	Provider/Description
Electricity	☒	☐	
Gas	☒	☐	
Water	☒	☐	
Sanitary Sewer	☒	☐	
Storm Sewer	☒	☐	

Off-site Improvements	Type	Public	Private
Street	Asphalt	☐	☒
Curb/Gutter	Concrete	☐	☒
Sidewalk	Concrete	☐	☒
Street Lights	Post	☐	☒
Alley	None	☐	☐

Topography	Level
Size	Typical
Shape	Rectangular
Drainage	Adequate
View	Typical residential

Other site elements: ☒ Inside Lot ☐ Corner Lot ☐ Cul de Sac ☒ Underground Utilities ☐ Other (describe)

FEMA Spec'l Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X | FEMA Map # 32003C2590F | FEMA Map Date 11/16/2011

Site Comments: The subject is situated in a condominium subdivision that is situated on the south side of Bluegrass Ln, a public surface street. The subject is situated in the middle of the Eastbridge Gardens condo project, with private roadways and onsite parking. The site is level and at street grade with all amenities and utilities available.

DESCRIPTION OF THE IMPROVEMENTS

General Description	
# of Units	1 ☐ Acc.Unit
# of Stories	1
Type	☒ Det. ☒ Att. ☐
Design (Style)	Condo/Stacked
☒ Existing	☐ Proposed ☐ Und.Cons.
Actual Age (Yrs.)	31
Effective Age (Yrs.)	31

Exterior Description	
Foundation	Concrete/Avg
Exterior Walls	Stucco/Avg
Roof Surface	Asphalt/Avg
Gutters & Dwnspts.	Aluminum/Avg
Window Type	Sliding,Fixed/Avg
Storm/Screens	Partial/Avg

Foundation	
Slab	Concrete/Avg
Crawl Space	None
Basement	None
Sump Pump	☐
Dampness	☐
Settlement	None
Infestation	None

Basement ☒ None	
Area Sq. Ft.	0
% Finished	0
Ceiling	
Walls	
Floor	
Outside Entry	

Heating	
Type	FWA
Fuel	Gas
Cooling	
Central	CAC
Other	

Interior Description	
Floors	Carpet,tile/Avg
Walls	Drywall/Average
Trim/Finish	Wood/Average
Bath Floor	Tile/Average
Bath Wainscot	FG/Avg
Doors	

Appliances	
Refrigerator	☐
Range/Oven	☒
Disposal	☒
Dishwasher	☒
Fan/Hood	☒
Microwave	☒
Washer/Dryer	☐

Attic ☐ None	
Stairs	☐
Drop Stair	☐
Scuttle	☒
Doorway	☐
Floor	☐
Heated	☐
Finished	☐

Amenities			
Fireplace(s) #	1	Woodstove(s) #	
Patio	Covered		
Deck			
Porch	Covered		
Fence			
Pool			

Car Storage ☒ None	
Garage	# of cars (2 Tot.)
Attach.	
Detach.	
Blt.-In	
Carport	2
Driveway	
Surface	Asphalt

Finished area **above** grade contains: 5 Rooms | 2 Bedrooms | 2 Bath(s) | 1,144 Square Feet of Gross Living Area Above Grade

Additional features: Tile Floors in entry, hallways, kitchen, dining room, bathrooms and laundry, carpet in bedrooms, fireplace, cov patio

Describe the condition of the property (including physical, functional and external obsolescence): The unit is a small two bedroom, two bathroom average quality condo that is typical of the subdivision in size and features. The unit is assumed to have been in average condition as of the effective date of value with no significant adverse physical features.

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TRANSFER HISTORY

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s): County Records

1st Prior Subject Sale/Transfer	Analysis of sale/transfer history and/or any current agreement of sale/listing: The property had not sold within the three years prior to the effective date of value of May 31, 2013. There is no evidence that the property was listed for sale within one year prior to the effective date of value. After the effective date of value the property was sold on May 31, 2013 in an HOA Foreclose from Eastbridge Gardens Condominiums to SFR Investments Pool 1 LLC in the amount of $10,100.
Date:	
Price:	
Source(s): County Records/MLS	
2nd Prior Subject Sale/Transfer	
Date:	
Price:	
Source(s):	

SALES COMPARISON APPROACH

SALES COMPARISON APPROACH TO VALUE (if developed) ☐ The Sales Comparison Approach was not developed for this appraisal.

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	2824 Begonia Ct Henderson, NV 89074	2894 Lilac Ct Henderson, NV 89074		2837 Amaryllis Ct Henderson, NV 89074		7450 S Eastern Ave Unit 2056 Las Vegas, NV 89123	
Proximity to Subject		0.08 miles NW		0.04 miles S		0.63 miles N	
Sale Price	$		$ 74,500		$ 70,000		$ 88,000
Sale Price/GLA	$ /sq.ft.	$ 65.12 /sq.ft.		$ 57.80 /sq.ft.		$ 84.86 /sq.ft.	
Data Source(s)		GLVAR#1319426;DOM 36		GLVAR#1314046;DOM 1		GLVAR#1331323;DOM 46	
Verification Source(s)		Marshall Stearns Real Estate		Realty One Group		First Prime Realty Group	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.
Sales or Financing Concessions		Arms Length Cash;0		Arms Length Cash;0		Arms Length Cash;0	
Date of Sale/Time		s03/13;c02/13		s02/13;c01/13		s05/13;c02/13	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Residential/Avg	Residential/Avg		Residential/Avg		Residential/Avg	
Site	Condo/2nd Floor	Condo/2nd Floor		Condo/2nd Floor		Condo/2nd Floor	
View	Typical residential	Residential/Avg		Residential/Avg		Residential/Avg	
Design (Style)	Condo/Stacked	Condo/Stacked		Condo/Stacked		Condo/Stacked	
Quality of Construction	Stucco/Avg	Stucco/Avg		Stucco/Avg		Stucco/Sup	-2,500
Age	31	31		31		13	-7,920
Condition	Average	Average		Average		Good	-5,000
Above Grade Room Count (Total / Bdrms / Baths)	5 / 2 / 2	5 / 2 / 2		5 / 2 / 2		5 / 2 / 2	
Gross Living Area	1,144 sq.ft.	1,144 sq.ft.		1,211 sq.ft.	-2,680	1,037 sq.ft.	+4,280
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/CAC	FWA/CAC		FWA/CAC		FWA/CAC	
Energy Efficient Items	Thermo/Ins	Thermo/Ins		Thermo/Ins		Thermo/Ins	
Garage/Carport	Carport	Carport		Carport		Garage 1	-4,000
Porch/Patio/Deck	CPor	CPor		CPor		CPor	
Features	FP1	FP1		FP1		FP1	
Net Adjustment (Total)		☐ + ☐ -	$	☐ + ☒ -	$ -2,680	☐ + ☒ -	$ -15,140
Adjusted Sale Price of Comparables		Net 0.0 % Gross 0.0 %	$ 74,500	Net 3.8 % Gross 3.8 %	$ 67,320	Net 17.2 % Gross 26.9 %	$ 72,860

Summary of Sales Comparison Approach: A total of six closed sales are selected having closed as of the effective date of value. Comparable 1 is judged to be the most reliable sale in determining market value for the subject as of the effective date. Comparable 1 and 2 are both sales within the same development with Comparable 1 being the same model. Both sales are reported to be arms length sales. The other four sales are condo units located in competing developments near the subject where the units are similar in overall age, size and design with relatively small adjustments required to reflect physical differences.

The final opinion of value is most closely tied to Comparable 1 and 2 with the final opinion of value within the range indicated by those two sales with the other competing sales in competing subdivisions providing indicated values that are consistent with Comparable 1 and 2.

Indicated Value by Sales Comparison Approach $ 70,000

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ADDITIONAL COMPARABLE SALES

SALES COMPARISON APPROACH

FEATURE	SUBJECT	COMPARABLE SALE # 4		COMPARABLE SALE # 5		COMPARABLE SALE # 6	
Address	2824 Begonia Ct Henderson, NV 89074	2975 Bluegrass Ln Apt 1121 Henderson, NV 89074		1412 Bass Dr Unit D Henderson, NV 89014		2712 Sunfish Dr Unit C Henderson, NV 89014	
Proximity to Subject		0.12 miles W		2.20 miles NE		2.16 miles NE	
Sale Price	$		$ 89,000		$ 75,100		$ 78,400
Sale Price/GLA	$ /sq.ft.	$ 69.42 /sq.ft.		$ 74.80 /sq.ft.		$ 78.09 /sq.ft.	
Data Source(s)		GLVAR#1305105;DOM 1		GLVAR#1322978;DOM 10		GLVAR#1339572;DOM 23	
Verification Source(s)		Act 1 Realty		A C E Property Management		Realty One Group, Inc	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.	DESCRIPTION	+(-) $ Adjust.
Sales or Financing Concessions		Arms Length Cash;0		Arms Length Cash;0		Arms Length Cash;0	
Date of Sale/Time		s12/12;c12/12		s05/13;c03/15		s05/13;c05/13	
Rights Appraised	Fee Simple	Fee Simple		Fee Simple		Fee Simple	
Location	Residential/Avg	Residential/Avg		Residential/Avg		Residential/Avg	
Site	Condo/2nd Floor	Condo/1st Floor	0	Condo/2nd Floor		Condo/2nd Floor	
View	Typical residential	Residential/Avg		Residential/Avg		Residential/Avg	
Design (Style)	Condo/Stacked	Condo/Stacked		Condo/Stacked		Condo/Stacked	
Quality of Construction	Stucco/Avg	Stucco/Sup	-2,500	Stucco/Sup	-2,500	Stucco/Sup	-2,500
Age	31	17	-6,230	30		30	
Condition	Average	Average		Average		Good	-5,000
Above Grade Room Count (Total / Bdrms / Baths)	5 / 2 / 2	5 / 2 / 2		5 / 2 / 2		5 / 2 / 2	
Gross Living Area	1,144 sq.ft.	1,282 sq.ft.	-5,520	1,004 sq.ft.	+5,600	1,004 sq.ft.	+5,600
Basement & Finished Rooms Below Grade	0sf	0sf		0sf		0sf	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	FWA/CAC	FWA/CAC		FWA/CAC		FWA/CAC	
Energy Efficient Items	Thermo/Ins	Thermo/Ins		Thermo/Ins		Thermo/Ins	
Garage/Carport	Carport	Garage 2	-8,000	Carport		Carport	
Porch/Patio/Deck	CPor	CPor		CPor		CPor	
Features	FP1	FP1		FP1		FP1	
Net Adjustment (Total)		☐ + ☒ -	$ -22,250	☒ + ☐ -	$ 3,100	☐ + ☒ -	$ -1,900
Adjusted Sale Price of Comparables		Net 25.0 % Gross 25.0 %	$ 66,750	Net 4.1 % Gross 10.8 %	$ 78,200	Net 2.4 % Gross 16.7 %	$ 76,500

Summary of Sales Comparison Approach: Comparable 4 is located in a subdivision next to the subject with Comparable 5 and 6 located in competing developments in the same general area as the subject having sold within the time period of the subject's effective date of value.

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Sales Analysis

File No. CM16034

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

ADJUSTMENT ANALYSIS

MARKET CONDITIONS/TIME Market conditions were relatively stable between the effective date of value and the date of sale of the comparable sales with no market condition adjustments required.

LOCATION Comparable sales are located in similar residential locations with similar market characteristics. The neighborhoods are generally competitive with each other and are considered to be similar enough that a typical buyer would consider properties in both neighborhoods as being competitive with each other even though there may be some distances between the neighborhoods. Location considerations include predominant values, location to recreational and public facilities and the overall market appeal of the respective areas. The sales are all located in the subject subdivision with no significant location differences.

PREDOMINANT VALUE The subject neighborhood is not homogeneous, and contains a very wide variety of properties, all of which sell at multiple price points. The predominate price shown on page one indicates the "mode", a statistical term referring to the most frequently occurring variant in a data set, for the neighborhood. This typically has nothing to do with the subject's relationship within the neighborhood, and should not be considered a benchmark for an over or under improvement. The subject's estimate of market value is within the low to high price range for the area (excluding outlying low and highs for the area), and is considered an appropriate improvement for the neighborhood.

PROPERTY RIGHTS APPRAISED Each of the comparable sales involve the sale of the Fee Simple Estate.

SITE The subject is situated on a condo site with no deeded individual lots. The comparable sales are all similar to the subject.

VIEW View adjustments are made based on the direct influence attributed the site view or setting. View adjustments can be subjective, but can have a significant impact on value. In this case all of the comparable sales have similar views. There are no significant differences in price from first and second floor units.

QUALITY OF CONSTRUCTION Adjustments for quality take into consideration both the exterior and interior quality of workmanship and materials. As the adjustment is a lump adjustment that considers overall quality differences, exterior views may be somewhat deceptive. While this adjustment can be rather subjective in nature, there is ample market evidence that buyers will pay a premium for quality difference.The comparable sales are all in the same general quality classification. Several of the comparable sales are rated as slightly superior to the subject with superior tile roofs with adjustments made to reflect that differences.

AGE / CONDITION Age and conditions are evaluated separately with age being adjusted based on the effective age of the property as compared to the actual age. The sales are all similar to the subject in actual age. Comparable 4 and 5 are reported to be in somewhat better overall condition with a condition adjustment made to reflect relative differences in condition. Age adjustments are applied at 1/2% per year where there is a significant difference in age. Additional consideration is made to reflect differences in condition.

ROOM COUNT/BATHROOMS Room counts are all similar with no significant differences that require adjustment.

GROSS LIVING AREA Size is adjusted on the basis of the square footage difference of the above grade living area. The size adjustment is applied at about 70% of the estimated replacement cost new of the subject property less all forms of obsolescence. Above grade area is adjusted at $40/SF where there is more than 50 SF difference in living area.

GARAGES AND CARPORTS Adjustments for garages and carports take into consideration two factors, the size of the garage and the number of cars the facility can park. Typically a garage will contribute between $3,500 to $10,000 per car depending on the size, finish and quality. Carports tend to be between 50% - 60% of the garage cost. Tandem garages are rated as inferior when compared to side by side three car garages.

ON-SITE IMPROVEMENTS This section of the grid takes into consideration improvements such as landscaping, sprinkler systems, fences/walls, pools, etc. The comparable sales are all similar to the subject with no significant differences.

OPINION OF VALUE The final opinion of value is based on the comparable sales that are considered to be most comparable to the subject. Two sales from the subject subdivision that bracket the final opinion of value with sales from competing developments that are generally supportive of the values developed from the sales located within the subject subdivision.

Sales Analysis

File No. CM16034

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

PROPERTY SUMMARY

FACTS

- Condo
- Built in 1982
- All time views: 578
- Cooling: Central
- Heating: Forced air
- Laundry: In Unit, Shared
- Parking: Carport, 0 space
- Last sold: Apr 1995 for $60,000

FEATURES

- Ceiling Fan
- Fireplace
- Flooring: Carpet, Tile
- Furnished
- Porch

ADDITIONAL FEATURES

- Marble Bathroom
- Patio/Deck

APPLIANCES INCLUDED

- Dishwasher
- Garbage disposal
- Microwave
- Refrigerator
- Washer

ROOM TYPES

- Family room

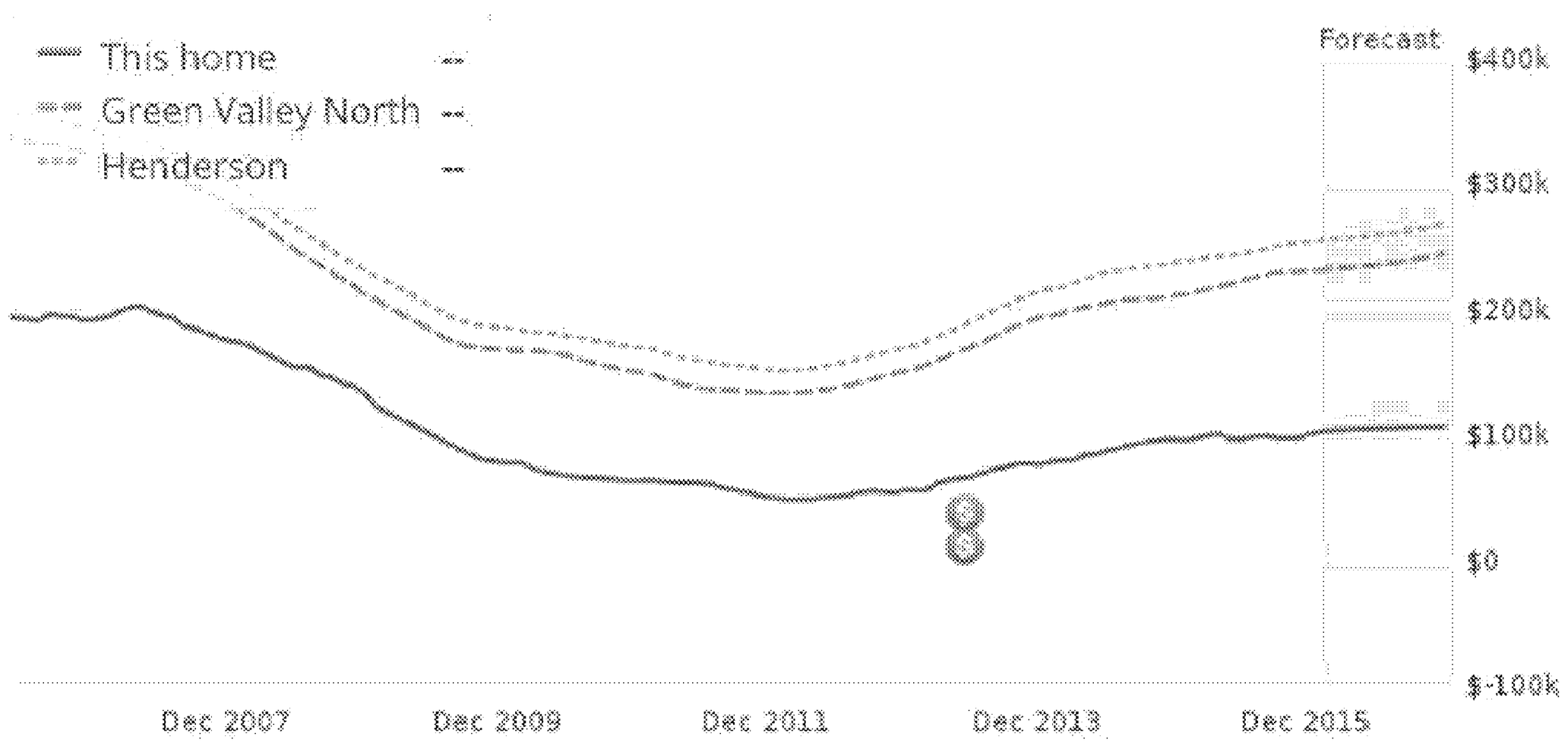
CONSTRUCTION

- Exterior material: Stucco
- Roof type: Shake Shingle
- Room count: 4
- Stories: 1
- Unit count: 1

OTHER

- Floor size: 1,144 sqft
- Last remodel year: 1982
- Lot depth: 72 ft
- Lot width: 55 ft
- Parcel #: 17712410074
- Zillow Home ID: 7160144

MARKET TRENDS



Sales Analysis

File No. CM16034

Owner	Bell, Kyleen T (Retrospective)						
Property Address	2824 Begonia Ct						
City	Henderson	County	Clark	State	NV	Zip Code	89074
Client	Ballard Spahr, LLP						

LIST AND SALE HISTORY

DATE	EVENT	PRICE		$/SQFT	SOURCE
08/07/13	Listing removed	$830/mo		$0.00	SFR Investment...
06/26/13	Listed for rent	$830/mo		$0.00	SFR Investment...
06/10/13	Sold: Foreclosure Auction	$10,100	-83.2%	$8	Public Record
04/21/95	Sold	$60,000		$52	Public Record

PROPERTY TAX SUMMARY

YEAR	PROPERTY TAXES	CHANGE	TAX ASSESSMENT	CHANGE
2015	$382	--	$21,237	+13.6%
2014	$382	+3.0%	$18,690	+46.2%
2013	$371	-18.7%	$12,786	-18.7%
2012	$456	-6.6%	$15,723	-6.6%
2011	$488	-10.5%	$16,841	-10.3%
2010	$545	-40.7%	$18,767	-63.2%
2009	$920	-9.9%	$50,987	-3.2%
2008	$1,021	+8.0%	$52,669	+13.7%
2007	$945	+8.0%	$46,314	+45.6%
2006	$875	+16.6%	$31,812	+25.0%
2005	$750	--	$25,456	--

COST APPROACH

COST APPROACH TO VALUE (if developed) ☒ The Cost Approach was not developed for this appraisal.

Provide adequate information for replication of the following cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):

ESTIMATED ☐ REPRODUCTION OR ☐ REPLACEMENT COST NEW	OPINION OF SITE VALUE =$
Source of cost data:	DWELLING Sq.Ft. @ $ =$
Quality rating from cost service: Effective date of cost data:	Sq.Ft. @ $ =$
Comments on Cost Approach (gross living area calculations, depreciation, etc.):	Sq.Ft. @ $ =$
	Sq.Ft. @ $ =$
	Sq.Ft. @ $ =$
	=$
	Garage/Carport Sq.Ft. @ $ =$
	Total Estimate of Cost-New =$
	Less Physical Functional External
	Depreciation =$( )
	Depreciated Cost of Improvements =$
	"As-is" Value of Site Improvements =$
	=$
	=$
Estimated Remaining Economic Life (if required): Years	**INDICATED VALUE BY COST APPROACH** =$

INCOME APPROACH

INCOME APPROACH TO VALUE (if developed) ☒ The Income Approach was not developed for this appraisal.

Estimated Monthly Market Rent $ X Gross Rent Multiplier = $ **Indicated Value by Income Approach**

Summary of Income Approach (including support for market rent and GRM):

PUD

PROJECT INFORMATION FOR PUDs (if applicable) ☒ The Subject is part of a Planned Unit Development.

Legal Name of Project: Eastbridge Gardens

Describe common elements and recreational facilities: The complex offers tennis courts, pool, exercise room, clubhouse, parks, and landscaping.

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 70,000 **Cost Approach (if developed) $** **Income Approach (if developed) $**

Final Reconciliation The Sales Comparison Approach to value is the only approach that is developed for this assignment. Sales data is sufficient in the area to provide the most reliable indication of market value. The Income Approach and Cost Approach are not required to develop a credible assignment result and outside the scope work requirement.

This appraisal is made ☒ "as is", ☐ subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, ☐ subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair:

☐ This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda.

Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: $ 70,000 **, as of:** 05/31/2013 **, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.**

ATTACHMENTS

A true and complete copy of this report contains 23 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report.

Attached Exhibits:

☒ Subjects Photos	☒ Comparable MLS Photos	☒ Appraisal Certification	☒ Assumptions/Limiting Cond	☒ Plat Map
☒ Area Map	☒ Location Map	☒ Analysis	☒ Scope of Work Clarification	☒ License
☐	☐	☐	☐	☐

Client Contact: Holly Priest Client Name: Ballard Spahr, LLP

E-Mail: priesth@ballardspahr.com Address: 100 North City Parkway, Suite #1750, Las Vegas, NV 89106

SIGNATURES

APPRAISER	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
Appraiser Name: Craig Morley	Supervisory or Co-Appraiser Name:
Company: Morley & McConkie, LC	Company:
Phone: (702) 830-0626 Fax:	Phone: Fax:
E-Mail: mm@sutap.com	E-Mail:
Date of Report (Signature): 02/01/2016	Date of Report (Signature):
License or Certification #: A.0003469-CG State: NV	License or Certification #: State:
Designation: GAA, MNAA - Certified General Appraiser	Designation:
Expiration Date of License or Certification: 01/31/2018	Expiration Date of License or Certification:
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None	Inspection of Subject: ☐ Interior & Exterior ☐ Exterior Only ☐ None
Date of Inspection: 01/23/2016	Date of Inspection:

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Assumptions, Limiting Conditions & Scope of Work

File No.: CM16034

Property Address:	2824 Begonia Ct	City: Henderson	State: NV	Zip Code: 89074	
Client:	Ballard Spahr, LLP	Address:	100 North City Parkway, Suite #1750, Las Vegas, NV 89106		
Appraiser:	Craig Morley	Address:	393 E Riverside Dr, Suite 102, St. George, UT 84790-6995		

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the **title is good and marketable** and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand. Any expert testimony provided is beyond the scope associated with original appraisal fee and will be billed hourly information, deposition, testimony or other analysis of the appraisal required beyond this appraisal.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.
- In developing this appraisal, the appraiser has incorporated only the Sales Comparison approach. The appraiser has excluded the Cost and Income approaches. The appraiser has determined that this appraisal process is not so limited that the results of the assignment are no longer credible

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

- I have relied on the local Realtor Association MLS as the primary source for comparable sales data with secondary verification of the data from on-line public records.
- The drive by inspection of the property was made after the effective date of the appraisal. The building improvements are assumed to have been in at least average condition as of the effective date of the appraisal and further assumes that there were no adverse physical or functional conditions associated with the subject.
- A retrospective appraisal with the date of value prior to the inspection, MLS pictures of the comparable sales are used as the pictures used in the listing just prior to the sale provide a better representation of the property than current pictures.

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Certifications

Property Address: 2824 Begonia Ct	City: Henderson	State: NV	Zip Code: 89074
Client: Ballard Spahr, LLP	Address: 100 North City Parkway, Suite #1750, Las Vegas, NV 89106		
Appraiser: Craig Morley	Address: 393 E Riverside Dr, Suite 102, St. George, UT 84790-6995		

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- Unless otherwise indicated, I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared.
- I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion,
sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present
owners or occupants of the properties in the vicinity of the subject property.
- Unless otherwise indicated, I have made an exterior inspection of the property that is the subject of this report.
- Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.
- The appraised value is based on an exposure time of 30-100 days with an adequate marketing effort to adequately expose the property to prospective buyers.

DEFINITION OF MARKET VALUE *:

Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.
Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions
whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions
granted by anyone associated with the sale.

* This definition is from used and printed by Fannie Mae/Freddie and as is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994.

Client Contact: Holly Priest Client Name: Ballard Spahr, LLP
E-Mail: priesth@ballardspahr.com Address: 100 North City Parkway, Suite #1750, Las Vegas, NV 89106

SIGNATURES

APPRAISER	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)
Appraiser Name: Craig Morley	Supervisory or Co-Appraiser Name:
Company: Morley & McConkie, LC	Company:
Phone: (702) 830-0626 Fax:	Phone: Fax:
E-Mail: mm@sutap.com	E-Mail:
Date Report Signed: 02/01/2016	Date Report Signed:
License or Certification #: A.0003469-CG State: NV	License or Certification #: State:
Designation: GAA, MNAA - Certified General Appraiser	Designation:
Expiration Date of License or Certification: 01/31/2018	Expiration Date of License or Certification:
Inspection of Subject: ☐ Interior & Exterior ☒ Exterior Only ☐ None	Inspection of Subject: ☐ Interior & Exterior ☐ Exterior Only ☐ None
Date of Inspection: 01/23/2016	Date of Inspection:

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Fannie Mae™

Servicing Guide

Fannie Mae Single Family

Servicing Guide: Fannie Mae Single Family

Published 07/13/2016

Special Seller/Servicer Approval and Mortgage Selling and Servicing Contract Addendum

Certain mortgage loan types require special approval to deliver or service. The following special approvals will be documented by an addendum to the MSSC between Fannie Mae and the seller/servicer:

- co-op share mortgage loans,
- second lien mortgage loans,
- HomeStyle® renovation mortgage loans, and
- electronic mortgage loans (eMortgages).

The servicer may request approval to service these mortgage loans through its Fannie Mae Servicing Representative (see F-4-03, List of Contacts). The servicer may not service these mortgage loan types unless it obtains the applicable special approval and executes any additional agreements required by Fannie Mae.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
Announcement SVC-2016–03	April 13, 2016

A1-1-03, Nature of the Contractual Relationship (05/11/2016)

Introduction

This topic contains the following:

- Overview of the MSSC and Lender Contract
- Defining the Responsible Party
- Fannie Mae's Choice of Law
- Representation and Warranty Requirements for All Fannie Mae Mortgage Loans
- Representation and Warranty Requirements for Mortgage Loans with Mortgage Insurance
- Indemnification for Losses

Overview of the MSSC and Lender Contract

Once Fannie Mae approves the seller/servicer, both parties execute the MSSC and any other relevant agreements needed at the time to establish the terms and conditions of the contractual relationship. The continuation of that relationship depends on both parties honoring the mutual promises in the MSSC and on the seller/servicer satisfying the requirements of all of the agreements, including, without limitation:

- the *Selling Guide*, the *Servicing Guide*, the *Servicing Guide Procedures*, the *Guide to Delivering eMortgage Loans to Fannie Mae*, the *Requirements for Document Custodians*, and the *Multifamily Guide(s)* (if applicable) (the "Guides");
- the *Reverse Mortgage Loan Servicing Manual*, the *Investor Reporting Manual*, and the *Balloon Mortgage Loan Servicing Manual* (the "Manuals");
- any supplemental servicing instructions or directives provided by Fannie Mae;
- any Announcements, Lender Letters, Notices, release notes, and information posted on Fannie Mae's website that is incorporated by reference into the *Selling* or *Servicing Guide*;
- all applicable master agreements (including MBS pool purchase contracts and variances), recourse agreements, repurchase agreements, indemnification agreements, loss-sharing agreements, and any other agreements between Fannie Mae and the seller/servicer;
- any other agreement(s) a seller/servicer has entered into with Fannie Mae; and
- all such items as amended, modified, restated, or supplemented from time to time.

The seller/servicer's obligations under all of the agreements described above are referred to in the *Servicing Guide* in their entirety as the "Lender Contract."

The MSSC establishes the basic legal relationship between the seller/servicer and Fannie Mae. Specifically as to servicing, the MSSC, when executed

- establishes the seller/servicer as an approved servicer of applicable mortgage loans;
- provides the general terms and conditions for servicing;
- incorporates by reference the terms of the Guides and any supplementary matter such as the *Servicing Guide Procedures*, Manuals, Announcements, Lender Letters, directives, Notices, forms and exhibits and any other procedures and documents which may be incorporated by reference into the Guides, all as amended from time to time; and
- may state the types of mortgage loans the seller/servicer may sell and/or service.

The seller/servicer must originate and service mortgage loans in a sound, businesslike manner, in accordance with applicable law and good judgment. Engaging in business practices that have the apparent intent of avoiding Fannie Mae requirements that would ordinarily apply violates the Lender Contract.

All of the items that make up the Lender Contract form a single integrated MSSC and not a separate contract or agreement.

Notwithstanding any other provisions in the Guides, or any assignment or transfer of servicing by a seller/servicer to another entity:

- The seller/servicer's benefits and obligations with respect to its contractual rights to service mortgage loans are, and were at the time of execution of the Lender Contract, fully integrated and non-divisible from the seller/servicer's benefits and obligations with respect to its contractual rights and obligations to sell mortgage loans under the Lender Contract.
- Absent such integration, Fannie Mae would not have entered into, or continued to be bound by, the Lender Contract and would not have entered into, or continued to be bound by, separate agreements with the seller/servicer providing for the contractual right to sell or to service mortgage loans for Fannie Mae.
- When Fannie Mae consents to a transfer of servicing, it relies on the integration and non-divisibility of the Lender Contract. Unless explicitly agreed to the contrary in writing by Fannie Mae, Fannie Mae requires that
  - the transferor servicer remain obligated for all selling and servicing representations and warranties and recourse obligations upon the transfer of servicing, and
  - the transferee servicer, whether the original seller, responsible party, or a transferee servicer, undertake and assume joint and several liability for all selling representations and warranties, all servicing responsibilities and liabilities, and all recourse obligations related to the mortgage loans it services.

Regardless of the medium through which they are issued, including without limitation, information posted on Fannie Mae's website, all of Fannie Mae's communications (Guides, Manuals, Announcements, Lender Letters, and Notices) are incorporated into the Guides by reference. These communications are the instructions Fannie Mae provides to enable a servicer to perform its obligations to Fannie Mae under the terms of the MSSC.

Certain information and requirements are posted on Fannie Mae's website. This information and the requirements are incorporated by reference into the Guides.

No borrower or other third party is intended to be a legal beneficiary of the MSSC or to obtain any such rights or entitlements through our seller/servicer communications.

Defining the Responsible Party

The *Servicing Guide* references "seller," "servicer," lender," and "seller/servicer." The *Servicing Guide* generally describes the relationship between Fannie Mae and the servicer. However, the particular designation should not be considered an exclusion with respect to an entity's responsibilities in connection with a particular mortgage loan. Depending on the structure of the transaction in question, the entity that has the responsibility for a selling representation and warranty or for the servicing responsibilities or liabilities may be

- both the seller and the servicer,
- either the seller or the servicer, or
- neither the seller nor the current servicer.

The "responsible party" means a seller, servicer, or other entity that is responsible for the selling representations and warranties and/or for the servicing responsibilities or liabilities on a mortgage loan.

Terms not defined in the *Servicing Guide* have the meaning given them in the *Selling Guide*.

Fannie Mae's Choice of Law

Fannie Mae has adopted New York law as its choice of law provision for the Lender Contract. This *Servicing Guide* shall be construed, and the rights and obligations of Fannie Mae and the seller, servicer, and/or responsible party hereunder determined, in accordance with the laws of the State of New York without regard to its conflict of law rules.

Representation and Warranty Requirements for All Fannie Mae Mortgage Loans

In order to sell mortgage loans to Fannie Mae or deliver pools of mortgage loans to Fannie Mae for MBS, the seller makes certain representations and warranties concerning the seller itself as well as the mortgage loans it is selling or delivering. The MSSC contains specific representations and warranties as does the *Selling Guide*. Additional representations and warranties are contained in the *Servicing Guide* and elsewhere in the Lender Contract. Violation of any representation or warranty is a breach of the Lender Contract, including the warranty that the mortgage loan complies with all applicable requirements of the Lender Contract, which provides Fannie Mae with certain rights and remedies.

All selling representations and warranties are made to Fannie Mae as of the date a seller/servicer transfers mortgage loans to Fannie Mae and continue and survive

- the sale of mortgage loans to Fannie Mae or delivery of pools of mortgage loans for Fannie Mae MBS,
- any subsequent resale of the mortgage loans by Fannie Mae, and
- termination of the MSSC and any agreement that is part of the Lender Contract unless Fannie Mae expressly releases the seller/servicer from them in writing.

The seller/servicer makes each representation and warranty set forth in the Lender Contract separately and independently from every other warranty it makes for a specific mortgage loan.

Representations and warranties are not limited to matters of which the seller/servicer had knowledge, except for the warranties numbered 10, 11, and 17 of Section IV, A: Specific Warranties, of the MSSC, which are violated only if the seller/servicer had knowledge of the untruth or, acting as a prudent seller/servicer, should have known about it through the exercise of due diligence. Although warranty number 17 is limited to matters of which the seller/servicer has knowledge or, as a prudent seller/servicer, should have discovered, this limitation does not in any way limit the seller/servicer's warranty number 1 that the mortgage loan meets all applicable requirements in the Lender Contract, nor does it affect any other warranty. The seller/servicer is deemed to know matters that are of public record.

Because the selling warranties are not limited to matters within a seller/servicer's knowledge, except as noted above, the action or inaction (including misrepresentation or fraud) of the borrower, or a third party, as well as the action or inaction (including misrepresentation or fraud) of the seller/servicer will constitute the seller/servicer's breach of a selling warranty.

The servicer that acquires the servicing of a mortgage loan (either concurrently with or subsequent to Fannie Mae's purchase of the mortgage loan) assumes and is responsible for the same selling warranties that the party responsible for the selling representations and warranties made when the mortgage loan was sold to Fannie Mae. When the servicer transfers its contractual right to service some or all of its servicing responsibilities to another Fannie Mae-approved servicer, any variance or waiver granted to a transferor servicer does not automatically transfer to the transferee servicer. In addition, the transferor servicer and transferee servicer must ensure that all existing special servicing obligations associated with the transferred mortgage loan are disclosed.

By submitting any mortgage loan or participation interest to Fannie Mae under any execution, including MBS, or a portfolio mortgage loan, the seller/servicer represents and warrants that

- there is no agreement with any other party providing for servicing the mortgage loans that continues after such date unless there is full compliance with all the Fannie Mae Guide requirements for subservicing, or

- any prior servicing agreement is made expressly subordinate to Fannie Mae's rights as owner of the mortgage loans.

The party that was servicing for the seller/servicer prior to such date may become the servicer for Fannie Mae, if there is full compliance with all the *Servicing Guide* requirements that provide for assignment of servicing from the seller/servicer concurrent with conveyance of the mortgage loan to Fannie Mae. For additional information, see A2-7-01, Concurrent Servicing Transfers.

Representation and Warranty Requirements for Mortgage Loans with Mortgage Insurance

The seller represents and warrants that each mortgage loan it sells and delivers is insurable and that no fraud or material misrepresentation has been committed

- by any employee, any agent of the responsible party, or any third party including, without limitation, the borrower;
- by act or omission, in connection with the origination of the mortgage loan or servicing prior to the sale; and
- regardless of the level or type of documentation, verification, or corroboration of information that may be required by the *Selling Guide* or any other contract.

A mortgage loan is insurable if a mortgage insurer would not decline to insure it by reason of any fraud, misrepresentation, negligence, or dishonest, criminal, or knowingly wrongful act in origination or servicing, and would not be entitled to deny a claim by reason of any of the foregoing.

See *Chapter B-8, Mortgage Insurance* for additional information.

Indemnification for Losses

Fannie Mae requires the responsible party to indemnify and hold Fannie Mae (including its successors and assigns and its employees, officers, and directors individually when they are acting in their corporate capacity) harmless against all losses, damages, penalties, settlements, liabilities, judgments, claims, counterclaims, defenses, actions, costs, expenses, attorney fees, and other legal fees (collectively, "Fannie Mae losses" or "losses incurred by Fannie Mae"), that are based on or result or arise from the events described below.

Selling Obligations	Servicing Obligations
• The breach or alleged breach of selling representations, warranties, or obligations;	• The failure or alleged failure to satisfy the servicing duties and responsibilities for

	mortgage loans or MBS pools serviced for Fannie Mae.
• Origination, delivering, selling, or trading activities related to Fannie Mae-owned or Fannie Mae-securitized mortgage loans; and	
• The breach or alleged breach of securities disclosure or settlement requirements.	
• A breach or alleged breach of obligations owed to the borrower by the manufacturer or by any party that sells the manufactured home to the borrower, delivers it to the site, or installs it at the site.	

"Fannie Mae losses" include losses related to the mortgage loans and the servicing of those mortgage loans prior to their delivery to Fannie Mae.

The requirements described above

- apply regardless of whether
  - Fannie Mae is a party to the lawsuit or other proceeding;
  - the claim, suit, or proceeding has merit;
- include Fannie Mae losses related to claims between Fanie Mae and the indemnifying party;
- do not include Fannie Mae losses resulting solely from the indemnifying party following the written instructions of Fannie Mae relating to a claim, suit, or proceeding;
- do not modify or otherwise affect Fannie Mae's right to manage its defense for any claim, suit, or proceeding in accordance with its own judgment.
  - If Fannie Mae chooses its own counsel, the indemnifying party will still be obligated to the full extent of the indemnities described above, including paying the attorney fees and costs of counsel selected by Fannie Mae.
  - If Fannie Mae decides that its interests and the indemnifying party's coincide, Fannie Mae may decide to cooperate with the indemnifying party in a joint defense.

All payments for indemnification are due within 60 days of demand or within 15 days after an appeal is denied. Fannie Mae may offset the amount of any unpaid indemnification payment due from an indemnifying party against amounts Fannie Mae owes to the indemnifying party.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
Announcement SVC-2016–04	May 11, 2016

A1-1-04, Evaluating a Servicer's Performance (11/25/2015)

Introduction

This topic contains the following:
- Performance Management Framework Overview
- Servicing Performance Categories
- Evaluating Performance
- Implementing Performance Improvement Plans

Performance Management Framework Overview

In order to determine the servicer's compliance with its servicing duties under the Lender Contract, Fannie Mae measures the servicer's performance utilizing various performance metrics, which may include servicer reviews and the STAR™ Program for those servicers (also refers to a subservicer if there is a subservicing arrangement) which Fannie Mae has identified for inclusion in the Program.

Servicers selected to participate in the STAR Program will receive written notification from Fannie Mae prior to being added into the program.

The STAR Program is one of Fannie Mae's performance management frameworks designed to determine the servicer's overall performance based on operational assessments and scorecards. The STAR Reference Guide serves as implementation guidance for servicers. The STAR Reference Guide is located on Fannie Mae's website on the STAR Program page and is incorporated herein by reference. Fannie Mae may change the STAR Reference Guide from time to time.

A2-1-03, Execution of Legal Documents (11/12/2014)

Introduction

The servicer ordinarily appears in the land records as the mortgagee to facilitate performance of the servicer's contractual responsibilities, including, but not limited to, the receipt of legal notices that may impact Fannie Mae's lien, such as notices of foreclosure, tax, and other liens. However, Fannie Mae may take any and all action with respect to the mortgage loan it deems necessary to protect its or an MBS trust's ownership of the mortgage loan, including recordation of a mortgage assignment, or its legal equivalent, from the servicer to Fannie Mae or its designee. In the event that Fannie Mae determines it necessary to record such an instrument, the servicer must assist Fannie Mae by

- preparing and recording any required documentation, such as mortgage assignments, powers of attorney, or affidavits; and
- providing recordation information for the affected mortgage loans.

The servicer is authorized to execute legal documents related to payoffs, foreclosures, releases of liability, releases of security, mortgage loan modifications, subordinations, assignments, and conveyances (or reconveyances) for any mortgage loan for which it (or MERS®) is the owner of record. When an instrument of record requires the use of an address for Fannie Mae, including assignments of mortgage loans, foreclosure deeds, REO deeds, and lien releases, the servicer must follow the procedures in F-1-13, Obtaining and Executing Legal Documents to locate the appropriate address.

This topic contains the following:

- Fannie Mae's Limited Power of Attorney to Execute Documents
- Correcting Conveyances to Fannie Mae

Fannie Mae's Limited Power of Attorney to Execute Documents

When Fannie Mae is the owner of record for a mortgage loan, it permits the servicer that has Fannie Mae's LPOA to execute certain types of legal documents on Fannie Mae's behalf. The servicer must have an LPOA in place to be authorized to execute the following legal documents on behalf of Fannie Mae:

- release of a borrower from personal liability under the mortgage or deed of trust following an approved transfer of ownership of the security property;

- full satisfaction or release of a mortgage or the request to a trustee for a full reconveyance of a deed of trust;
- partial release or discharge of a mortgage or the request to a trustee for a partial reconveyance or discharge of a deed of trust;
- modification or extension of a mortgage or deed of trust;
- subordination of the lien of a mortgage or deed of trust;
- completion, termination, cancellation, or rescission of foreclosure relating to a mortgage or deed of trust, including, but not limited to, the following actions:
  - the appointment of a successor or substitute trustee under a deed of trust, in accordance with state law and the deed of trust;
  - the issuance or cancellation or rescission of notices of default;
  - the cancellation or rescission of notices of sale; and
  - the issuance of such other documents as may be necessary under the terms of the mortgage, deed of trust, or state law to expeditiously complete said transactions, including, but not limited to, assignments or endorsements of mortgage loans, deeds of trust, or promissory notes to convey title from Fannie Mae to the Attorney-in-Fact under this LPOA;
- conveyance of properties to FHA, HUD, the VA, RD, or a state or private mortgage insurer; and
- assignment or endorsement of mortgage loans, deeds of trust, or promissory notes to FHA, HUD, VA, RD, a state or private mortgage insurer, or MERS.

To request an LPOA, the servicer must follow the procedures in *Fannie Mae Contacts for Document Execution Requests* in F-1-13, Obtaining and Executing Legal Documents.

Upon receiving the executed LPOA from Fannie Mae, the servicer must have the document recorded in the proper jurisdiction. The servicer is authorized to submit the LPOA for recordation immediately upon its receipt or wait until such time as it is actually needed to process a covered transaction.

If the servicer does not have an LPOA to execute documents on Fannie Mae's behalf, or has a power of attorney that does not authorize it to execute documents for a specific type of transaction, the servicer must send the documents requiring execution in any instance in which Fannie Mae is the owner of record for the mortgage loan by email, when permitted. If, however,

an original document must be executed by Fannie Mae, the servicer must send the document by regular or overnight mail to Fannie Mae's Vendor Oversight/Custody group, SF CPM division, or SF CPM, Loss Mitigation department (see F-4-03, List of Contacts).

Correcting Conveyances to Fannie Mae

The servicer must execute a quitclaim deed for properties that have been conveyed in error to Fannie Mae. The servicer must follow all procedures in F-1-13, Obtaining and Executing Legal Documents when preparing the reconveyance quitclaim deed. A quitclaim deed is an instrument of conveyance of real property that passes whatever title, claim, or interest that the grantor has in the property, but does not make any representations as to the validity of such title. A quitclaim deed is not a guarantee that the grantor has clear title to the property; rather it is a relinquishment of the grantor's rights, if any, in the property. The holder of a quitclaim deed receives only the interest owned by the person conveying the deed.

Fannie Mae will execute the quitclaim deed only if the servicer has prepared the document to quitclaim or assign back to the previous grantor or assignor. Within five business days of receipt of the fully executed quitclaim deed from Fannie Mae, the servicer must submit the quitclaim deed for recording.

The servicer must send the request for quitclaim deed execution to Fannie Mae as described in *Fannie Mae Contacts for Document Execution Requests* in F-1-13, Obtaining and Executing Legal Documents.

A2-1-04, Note Holder Status for Legal Proceedings Conducted in the Servicer's Name (11/12/2014)

Introduction

Fannie Mae is at all times the owner of the mortgage note, whether the mortgage loan is in Fannie Mae's portfolio or part of the MBS pool. In addition, Fannie Mae at all times has possession of and is the holder of the mortgage note, except in the limited circumstances expressly described in this topic.

This topic contains the following:

- Ownership and Possession of Note by Fannie Mae
- Temporary Possession by the Servicer
- Physical Possession of the Note by the Servicer
- Reversion of Possession to Fannie Mae

Ownership and Possession of Note by Fannie Mae

Fannie Mae may have direct possession of the note or a custodian may have custody of the note. If Fannie Mae possesses the note through a document custodian, the document custodian has custody of the note for Fannie Mae's exclusive use and benefit.

Temporary Possession by the Servicer

In order to ensure that a servicer is able to perform the services and duties incident to the servicing of the mortgage loan, Fannie Mae temporarily gives the servicer possession of the mortgage note whenever the servicer, acting in its own name, represents the interests of Fannie Mae in foreclosure actions, bankruptcy cases, probate proceedings, or other legal proceedings.

This temporary transfer of possession occurs automatically and immediately upon the commencement of the servicer's representation, in its name, of Fannie Mae's interests in the foreclosure, bankruptcy, probate, or other legal proceeding.

When Fannie Mae transfers possession, if the note is held by a document custodian on Fannie Mae's behalf, the custodian has possession of the note on behalf of the servicer so that the servicer has constructive possession of the note and the servicer shall be the holder of the note and is authorized and entitled to enforce the note in the name of the servicer for Fannie Mae's benefit.

Physical Possession of the Note by the Servicer

In most cases, the servicer will have a copy of the mortgage note. If the servicer determines that it needs physical possession of the original mortgage note to represent the interests of Fannie Mae in a foreclosure, bankruptcy, probate, or other legal proceeding, the servicer may obtain physical possession of the original mortgage note by submitting a request directly to the document custodian.

If Fannie Mae possesses the original note through a third-party document custodian that has custody of the note, the servicer must submit a *Request for Release/Return of Documents* (Form 2009) to Fannie Mae's custodian to obtain the note and any other custodial documents that are needed.

In either case, the servicer must specify whether the original note is required or whether the request is for a copy.

Reversion of Possession to Fannie Mae

At the conclusion of the servicer's representation of Fannie Mae's interests in the foreclosure, bankruptcy, probate, or other legal proceeding, or upon the servicer ceasing to service the loan for any reason, possession automatically reverts to Fannie Mae, and Fannie Mae resumes being the holder for itself, just as it was before the foreclosure, bankruptcy, probate, or other legal proceeding. If the servicer has obtained physical possession of the original note, it must be returned to Fannie Mae or the document custodian, as applicable.

A2-1-05, Use of Fannie Mae Trademarks (11/12/2014)

Introduction

Fannie Mae owns and uses the Fannie Mae trademark, the Fannie Mae logo, the Federal National Mortgage Association trade name, and numerous other trademarks that identify Fannie Mae as the source or sponsor of various products or services, collectively the "Marks" or the "Fannie Mae Marks." For a list of Marks currently used by Fannie Mae and guidelines on how to refer to them, see Fannie Mae's website.

Fannie Mae may adopt, use, or obtain rights to other Marks from time to time. The absence of a specific Mark from Fannie Mae's published lists does not mean that it is not a Fannie Mae Mark. If the seller/servicer has questions about whether or not an unlisted Mark is a Fannie Mae Mark, it should contact its lead Fannie Mae Regional Office (see F-4-03, List of Contacts).

This topic contains the following:

- License to Use Fannie Mae Marks
- Limitations on the Use of Fannie Mae's Marks Under the License
- Termination of the License to Use the Fannie Mae Name and Trademarks

License to Use Fannie Mae Marks

Subject to the limitations set forth below, Fannie Mae grants the seller/servicer a nonexclusive, royalty-free, non-assignable and non-sublicenseable license to use and display the Fannie Mae Marks within the United States, including its territories and possessions, solely in connection with the sale, offering for sale, advertising and rendering of the seller/servicer's financial services and for the purposes of making truthful, accurate, and non-misleading references to Fannie Mae or Fannie Mae's products or services.

Section A2-5.1, Ownership, Establishment and Maintenance of Mortgage Loan Files and Records

A2-5.1-01, Ownership of Individual Mortgage Loan Files and Records (11/12/2014)

All records pertaining to mortgage loans sold to Fannie Mae are at all times the property of Fannie Mae and any other owners of a participation interest in the mortgage loan, regardless of their physical form or characteristics or whether they were developed or originated by the mortgage loan seller, servicer, or others. The types of records owned by Fannie Mae include, but are not limited to, the following:

- mortgage notes,
- security instruments,
- mortgage loan applications,
- credit reports,
- property appraisals,
- payment records,
- insurance policies and insurance premium receipts,
- water stock certificates,
- ledger sheets,
- insurance claim files and correspondence,
- foreclosure files and correspondence,
- current and historical computerized data files,

- machine-readable materials, and
- all other documents, instruments, and papers pertaining to the mortgage loan including, without limitation, any records, data, information, summaries, analyses, reports, or other materials representing, based on, or compiled from such records that are reasonably required to originate and subsequently service a mortgage loan properly.

The mortgage loan originator, seller, or servicer, any service bureau, or any other party providing services in connection with servicing a mortgage loan for or delivering a mortgage loan to Fannie Mae will have no right to possession of these documents and records except under the conditions specified by Fannie Mae.

Any of these documents and records in possession of the mortgage loan originator, seller, or servicer, any service bureau, or any other party providing services in connection with selling a mortgage loan to, or servicing a mortgage loan for, Fannie Mae are retained in a custodial capacity only.

The seller/servicer must maintain an individual mortgage loan file for each mortgage loan it sells to Fannie Mae. Each file must be clearly identified by Fannie Mae's loan number, which can be marked on the file folder or logically associated with any file which is composed of electronic records.

Individual mortgage loan files for participation mortgage loans must be clearly identified by the words "Fannie Mae participation" and Fannie Mae's percentage interest.

Individual mortgage loan files for MBS mortgage loans must identify the number of the related MBS pool.

Individual mortgage loan files must include any records that will be needed to service and that support the validity of the mortgage loan. The servicer must use the individual mortgage loan file established at the time of origination to accumulate other pertinent servicing and liquidation information, including, but not limited to, the following:

- property inspection reports,
- copies of delinquency repayment plans,
- copies of disclosures of ARM loan interest rate and payment changes,
- documents related to insurance loss settlements, and
- foreclosure notices.

A2-5.1-02, Overview of Individual Mortgage Loan Files and Records (11/12/2014)

Introduction

This topic contains the following:

- General Provisions of Individual Mortgage Loan Files and Records
- Contents of the Individual Mortgage Loan File
- Special Individual Mortgage Loan File Requirements for Bifurcated Mortgage Loans
- Identifying Manufactured Home Mortgage Loans

General Provisions of Individual Mortgage Loan Files and Records

The individual mortgage loan file consists of the mortgage loan origination file, mortgage loan custodial file, and mortgage loan servicing file held by a seller, servicer, or prior servicer arising from or related to the origination, sale, securitization, or servicing of an individual mortgage loan or acquired property, as applicable.

The mortgage loan origination file consists of all documents, records, and reports used to support the underwriting decision required by the Lender Contract or any documentation required by Fannie Mae or by law relating to the mortgage loan arising from or related to the origination, closing, sale, securitization, and/or delivery of a mortgage loan, including, but not limited to, those that are required as part of the post-closing mortgage loan file documentation requirements in the *Selling Guide*.

The mortgage loan custodial file consists of the custodial documents and any and all documents, books, records, and reports, in any format, required to be retained by the document custodian pursuant to the *Servicing Guide* or other Fannie Mae requirements.

The mortgage loan servicing file (including the file maintained with respect to an acquired property) consists of all documents, books, records, reports, and payment and escrow histories, in any format, arising from or related to the servicing of the mortgage loan or acquired property by the current servicer or any prior servicer, including, but not limited to, those required at any time by the Lender Contract or an insurer, including, but not limited to, those set forth in the *Servicing Guide*.

Individual mortgage loan files and records that may be required to be sent to Fannie Mae include:

- mortgage origination files,

- mortgage loan custodial files,
- individual mortgage loan files (including the mortgage loan servicing file),
- permanent mortgage account records, and
- accounting system reports.

The seller/servicer is responsible for maintaining these files and records, as well as borrower payment records. The responsibility for the physical possession of the mortgage loan documents may vary depending on whether the mortgage loan is a portfolio or MBS mortgage loan. See A2-6-01, Custodial Documents for additional information.

The seller/servicer must establish the individual mortgage loan file when it originates a mortgage loan. If the seller/servicer does not service the mortgage loan, it must transfer the files and records to the servicer to ensure that the servicer will have complete information about the mortgage loan in its records.

The accounting records relating to mortgage loans serviced for Fannie Mae must be maintained in accordance with sound GAAP and in such a manner as will permit Fannie Mae's representatives to examine and audit such records at any time.

State and federal laws now recognize electronic records as being equivalent to paper documents for legal purposes. Therefore, Fannie Mae's requirements for record accessibility and retention apply equally to paper and electronic records.

The servicer must implement appropriate measures designed to

- ensure the accuracy, security, integrity, and confidentiality of files and records;
- protect against any anticipated threats or hazards to the security or integrity of files and records; and
- protect against unauthorized access to or use of files and records and is responsible for requiring, by contract, that any subservicers or other third parties that access mortgage files and records also implement these measures.

Contents of the Individual Mortgage Loan File

The individual mortgage loan file must include, but is not limited to, the following:

- copy of the Participation Certificate, if applicable;
- copy of the related Schedule of Mortgages for a mortgage loan if an MBS mortgage loan;

- originals of the recorded mortgage or deed of trust, any applicable rider, and any other documents changing the mortgage loan terms or otherwise affecting Fannie Mae's legal or contractual rights;
- copy of the mortgage or deed of trust note and any related addenda;
- copy of either the unrecorded assignment to Fannie Mae (or the recorded assignment, when applicable), or the original assignment to MERS, if the mortgage loan is registered with MERS and MERS is not named as nominee for the beneficiary, and copies of all required intervening assignments;
- copy of the FHA MI certificate, VA mortgage loan guaranty certificate, RD mortgage loan note guarantee certificate, HUD Indian mortgage loan guarantee certificate, or conventional MI certificate, if applicable;
- copy of the underwriting documents, including any Desktop Underwriter® reports;
- copy of the title policy, property insurance policy, flood insurance policy (if required), and any other documents that might be of interest to a prospective purchaser or servicer of the mortgage loan or might be required to support title or insurance claims at some future date (for example, FEMA flood hazard determination form, title evidence, or survey);
- copy of the final settlement statement evidencing all settlement costs paid by the borrower and seller, executed by the borrower and seller (if applicable);

  Note: In escrow states, if the seller/servicer is unable to have the final settlement statement signed by the borrower and seller, the seller/servicer may supplement the final settlement statement signed by the escrow officer with either

  - the estimated settlement statement (or multiple matching documents) signed by the borrower and seller, or
  - the final Escrow Instructions (or multiple matching documents) signed by the borrower and seller;
- copies of all documents or records that are used to evaluate a borrower and the property condition when determining the eligibility for a workout option; and
- copies of property inspection orders and reports.

In all instances, the servicer must document its compliance with all Fannie Mae policies and procedures, including but not limited to, timelines that are required within the *Servicing*

Guide. The servicer must maintain in the individual mortgage loan file all documents and system records that preserve Fannie Mae's ownership interest in the mortgage loan. Also see F-1-05, Examples of Documentation Required in the Mortgage Loan Servicing File, which includes some (but not all) of the types of documentation that is required to be in the individual mortgage loan file.

Special Individual Mortgage Loan File Requirements for Bifurcated Mortgage Loans

The servicer and the responsible party must keep all of the individual mortgage loan records, including, but not limited to those identified in *Selling Guide, E-2-07, Post-Closing Mortgage Loan File Documentation* and any and all servicing records for the time it serviced the bifurcated mortgage loan.

Identifying Manufactured Home Mortgage Loans

Examples of the collateral document(s) for a manufactured home that are required for a mortgage loan for which an application was taken on or after August 24, 2003 include:

- documentation (if it is available) indicating that no certificate of title (or similar ownership document) was ever issued in states where a manufactured home can become real property without first being titled as personal property,
- documentation evidencing such surrender or retirement in states where the certificate of title (or similar ownership document) can be surrendered or retired when the home becomes real property,
- the certificate of title (or similar ownership document) if it has not been or cannot be surrendered,
- any UCC financing statement (or similar notice of lien) that was filed pursuant to applicable law, or
- a security agreement that creates a lien on the manufactured home in addition to the mortgage loan or deed of trust.

The servicer that has collateral documents for manufactured home loans prior to August 24, 2003, must retain any such documents, but is not required to seek these documents for such mortgage loans.

In order to be prepared to meet special servicing and default management requirements for mortgage loans secured by manufactured homes, the servicer must ensure that all mortgage loans secured by manufactured homes are so identified on their internal systems.

If it comes to the attention of the servicer that it is servicing a mortgage loan secured by a manufactured home that was delivered to Fannie Mae without notation of Special Feature Code 235 (which is required to identify that property type), the servicer must follow the procedures documented in F-1-11, Manufactured Home Post-Purchase Adjustments.

Document Ownership	Document Execution Submission Without LPOA or Servicer Unable to Execute	For Inquiries OR If Required Delivery Method is Email	Delivery Address when an Original is Required to be Mailed
			14221 Dallas Parkway Suite 1000 Dallas, TX 75254

F-1-14, Post-Delivery Servicing Transfers (11/12/2014)

Introduction

This Servicing Guide Procedure includes the following:

- Requesting Fannie Mae Approval
- Special Notifications to the Transferee Servicer
- Notifying Third Parties
- Transfer of Individual Mortgage Loan Files and Portfolio Information
- Submission of Final Accounting Reports/Remittances
- Preparing Mortgage Loan Assignments
- Transfer of Custodial Documents

Requesting Fannie Mae Approval

Transfer of Mortgage Loans

As required in *Requesting Fannie Mae Approval* in A2-7-03, Post-Delivery Servicing Transfers, the servicer must submit the appropriate information to request Fannie Mae's approval of the transfer of servicing, including servicing transfers involving a subservicer.

When requesting approval to transfer servicing, the transferor or transferee servicer or subservicer must submit the information in the following table to Fannie Mae.

✓	**The transferor or transferee servicer or subservicer must submit to Fannie Mae...**
	A fully completed *Request for Approval of Servicing or Subservicing Transfer* (Form 629) in an electronic format to the Servicing Transfers group at

✓	**The transferor or transferee servicer or subservicer must submit to Fannie Mae...**
	servicing_transfers@fanniemae.com at least 60 days before the proposed transfer date.
	A check for a nonrefundable $500 processing fee to the address referenced on Form 629, noting the names of the transferor and transferee servicers, the name of the subservicer, and the proposed transfer date.

The servicer must include the transfer and sale dates on Form 629. The transfer date refers to the date on which the physical transfer of the servicing (or subservicing) responsibilities from the transferor servicer (or subservicer, as the case may be) to the transferee servicer (or subservicer) occurs. It may not necessarily be the same date as the sale date identified in a servicing transfer agreement. The sale date is the date on which the ownership of the servicing rights and the legal liability for the servicing of the Fannie Mae mortgage loans transfer from one servicer to another.

> **Note:** While Fannie Mae requires the transferring parties to identify the sale date associated with a servicing transfer, Fannie Mae's approval will only be issued as to the transfer date.

Mortgage Loans in a Fannie Mae Majors

As required in *Requesting Fannie Mae Approval* in A2-7-03, Post-Delivery Servicing Transfers, the servicer must submit the appropriate information to request Fannie Mae's approval of the transfer of servicing.

The transferee servicer must take the actions described in the following table for reporting on the transferred mortgage loans if any of the mortgage loans for which servicing is to be transferred are in MBS pools that are part of a Fannie Mae Majors multiple pool and the transferee servicer is already servicing mortgage loans in the same Majors pool.

If the mortgage loan being transferred...	**Then the transferee servicer...**
has the same remittance type and date	is authorized to report the transferred mortgage loans under the same nine-digit Fannie Mae lender identification number that it currently uses.
has a different remittance type or date	must contact its Fannie Mae Servicing Representative (see F-4-03, List of Contacts) to request a new branch lender identification number.

Special Notifications to the Transferee Servicer

As required in *Obligations of the Transferor and Transferee Servicers* and *Special Notifications to the Transferee Servicer* in A2-7-03, Post-Delivery Servicing Transfers, the transferor servicer must provide special notification to the transferee servicer when a transfer of servicing includes the following:

- a mortgage loan modified under HAMP and/or 2MP,
- an eMortgage, or
- a mortgage loan subject to resale restrictions regardless of whether the restrictions survive foreclosure or acceptance of a Mortgage Release (deed-in-lieu of foreclosure).

When a Servicing Transfer Includes a Mortgage Loan Modified Under HAMP, 2MP, or an eMortgage

For a mortgage loan modified under HAMP/2MP or an eMortgage, the transferor servicer must take the actions described in the following table.

✓	**The transferor servicer must...**
	Advise the transferee servicer that a mortgage loan modified under HAMP/2MP or an eMortgage is part of the portfolio being transferred.
	Confirm that the transferee servicer • is aware of the special requirements for these mortgage loans, and • agrees to assume the additional responsibilities associated with servicing these mortgage loans.

When a Servicing Transfer Includes a Mortgage Loan Subject to Resale Restrictions

For a mortgage loan subject to resale restrictions, the transferor servicer must take the actions described in the following table.

✓	**The transferor servicer must...**
	Identify each mortgage loan subject to resale restrictions on Form 629.
	Confirm that the transferee servicer is aware of its duties and obligations related to the servicing of a mortgage loan subject to resale restrictions.

Notifying Third Parties

As described in *Notifying Third Parties* in A2-7-03, Post-Delivery Servicing Transfers, the transferor and transferee servicers must take certain actions to ensure that all servicing functions that involve third parties will continue uninterrupted (or discontinued, if appropriate) after the transfer of servicing.

The following table describes the actions the transferor or transferee servicer must take to ensure that all servicing functions that involve third parties will continue uninterrupted (or discontinued, if appropriate) after the transfer of servicing.

✓	**The transferor or transferee servicer must...**
	Fulfill all requirements of each MI policy that insures any conventional mortgage loans included in the transfer—including, but not limited to, the requirements for providing timely notification or requesting prior approval—to ensure the continuation of the MI coverage. If the current mortgage insurer will not provide continuing coverage following the servicing transfer, the transferee servicer must find another mortgage insurer to provide MI coverage that is equivalent to the previous coverage—at no increased cost to the borrower or Fannie Mae—and obtain that mortgage insurer's written commitment to provide the required coverage.
	Fulfill all requirements of FHA, VA, RD, or HUD—including, but not limited to, providing timely notification or requesting prior approval—to ensure the continuation of the MI or mortgage loan guaranty, if applicable.
	Notify the hazard, flood, earthquake, other property insurance carriers, as applicable, to request a policy endorsement to substitute the transferee servicer's name in the mortgagee clause and to change the premium billing address to that of the transferee servicer (unless the borrower pays the premium directly).
	Notify any tax or flood service provider and any optional insurance provider (or other products that are providing coverage) that the transferor servicer used for any of the mortgage loans that are being transferred to indicate whether the transferee servicer will continue using its services.
	Send appropriate notices of the transfer of servicing (providing the transferee servicer's name and address) to taxing authorities, holders of leaseholds, HOAs, and other lien holders. **Note:** Any public utilities that levy mandatory assessments for which funds are being escrowed also must be notified.

✓	**The transferor or transferee servicer must...**
	Notify any law firm involved in the management of foreclosure or other legal action in connection with the mortgage loans or acquired properties.
	Notify the current document custodian of the pending transfer of servicing and make arrangements for the prompt and safe transfer of the custodial documents to the document custodian designated by the transferee servicer, in accordance with requirements in the *Servicing Guide.*

Transfer of Individual Mortgage Loan Files and Portfolio Information

As described in *Transfer of Individual Mortgage Loan Files and Portfolio Information* in A2-7-03, Post-Delivery Servicing Transfers, the transferor servicer must deliver specific information to the transferee servicer.

The following table describes the information that must be delivered to the transferee servicer.

✓	**The transferor servicer must deliver to the transferee servicer...**
	Documentation evidencing each mortgage insurer's approval of the servicing transfer or its commitment to insure the transferred mortgage loans, or a copy of the mortgage insurer's master policy evidencing that it is permissible to transfer servicing of insured mortgage loans without the mortgage insurer's prior approval.
	A list of any conventional mortgage loans that have borrower-paid or lender-purchased MI (identifying the applicable premium rates and the due date of the next premium payment) and an explanation of the premium payment obligations and claim payment procedures that apply to them.
	A list of any eMortgages that are part of the portfolio being transferred.
	Copies of any tax or flood service contracts that will remain in effect, or notification that the contracts will be transferred to the transferee servicer by a tape process.
	A list of tax bills, assessments, property insurance premiums, MIPs, etc. that are due to be paid by the servicer, but that are still unpaid as of the transfer date.
	A list of the expiration dates and premium payment frequencies for property insurance, and MI policies, as applicable, related to each mortgage loan being transferred, whether or not premiums for these policies are escrowed.
	A list of mortgage loans that have optional insurance and other insurance products that will remain in effect.
	A list of mortgage loans that are subject to automatic drafting of the monthly payments.

✓	**The transferor servicer must deliver to the transferee servicer...**
	A list of ARM loans, showing the plan identification and parameters, the index used, the next interest rate change date, the next payment change date, the dates on which any fixed rate conversion option may be exercised, and the current status of any changes in process.
	Transaction and payment histories for the life of the mortgage loans.
	Trial balances, as of the close of business on the day immediately preceding the transfer date, showing • the remittance type for each mortgage loan (actual/actual, scheduled/actual, or scheduled/scheduled); • the remittance cycle for each MBS mortgage loan (standard, RPM, or MBS Express); • Fannie Mae's applicable ownership interest if it holds only a participation percentage in the mortgage loan; • the applicable pool number for MBS mortgage loans; • delinquencies, foreclosure, bankruptcies, and acquired properties; • transfers of ownership, payoffs, and other exception transactions that are in process, including mortgage loan modification-related transactions; • escrow balances, escrow advances, curtailments, unapplied funds, and loss drafts; and • buydown account balances for mortgage loans subject to temporary interest rate buydown plans.
	A copy of the custodial bank reconciliation for each custodial bank account maintained as of the cutoff date (if the transferor servicer is unable to complete this reconciliation by the transfer date, it should complete the reconciliation as promptly as possible and send it to the transferee servicer within five business days after the transfer date).
	Copies of all investor accounting reports that were filed with Fannie Mae for the three months that immediately precede the cutoff date.
	A reconciliation of any outstanding shortage/surplus balance and over/under collateralized MBS pools, if applicable, related to the mortgage loans being

✓	**The transferor servicer must deliver to the transferee servicer...**
	transferred as of the last reporting period of Fannie Mae's investor reporting system.
	Definitions of codes used in ledger records, trial balances, or any other documents that are being forwarded to the transferee servicer.
	Escrow analyses.
	All information relating to delinquency management and default prevention.
	Copies of all documents including items held by a document custodian, and all other documents pertinent to servicing the mortgage loans including mortgage loan modification agreements.
	All customer correspondence and responses, including borrower complaints and escalated cases.
	The title policies or alternative title products.
	A list of each mortgage loan that is in the process of foreclosure or for which the borrower has filed bankruptcy, including the Fannie Mae loan number and the name and address of the law firm handling the foreclosure or bankruptcy.
	Information and records for any mortgage loans that are in foreclosure, bankruptcy, or a workout status and for any properties that Fannie Mae acquired by foreclosure or acceptance of a Mortgage Release [(deed-in-lieu of foreclosure) (if Fannie Mae has not sold them by the transfer date)]. **Note:** If the original mortgage loan custodial documents are not part of the individual mortgage loan file that is being transferred, the transferor servicer must provide a list showing the name of the party that is in possession of the original mortgage loan note.
	All pertinent information related to the status of any mortgage loan for which a workout option is being pursued.
	A list of any acquired properties for which it is performing administrative functions, such as paying taxes or performing property maintenance if the responsibilities for these functions will be transferred to the transferee servicer. The list must identify each property by the Fannie Mae loan number and include a history of the transferor servicer's actions from the date the property was acquired (including information about expenditures, receipts, and management and marketing activities) and provide the appropriate documentation.
	Information on any mortgage loan or acquired property being transferred that is the subject of litigation at the time of the transfer, including all records pertaining

✓	**The transferor servicer must deliver to the transferee servicer...**
	to such litigation (including court filings, disclosure requests and responses, and preliminary rulings).

Transfer of P&I and T&I Funds

As required in A4-1-02, Establishing Custodial Bank Accounts, the servicer is responsible for the safekeeping of custodial funds at all times. The transferor servicer must forward to the transferee servicer all P&I and T&I custodial account balances including, but not limited to, the following:

- unremitted P&I collections;
- escrow funds;
- unapplied funds;
- loss drafts;
- accruals on deposit—for example, for the payment of future renewal premiums for lender-purchased MI; and
- buydown funds.

If the transferor servicer has advanced delinquent interest or scheduled P&I to Fannie Mae, the transferee servicer must reimburse the transferor servicer once it receives a final accounting of all monies from the transferor servicer.

All new amounts owed must be paid to the appropriate party promptly, as agreed by the parties.

Submission of Final Accounting Reports/Remittances

As described in *Submission of Final Accounting Reports/Remittances* in A2-7-03, Post-Delivery Servicing Transfers, the transferor servicer must submit the monthly LAR for the month that includes the transfer date.

When the servicing is transferred for individual mortgage loans in an MBS pool, the pool will be subdivided, with the mortgage loans transferred to the transferee servicer being grouped into a new supplemental pool and the mortgage loans that were not transferred remaining in the original pool. In the month of the transfer date, the transferor servicer will be contractually responsible for

- reporting the monthly LAR for all mortgage loan activity processed on the mortgage loans in the original pool;

- reporting that month's MBS pool security balances if any of the transferred mortgage loans are in MBS pools; and
- ensuring that sufficient funds to satisfy that month's remittance obligation (including MBS pool guaranty fees) are available for drafting on the scheduled remittance date for the pool. However, the transferor and transferee servicers may agree that the transferee servicer will make the actual remittance to Fannie Mae.

In the month following the transfer date, the transferor servicer will be responsible for reporting the monthly LAR applicable to mortgage loans remaining in the original MBS pool after the transfer, and the transferee servicer will be responsible for reporting the monthly LAR applicable to the transferred mortgage loans in the newly created supplemental MBS pool. Each of the servicers will be responsible for reporting that month's MBS pool security balances for their respective share of the original MBS pool(s).

The transferor servicer must provide the transferee servicer with copies of its Fannie Mae investor reporting system shortage/surplus reconciliations and the pool-to-security balance reconciliations for the final monthly accounting period for all mortgage loans and MBS pools included in the servicing transfer. The two servicers should agree on how to resolve any differences and reconcile items or funds that are owned Fannie Mae and security holders. (Any questions regarding these issues must be directed to the transferor servicer's Fannie Mae Investor Reporting Representative.)

If, after reconciling the final shortage/surplus balance, the transferor servicer determines that Fannie Mae needs to process a shortage/surplus adjustment, the transferor servicer must send to its Fannie Mae Investor Reporting Representative (see F-4-03, List of Contacts) a copy of the final shortage/surplus reconciliation along with adequate documentation to support the requested adjustment. The adjustment must be requested within 30 days after the transfer date. The transferee servicer will be responsible for any Fannie Mae investor reporting system shortages or MBS security balance deficiencies related to mortgage loans or pools included in the transfer that are not promptly resolved by the transferor servicer.

Preparing Mortgage Loan Assignments

As described in *Preparing Mortgage Assignments* in A2-7-03, Post-Delivery Servicing Transfers, the transferee servicer must prepare and deliver a recorded mortgage assignment to the applicable document custodian for all mortgage loans subject to a transfer of servicing within six months of the transfer date.

Any required assignment that is submitted to the document custodian(s) must be identified by the applicable Fannie Mae loan number and submitted under cover of a transmittal letter that includes the following information:

- the name of the transferor servicer;
- the name of the transferee servicer;
- the number of mortgage loans included in the transfer, as well as the number of mortgage loans for which recordable (but unrecorded) assignments to Fannie Mae have been executed;
- the transfer date; and
- a trial balance of the transferred mortgage loans, which identifies the mortgage loans for which assignments to Fannie Mae are being provided (or, if only a few mortgage loans are being transferred, a list of the transferred mortgage loans for which assignments are being provided).

Fannie Mae is the Owner of Record

A new mortgage loan assignment does not need to be prepared if the assignment to Fannie Mae has been recorded. A mortgage loan for which Fannie Mae is the owner of record would be one of the following:

- a mortgage loan that was delivered to Fannie Mae before it converted to the Fannie Mae investor reporting system in 1984 (regardless of the location of the security property);
- a mortgage loan that is secured by a property located in Mississippi or Utah, if the mortgage loan was delivered to Fannie Mae during the period that Fannie Mae required recorded assignments for a Mississippi mortgage loan (after September 1, 1988, until June 7, 1989) or for a Utah mortgage loan (after September 1, 1988, until October 31, 1991); or
- a mortgage loan for which Fannie Mae requested recordation of the assignment (for any reason) after it purchased or securitized the mortgage loan.

Fannie Mae is Not the Owner of Record and the Mortgage Loan is Not Registered with MERS

An assignment from the transferor servicer to the transferee servicer must be prepared and recorded if an assignment to Fannie Mae has not been recorded for a mortgage loan that is not registered with the MERS. The transferor servicer has full responsibility for recording an assignment from the transferor servicer to the transferee servicer. (Blanket assignments may be used for the assignment, as long as the coverage for each blanket assignment is restricted to a single recording jurisdiction.) Fannie Mae will hold both the transferor servicer and the transferee servicer accountable for ensuring all assignments are prepared and recorded appropriately. An assignment from the transferee servicer to Fannie Mae must be prepared (in recordable form, but not recorded) to replace the one Fannie Mae had originally received from the transferor servicer. This unrecorded assignment from the transferee servicer to Fannie Mae

must be an individual assignment. The unrecorded assignment to Fannie Mae must be delivered to the applicable document custodian within six months of the transfer date.

> **Note:** Generally, when a transferred mortgage loan is secured by a property located in Puerto Rico, neither an assignment of the mortgage loan from the transferor servicer to the transferee servicer nor an unrecorded assignment from the transferee servicer to Fannie Mae will need to be prepared and recorded.

Fannie Mae is Not the Owner of Record and the Mortgage Loan is Registered with MERS

Generally, when the servicing of a MERS-registered mortgage loan is transferred to a servicer that is not a MERS member (or to a servicer that elects not to continue the MERS registration for the mortgage loan), Fannie Mae requires

- the transferor servicer to prepare an assignment of the mortgage loan from MERS to the transferee servicer and have it executed and recorded,
- the transferor servicer to "deactivate" the Mortgage Identification Number (MIN) in the MERS system for reason: "Transfer to Non-MERS Status," and
- the transferee servicer to prepare a recordable (but unrecorded) assignment of the mortgage loan from itself to Fannie Mae and to deliver it to the applicable document custodian.

Transfer of Custodial Documents

If the transferee servicer continues to store the custodial documents with the existing document custodian, it must execute the *Master Custodial Agreement* (Form 2003), in accordance with *Documentation of the Document Custodian Relationship* in A2-6-02, Document Custodians. If the transferee servicer already has a master custodial agreement on file with that document custodian, the transferee servicer must obtain an *MBS Custodian Recertification* (Form 2002) in connection with the servicing transfer within six months of the transfer date.

If Fannie Mae's DDC is already holding the custodial documents for the mortgage loans that are being transferred, Fannie Mae will update its records to reflect the new servicer and accept any new unrecorded assignment of the mortgage loan to Fannie Mae from the transferee servicer, if applicable, without charging any additional fees.

The transferee servicer and the transferor servicer must work out appropriate arrangements for paying the costs of transferring the documents and obtaining the required pool recertification in an expeditious manner. MBS pool documents that will be held by a new document custodian or by the transferee servicer must be recertified, and Form 2002 must be completed and submitted to the transferee servicer's Fannie Mae office within six months of the transfer date.

When Fannie Mae's DDC Transfers Custodial Documents to a New Document Custodian

If Fannie Mae's DDC will need to transfer custodial documents for MBS mortgage loans that it is holding to a new document custodian, the transferee servicer must notify Fannie Mae at least 45 days before the date that it wants to physically transfer the documents. The notification must

- state its intent to transfer the documents to a new custodian as the result of a transfer of servicing,
- specify the approximate number of mortgage loans for which documents will be transferred,
- indicate the desired date for shipping the documents to the new custodian, and
- provide the names and telephone numbers of the contact persons for the transferee servicer and the new document custodian.

This advance notification must be sent to Fannie Mae's Bulk-Out Transfer division, 13150 Worldgate Drive, Herndon, VA 20170.

Fannie Mae will provide additional instructions for handling these "bulk-out" transfers—including the format for electronic requests for document release—after it has reviewed the servicer's advance notification.

When Fannie Mae's DDC Will be Receiving Custodial Documents

If Fannie Mae's DDC will be receiving documents from an existing document custodian, the transferee servicer must notify Fannie Mae at least 30 days before the date that it wants to physically transfer the documents. The notification must

- state its intent to transfer the documents to the DDC as a result of a transfer of servicing,
- specify whether the transfer relates to an entire servicing portfolio or to only certain individual mortgage loans,
- indicate the desired date for delivering the documents to the DDC, and
- provide the names and telephone numbers of the contact person for the transferee servicer and the current document custodian.

This advance notification must be sent to Fannie Mae, Region Code (A, C, D, L, or P, as required to identify the transferee servicer's Fannie Mae regional office), MBS Bulk-In Transfer, 13150 Worldgate Drive, Herndon, VA 20170. Fannie Mae will provide additional instructions for handling these "bulk-in" transfers—including the record layout for the electronic transfer tape—after it has reviewed the servicer's advance notification.

Custodial Documents for Participation Pool Mortgage Loans

For participation pool mortgage loans that Fannie Mae holds in its portfolio, any original mortgage notes that the transferor servicer has in its possession must be transferred to Fannie Mae's DDC for permanent retention no later than 30 days after the transfer date. To ensure that the transferred documents are appropriately identified, a label showing the Fannie Mae loan number must be affixed to the notes. The documents that are being turned over to Fannie Mae for custody also must be annotated on the trial balance that is submitted to Fannie Mae in connection with the servicing transfer.

F-1-15, Preparing to Implement a Workout Option (03/18/2015)

Introduction

This Servicing Guide Procedure contains the following:

- Evaluating the Borrower Using Imminent Default Indicator
- Processing the IRS Form 4506T-EZ or IRS Form 4506–T
- Notifying Fannie Mae of Lead-Based Paint Citations

Evaluating the Borrower Using Imminent Default Indicator

The servicer must evaluate a borrower using the imminent default evaluation in accordance with D2-1-02, Using Freddie Mac's Imminent Default Indicator.

To perform the imminent default evaluation, the servicer must take the steps in the following table.

Step	Servicer Action
1	Submit the case to IDI. • Create a Microsoft Excel spreadsheet containing all of the data elements required for an imminent default determination, noting the following about these data elements: – Credit score: If the servicer obtains multiple credit scores for a single borrower, the servicer must select a representative credit score using the lower of two or the middle of three credit scores. If there are multiple borrowers, the servicer must determine the representative score for each borrower and enter the lowest representative score as the credit score for the mortgage loan.

EXHIBIT 7

EXHIBIT 7

Inst #: 201104010001371
Fees: $14.00
N/C Fee: $0.00
04/01/2011 09:22:54 AM
Receipt #: 725685
Requestor:
NORTH AMERICAN TITLE COMPAN
Recorded By: CYV Pgs: 1
DEBBIE CONWAY
CLARK COUNTY RECORDER

Accommodation

APN # 177-12-410-074
N65839

NOTICE OF DELINQUENT ASSESSMENT LIEN

In accordance with Nevada Revised Statutes and the Association's declaration of Covenants Conditions and Restrictions (CC&Rs), recorded on February 5, 2003, as instrument number 01001 Book 20030205, of the official records of Clark County, Nevada, the Eastbridge Gardens Condominiums has a lien on the following legally described property.

The property against which the lien is imposed is commonly referred to as 2824 Begonia Court Henderson, NV 89074 particularly legally described as: Eastbridge Gardens, Plat Book 27, Page 76, Unit 4, Bldg 2-4A in the County of Clark.

The owner(s) of record as reflected on the public record as of today's date is (are):
Kyleen T Bell

Mailing address(es):
[redacted]

*Total amount due as of today's date is $1,443.94.

This amount includes late fees, collection fees and interest in the amount of $828.94

* Additional monies will accrue under this claim at the rate of the claimant's regular assessments or special assessments, plus permissible late charges, costs of collection and interest, accruing after the date of the notice.

Nevada Association Services, Inc. is a debt collector. Nevada Association Services, Inc. is attempting to collect a debt. Any information obtained will be used for that purpose.

Dated: March 30, 2011

By Shea Watkins, of Nevada Association Services, Inc., as agent for Eastbridge Gardens Condominiums

When Recorded Mail To:
Nevada Association Services
TS # N65839
6224 W. Desert Inn Rd, Suite A
Las Vegas, NV 89146
Phone: (702) 804-8885 Toll Free: (888) 627-5544

EXHIBIT 10

EXHIBIT 10

APN#: 177-12-410-001 through 177-12-410-162

20030205
.01001

ORIGINAL

(33)

SECOND RESTATED DECLARATION OF RESTRICTIONS
FOR
EASTBRIDGE GARDENS CONDOMINIUMS

RETURN TO: **Prepared by:**

THE LAW OFFICES OF JAY HAMPTON & ASSOCIATES
701 N. GREEN VALLEY PARKWAY, SUITE 200
HENDERSON, NV 89074
(702) 736-1820

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SECOND RESTATED DECLARATION OF RESTRICTIONS

FOR

EASTBRIDGE GARDENS CONDOMINIUMS

THIS SECOND RESTATED DECLARATION OF RESTRICTIONS is made by EASTBRIDGE GARDENS CONDOMINIUMS (hereinafter referred to as the "Association").

RECITALS

A. REFERENCE IS MADE to that certain Restated Declaration of Restrictions (the "Original Declaration") recorded on the 15th day of December, 1982, by PARADISE, EAST BRIDGEWOOD, A JOINT VENTURE dba EASTBRIDGE GARDENS CONDOMINIUMS (the "Declarant"), and encumbering certain real property located in the County of Clark, State of Nevada, more particularly described in Exhibit "A" hereto.

B. In 1999, the Nevada Uniform Common Interest Ownership Act, Chapter 116 of the Nevada Revised Statutes (the "Act") was amended by Senate Bill 451;

C. The Association wishes to comply with the provisions of the Act by executing this Restated Declaration to conform the Original Declaration to the Act;

NOW THEREFORE, the Association hereby RESTATES the Original Declaration in its entirety in order to conform the Original Declaration to the Act.

ARTICLE I.

DEFINITIONS

1.1. "Property" shall mean and refer to all of that certain real property described in paragraph A of the Recitals hereinabove as more particularly described in Exhibit "A" including Condominium Units, constructed thereon.

1.2. "Project" shall mean and refer to the Property.

1.3. "Condominium" shall mean an estate in real property as defined by the provisions of the Nevada Revised Statutes Chapter 116 consisting of a separate interest in a Condominium Unit, together with an undivided interest in common in the Common Area. For purposes of this Declaration, the ownership of each Condominium shall include a Condominium Unit, all easements appurtenant thereto, and the respective undivided interest in the Common Area.

1.4. "Condominium Building" shall mean and refer to a separate building containing one or more Condominium Units.

1.5. "Condominium Unit" shall mean and refer to the elements of a Condominium which are not owned in common with the Owners of other condominiums in the Project, said Units being more particularly described in Article II hereof and in the Condominium Plan.

1.6. "Common Area" shall mean and refer to all of that certain real property described in paragraph A of the Recitals, together with all structures and other improvements constructed thereon, but excepting therefrom all of the Condominium Units.

1.7. "Owner" shall mean the record Owner, or Owners if more than one, or the Buyer under a conditional sales contract of a Condominium in the Project. The foregoing is not intended to include persons or entities who held an interest in a Condominium in the Project merely as security for the performance of an obligation.

1.8. "Association" shall mean and refer to the EASTBRIDGE GARDENS HOMEOWNERS ASSOCIATION, a Nevada non-profit corporation in which all Owners shall have a membership interest as more particularly described hereinbelow, provided that membership shall be limited to Owners.

1.9. "Land" is the material of the earth, whatever may be the ingredients of which it is composed, and includes free or occupied space for an indefinite distance upwards as well as downwards, subject to limitations upon the use of airspace imposed, and rights to the use of airspace granted by law.

1.10. "Condominium Plan" shall mean that certain Condominium Plan recorded or to be recorded on the Project in the official records of the County of Clark, State of Nevada.

1.11. "Declarant" shall mean and refer to PARADISE, EAST BRIDGEWOOD, A JOINT VENTURE dba EASTBRIDGE GARDENS CONDOMINIUMS, its successors and any assignee, other than an Owner.

1.12. "Mortgage" shall mean and refer to a mortgage in the conventional sense and shall also include a Deed of Trust.

1.13. "Mortgagee" shall mean and refer to a person or entity who takes or receives a mortgage and shall also include the beneficiary of a Deed of Trust.

1.14. "Mortgagor" shall mean and refer to a person or entity who mortgages his or its property to another (i.e., the maker of a mortgage) and shall also include the trustor of a Deed of Trust.

1.15. "Parking Area" shall mean and refer to those parking spaces both assigned and unassigned as set forth in Exhibit "B" hereto.

1.16. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

1.17. "County" shall mean, unless otherwise specifically stated, the County of Clark, State of Nevada.

The aforesaid definitions shall be applicable to this Declaration and to any supplement or amendments thereto (unless the context shall prohibit) filed or recorded pursuant to the provisions of this Declaration.

ARTICLE II.

DESCRIPTION OF CONDOMINIUM

2.1. Each Condominium Unit shall be a separate freehold estate as defined by the provisions of the Nevada Revised Statutes Chapter 116 consisting of the dwelling space bounded by and contained within the interior unfinished surfaces of the perimeter walls, floors, ceilings, windows and doors of said space, identified on the Condominium Plan by a number, in accordance with the plans and specifications for each Condominium Unit, as more particularly shown, described and designated on the Condominium Plan. Each Condominium Unit includes both the portion of the building so described and the airspace so encompassed, all windows and doors in said Unit, the air conditioning system for said Unit and the forced air heating unit and patios appurtenant to the Condominium Unit, but the following, if applicable, are not a part of the Condominium Unit: bearing walls, columns, floors, roofs, slabs, foundations, chimneys, guard-stand, stairways, landings, pool and tennis court, recreation building and other recreational amenities, storage lockers, reservoirs, pumps, sewers, drains, irrigation equipment and other central services, pipes, ducts, flues, chutes, conduits, wires, exterior lighting and other utility installations wherever located (except all utility installations and outlets thereof when located within the Condominium Units), uncovered parking spaces, decks, balconies, pavements, trees and all other landscaping. In interpreting, this Declaration, Condominium Plan and deeds of conveyance, the existing physical boundaries of the Condominium Unit or of a Condominium Unit reconstructed in substantial accordance with the original Condominium Plan thereof, shall be conclusively presumed to be its boundaries rather than the metes and bounds (or other description) expressed in the Declaration, Condominium Plan or deed of conveyance, regardless of settling or lateral movement of the building and regardless of minor variance between boundaries shown on the Condominium Plan, in the deed or in the Declaration and those of the building.

2.2. A freehold estate consisting of an undivided interest in the remaining portion of the Project is described and referred to herein as the Common Area. The Common Area shall include, without limitation, the land within the Project as defined hereinabove, each Condominium Building (excepting therefrom the Condominium Units), together with all chimneys, guard-stand, stairways, landings, pool, recreation building and other recreational amenities, reservoirs, pumps, irrigation equipment, sewers, drains and other central services, pipes, ducts, flues, chutes, conduits, wires, exterior lighting and other utility installations wherever located (except all installations and/or outlets thereof when located within the Condominium Units), uncovered parking spaces, pavements, trees and all other landscaping. Legal title of the Common Area as described in Exhibit "C" hereto shall be turned over to the Association upon the closing of the sale of the First Condominium in the Project.

2.3. The Association shall be responsible to maintain the Common Area and open parking spaces in a neat, clean, safe and attractive condition at all times and to bear the expense of maintaining same.

2.4. Any and all open parking spaces located on the Common Area and which are not assigned by Declarant to a Condominium Unit may be used by the Owners on a first-come, first-served basis. Parking spaces other than those reserved as open and unassigned are hereby assigned on a unit-by-unit basis as set forth in Exhibit "B" hereto. Notwithstanding the above, Declarant reserves the exclusive right, as Declarant may in its sole discretion determine to be equitable, to:

(a) Assign any or all of said unassigned open parking spaces as exclusive easements to Condominium Units located on the property; and/or

(b) Restrict any or all of said unassigned open parking spaces solely for visitor parking.

Neither the Association nor any Owner shall obtain any vested rights whatsoever in any unassigned open parking spaces contrary to the aforesaid exclusive rights reserved by Declarant.

2.5. The undivided interest in the Common Area hereby established and which shall be conveyed with each respective Unit is a one-one hundred sixty-second (l/162) undivided interest. The above respective undivided interest established and to be conveyed with the respective Condominium Units, as indicated above, cannot be changed, and said Declarant, his successors, assigns and grantees covenant and agree that the undivided interest in the Common Area and the fee titles to the respective Condominium Units conveyed therewith shall not be separated from or separately conveyed or encumbered without its respective Condominium Unit, even though the description in the instrument or conveyance may refer only to the fee title to the Condominium Unit.

2.6. Each Owner shall have a non-exclusive easement appurtenant to this Condominium for ingress, egress, use and enjoyment on and over the Common Area.

2.7. Each Condominium includes: (a) a separate Condominium Unit as defined in Section One (1) hereinabove; (b) all easements, exclusive and non-exclusive, appurtenant to the respective Condominium Units, (c) a one one-hundred sixty-second undivided interest in the Common Area, and (d) a right to membership in the non-profit corporation which has been or will be incorporated under the name of EASTBRIDGE GARDEN HOMEOWNERS ASSOCIATION.

ARTICLE III.

OWNERS' PROPERTY RIGHTS

3.1. Owners' Easements of Enjoyment: Every Owner shall have a right and easement of access, use and enjoyment in and to the Common Area. Said right and easement shall be appurtenant to and shall pass with the title to every Condominium.

3.2. Limitations of Owners' Easements of Enjoyment: The rights and easements of access, use and enjoyment set forth in Section 1 hereinabove shall be subject to the following:

(a) The right of the Association, through its Board of Directors and agents to reasonably limit the number of guests of Owners;

(b) The right of the Association, through its Board of Directors and agents, to establish and enforce reasonable rules and regulations pertaining to the use of the Common Area and the recreational facilities located thereon;

(c) The right of the Association, through its Board of Directors and agents, to charge reasonable admission and other fees for the use of recreational facilities;

(d) The right of the Association, through its Board of Directors and agents, and in accordance with the Articles, Bylaws and the Declaration, and with the assent of the Members as evidenced by a majority of the voting power of each class of Members, to borrow money and/or to mortgage, pledge deed in trust or otherwise hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(e) The right of the Association, through its Board of Directors and agents, to assess late charges against an Owner and/or suspend said Owner's voting rights and right to use the recreational facilities for the period during which any assessments against his Condominium remains unpaid and delinquent after notice and hearing before the Board of Directors, given and had, and to assess monetary penalties and to suspend an Owner's voting rights and right to use the recreational facilities for a period not to exceed thirty (30) days after notice and hearing before the Board of Directors, given and had, for any single infraction of the rules and regulations established by the Association. Any late charge or monetary penalty assessed pursuant to this Section shall be levied as a special assessment against said Owner and together with interest, costs of collection and reasonable attorneys' fees for the collection thereof, shall be charged on the land and shall be a continuing lien upon the property against which each such special assessment is made;

(f) The right of the Association, through its Board of Directors and agents, to dedicate or transfer all or part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless:(1) an instrument approving such dedication or transfer is signed by Owners representing two-thirds (2/3) of the voting power of each class of Members and recorded in the Office of the County Recorder, and (2) a written notice of

the proposed dedication or transfer is sent to every Owner not less than fifteen (15) nor more than thirty (30) days in advance, provided, however, that the dedication or transfer of easements for utilities or for other public purposes consistent with the intended use of the Common Area shall not require the prior approval of the Members of the Association.

(g) The right of the Association, through its Board of Directors and agents, to perform and exercise its duties and powers as set forth herein;

(h) Other rights of the Association, the Architectural Control Committee, the Board of Directors, the Owners and Declarant with respect to the Common Area as may be provided for in the Declaration; and

(i) Any limitations, restrictions or conditions including, but not limited to, the rights of the County or such other governmental agency having jurisdiction to use their vehicles or appropriate equipment over those portions of the Common Area designated for vehicular movement to perform municipal functions or emergency or essential public services.

3.3. Delegation of Use: Any Owner may delegate his right of use and enjoyment to the Common Area and recreational facilities to the members of his family, his tenants and to their guests.

3.4. Easements for Vehicular Traffic: In addition to the general right and easement for access, use and enjoyment granted herein, there shall be and Declarant hereby covenants for itself and its successors and assigns, that each and every owner shall have a non-exclusive easement appurtenant to his Condominium for vehicular traffic over all private streets and alleys within the Project.

3.5. Easements for Utilities: The rights and duties of the Owners of Condominiums within the Project with respect to sanitary sewer, water, electricity, gas and telephone lines and other facilities shall be governed by the following:

(a) Each respective utility company shall maintain all utility facilities and connections on the Project owned by such utility company, provided, however, that if any company shall fail to do so, it shall be the obligation of the Association to maintain those facilities and connections;

(b) Whenever sanitary sewer, water or gas connections, television cables, electricity or telephone lines are installed within the Project and it is necessary to gain access to said Condominium Unit owned by someone other than the Owner of the Unit served by said connections, cables and/or lines, the Owner of the Unit served by said connections, cables and/or lines shall have the right, and it is hereby granted an easement to the full extent necessary therefor, to enter in the Unit or to have the utility companies enter in the Unit and to repair, replace and generally maintain the same whenever it shall be necessary to do so during reasonable hours and when reasonable notice has been given to Unit Owner;

(c) Whenever sanitary sewer, water or gas connections, television cables, electricity or telephone lines are installed within the Project, and said connections, cables

and/or lines serve more than one Unit, the Owner of each Unit served by said connections, cables and/or lines shall be entitled to the full use and enjoyment of such portions of same as service of his Condominium Unit;

(d) In the event of a dispute between Owners respecting the repair or rebuilding of the aforesaid connections, cables and/or lines, or the sharing of the cost thereof, upon written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board of Directors who shall decide the dispute and the decision of the Board shall be final and conclusive on the Owners;

(e) Easements over the Project for the installation and maintenance of electric and telephone lines, water, gas, drainage and sanitary sewer connections and facilities, and television antenna cables and facilities as may be hereafter required or needed to service the Project, are hereby reserved by the Declarant, together with the right to grant and transfer the same.

3.6. Easement for Placement, Maintenance and Repair of Air Conditioning Units: Portions of the air conditioning system Condominium Unit are situated in the Common Area of the Condominium Buildings. Every Unit Owner is hereby granted an easement for the placement and existence of his air conditioning system in the Common Area and an easement on and over the Common Area for purposes of maintenance and repair of his respective air conditioning system. Said right and easement shall be appurtenant to and shall pass with title to every Condominium.

ARTICLE IV.

USE RESTRICTIONS

The Condominium Units and Common Area shall be occupied and used only as follows:

4.1. Each Condominium Unit shall be used for a private dwelling, for a single family, and for no other purpose.

4.2. Use of the Common Area and Restricted Common Area shall be subject to the provisions of this Declaration and to any additional limitations imposed by the Association.

4.3. No Owner shall permit or suffer anything to be done or kept in any Condominium Unit or in any Common Area which will increase the rate of insurance on the Common Area without the approval of the Association. No Owner shall permit anything to be done or kept in his Condominium Unit or in any Common Area which will result in the cancellation of insurance on any Common Area, or which would be in violation of any law. If, by reason of the occupancy or use of said premises by the Owner, the rate of insurance on the building shall be increased, the Owner shall become personally liable for the additional insurance premiums.

4.4. Each Owner shall be liable pursuant to the laws of the State of Nevada to the Association for any damage to the Common Area or to any of the equipment or improvements

thereon which may be sustained by reason of the negligence or willful misconduct of said Owner or of his family, relatives, guests or invitees, both minor and adult. Further, the cost of any maintenance or other services required to be performed by the Association which are caused by the negligence or willful misconduct, as determined pursuant to the laws of the State of Nevada, of any Owner or his family, relatives, guests or invitees, both minor and adult, shall be borne by such Owner. Any of the costs required to be paid by an Owner hereunder shall be added to the regular assessments of such Owner.

4.5. The Owner of a Unit or his agent may display a sign of customary and reasonable dimension, as established and furnished by the Board, advertising his Unit for sale or lease, which sign shall be of a professional type and of dignified appearance, and shall be placed in some appropriate location as determined by the Board, on the Common Area open to public view. The Owner or his agent may include advertising on the sign that indicates: (a) the property is for sale, lease or exchange; (b) the agent's or Owner's name; and (c) the address and telephone number of the agent or Owner.

4.6. Subject to such reasonable and uniform rules and regulations as may be adopted by the Board of Directors, each Owner may keep one (1) dog, cat or other common household pet in his Unit, provided that said pet shall not be greater than thirty-five (35) pounds in weight at full growth unless the Board of Directors of said Association grants permission allowing a pet of greater weight. Notwithstanding the foregoing, no animal shall be kept, bred or maintained for any commercial purpose, and further, each Owner shall be responsible for cleaning up any excrement or other unclean or unsanitary condition caused by said animal on the Common Area. The Association, upon the approval of two-thirds (2/3) of the Board of Directors, shall have the right to prohibit maintenance of any animal within the Project which constitutes a private nuisance to another person. Every person bringing a pet upon or keeping a pet in the Project shall be liable pursuant to the laws of the State of Nevada to each and all persons for any injury or damage to persons or property caused by such pets.

4.7. No Owner shall permit or suffer anything to be done or kept upon any Condominium which will obstruct or interfere with the rights of quiet enjoyment of the other Area. All clotheslines, refuse containers, woodpiles, storage boxes, tools and equipment and items of a similar type or nature shall be prohibited from being kept in the open exterior of any Condominium.

4.8. Nothing shall be done in any Condominium Unit or in, on, or to any Condominium Building which would structurally change any such building, except as is otherwise provided herein.

4.9. There shall be no structural alteration, construction or removal of any Condominium Building, fence or other structure in the Project (other than repairs or rebuilding pursuant to the provisions of this Declaration) without the approval of the Architectural Control Committee, set forth hereinbelow, and of the City and County when required. No building, fence or other structure shall be constructed upon any portion of any Common Area or Restricted Common Area other than such building and structures as shall be constructed by the Association pursuant to the provisions of this Declaration.

4.10. No professional, commercial or industrial operations of any kind shall be conducted in or upon any Condominium Unit, Common Area or Restricted Common Area, except such temporary operations as may be approved by a majority of the Board of Directors of the Association. All commercial, professional or other business operations, temporary or permanent, shall comply with the County's zoning regulations.

4.11. Except as may be otherwise permitted by the Association, no Owner shall park, store or keep any large commercial type vehicle, any recreational vehicle, including but not limited to, campers, motorhomes, trailers, boats, boat trailers, mobile homes, camper trucks or other similar vehicles or any vehicle other than a private passenger vehicle or passenger van, provided said van is used for everyday driving, in any place other than the boat and trailer storage area, if one exists, which may hereafter be designated for such by the Association. Parking in said area shall be allowed by permit; these permits are to be issued by the Board of Directors of the Association. No Owner of a Unit shall conduct repairs or restorations of any motor vehicle, boat, trailer, aircraft, or other vehicle upon any portion of any Unit or upon the Common Area. All parking spaces designated for guest parking, if any, shall be used exclusively for such purposes. In any event, all vehicles shall be parked in compliance with County ordinances.

4.12. All Owners shall be Members of the Association and shall comply with the terms and conditions as set forth in the Articles of Incorporation and the Bylaws and any rule or regulation adopted by the Association. No owner shall transfer any membership or interest in the Association, except upon the transfer of the Condominium to which it is appurtenant.

4.13. Except when replacing his existing air conditioning unit with an identical or comparable unit, no Owner shall replace his existing air conditioning unit or install another air conditioning unit without the prior written approval of the Architectural Control Committee, which shall have the right to approve or disapprove the size, shape, location and noise level of such unit.

4.14. No Owner shall install or cause to be installed any satellite dish, antenna, or other similar electronic receiving or broadcasting device that does not fall within the scope of, or is otherwise not covered by, the provisions of 47 C.F.R. 1.4000, as may be amended from time to time, or any subsequent federal or state law applicable to common-interest communities, on any portion of the exterior of any building in the Project.

4.15. No Owner shall install or display to the public view from or on any Condominium Unit any drapes, curtains, shades, blinds or window coverings other than standard window coverings.

4.16. With the exception of a lender in possession of a Condominium following: (1) a default in a first mortgage, (2) a foreclosure proceeding, or (3) a conveyance or other arrangement in lieu of foreclosure, no Owner shall be permitted to lease his Condominium Unit. All lease agreements shall be in writing and shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation and the Bylaws, and that any failure by the Lessee to comply with the terms of such documents shall constitute a default under the lease. No Owner may lease his Condominium Unit for less than six

(6) months. In the event any Owner leases his Condominium Unit, he shall submit a copy of the tenant rental application and lease agreement to the Board of Directors or its managing agent. It shall be the obligation of the Owner who rents or leases his Condominium Unit to assure compliance by the tenant or lessee with all of the covenants set forth in this Declaration. Other than the foregoing, there are no restrictions on the right of any Owner to lease his Condominium Unit.

ARTICLE V.

OWNER'S ASSOCIATION

5.1. Membership: Every person or entity who or which is an Owner of a fee or undivided interest in any Condominium which is subject by covenants of record to assessment by the Association shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest in a Condominium in the Project merely as security for the performance of an obligation.

5.2. Voting Rights: Each Member shall have one vote per lot. Only a vote cast in person, by secret ballot or by proxy may be counted. If only one of several owners of a unit is present at a Members' meeting, that owner is entitled to cast all the votes allocated to that unit. If more than one of the owners of a Unit are present at a Members' meeting, the votes allocated to that unit may be cast only in accordance with the agreement of a majority in interest of the owners. There is majority agreement if any one of the owners cast the votes allocated to that unit without protest made promptly to the person presiding over the meeting by any of the other owners of the unit.

Any provision in this Declaration, the Articles of Incorporation or the Bylaws calling for Membership approval of action to be taken by the Association shall expressly require an affirmative vote of the stated percentage of Members required in that particular provision.

5.3. Vesting of Voting Rights: The voting rights attributed to any given Condominium Unit other than those Condominium Units which may be built by Declarant as described in the Plat of Eastbridge Gardens Condominiums not vest until the assessments provided for hereinbelow have been levied by the Association against said Condominium.

5.4. Transfer: The Association membership held by any Owner of a Condominium shall not be transferred, pledged or alienated in any way, except upon the sale of such Condominium. In the event of such sale the Association membership may only be transferred, pledged or alienated to a bona fide purchaser of the Condominium, or to the mortgagee (or a third party purchaser) of such Condominium upon a foreclosure sale. Any attempt to make a prohibited transfer is void, and will not be reflected upon the books and records of the Association.

ARTICLE VI.

POWERS AND DUTIES OF THE ASSOCIATION

6.1. The Association is hereby designated as the management body of the Project. The Members of the Association shall be the Owners in the Project as provided herein, and the affairs of the Association shall be managed by a Board of Directors as more particularly set forth in the Bylaws of the Association. The Board of Directors shall be elected as provided in said Bylaws.

6.2. The Association shall have the right and power to do all things necessary for the management and operation of the Project. Subject to the provisions of the Articles of Incorporation, the Bylaws of the Association and this Declaration, the powers of the Association shall include, but shall not necessarily be limited to, the specific acts hereinafter enumerated and those set forth in the Nevada Condominium Act (Title 10, Chapter 117).

6.3. The Association shall possess, perform and execute the following powers and duties:

(a) Provide water, sewer, gas, electricity, garbage and trash collection and other necessary utility services for the Common Area and, if not separately metered, for the Condominium Units;

(b) Provide policies of insurance as more particularly set forth in Article XII hereinbelow.

(c) Maintain all of the Common Area. In the event any repair or painting of the Common Area is required due to the willful or negligent acts or omissions of a Unit Owner or Owners, the Association shall levy the cost of such repair and painting as a special assessment against the responsible Unit Owner(s).

(d) In addition to all other provisions set forth herein respecting the maintenance of the Common Area, maintain all storm drains, sanitary sewers, drains, private streets and alleys, exterior lighting facilities, utilities and open spaces within the Common Area in a condition comparable to the condition initially approved.

(e) Pay all real and personal property taxes and assessments which the Association is required to pay for pursuant to the terms and provisions of this Declaration or by law, unless separately assessed to the Owners; provided, however, that it shall be the obligation of each owner to pay his respective share of the tax assessment levied on the Project prior to separate assessments by the Tax Assessor.

(f) Contract for any other material, supplies, furniture, labor, services, maintenance, repairs and structural alterations which the Association is required to pay for pursuant to the terms and provisions of this Declaration or by law, subject to the limitations set forth in the Declaration.

(g) Cause financial statements for the Association to be regularly prepared and copies distributed to each Member of the Association as follows:

(1) A pro forma operating statement (budget) for each fiscal year shall be distributed not less than thirty (30) days nor more than sixty (60) days before the beginning of the fiscal year, as more fully provided in the Bylaws.

(2) An operating statement for the period from the date of closing of the first sale of a Condominium in the Project to the last day of the month closest in time to six (6) months after the date of said first closing shall be distributed within sixty (60) days after expiration of said period. The operating statement shall include a schedule of assessments received, and receivable, identified by the number of the Condominium and the name of the person or entity assessed.

(3) An operating statement for each fiscal year shall be distributed within ninety (90) days after the close of the fiscal year.

An external audit by an independent accountant shall be required for fiscal year financial statements (other than budgets), for any fiscal year in which the gross income to the Association exceeds SEVENTY-FIVE THOUSAND ($75,000.00) DOLLARS.

(h) Enforce all applicable provisions of this Declaration, the Articles of Incorporation, Bylaws and rules and regulations of the Association and of all other documents pertaining to the ownership, use, management and control of the Project.

(i) Assume and pay out of the assessments provided for hereinbelow all costs and expenses incurred by the Association in connection with the performance and execution of all the aforesaid powers and duties, and any other powers and duties which the Association may assume as provided for in Section 4 hereinbelow.

6.4. The Association, acting at its option and by and through its Board of Directors, may assume, perform and execute the following powers and duties:

(a) Retain the services of a manager for the Common Area as set forth in Section 3 hereinabove, and provide such other personnel as the Association deems necessary and proper to assist in the operation of the Association and/or management of the Common Area regardless of whether such other personnel are employed directly by the Association or otherwise.

(b) Remove or replace any part of a fence or other structure that extends into the Common Area under authority of an easement when access to a utility line underneath such fence or structure is requested by any utility company; provided, however, that the cost shall be charged to the Owner of the Condominium Unit involved if said Owner caused the fence or other structure to be so placed in the Common Area.

(c) Incur any liability or pay any costs or expenses for a single Condominium Unit or Owner thereof; provided, however, that in the event the Association does incur any

such liability or pay any such costs or expenses, the amount thereof shall be specifically assessed to the Owner of such Condominium Unit; provided further, however, that nothing herein shall permit the Association to assess the Owners for any new improvements or additions to the Common Area except as otherwise provided in this Declaration.

(d) Contract for any other materials, supplies, furniture, labor, services of maintenance repairs or structural alterations, or pay any taxes or assessments which in the opinion of the Board of Directors shall be necessary or proper for the operation of the Common Area for the benefit of the Owners, or for the enforcement of the covenants set forth in this Declaration.

6.5. Any agreement for professional management of the Project, or any other contract providing for services of the developer, sponsor or builder, may not exceed one (1) year. Any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice.

6.6. The Association, any person authorized by the Association, or any Owner may enter any Condominium Unit or Restricted Common Area in the event of any emergency involving illness or potential danger to life or property. Such entry shall be made with as little inconvenience to the Owner as is practicable.

6.7. The Board of Directors of the Association shall be prohibited from taking any of the following actions, except with the vote or written assent of a majority of the total voting power of the Association.

(a) Entering into a contract with a third person wherein the third person will furnish goods or services for the Common Area or the Association for a term longer than one (1) year, with the following exceptions:

(1) A contract with a public utility company if the rates charged for the materials or services are regulated by the Public Utilities Commission; provided, however, that the term of contract shall not exceed the shortest term for which the supplier will contract at the regulated rate; and

(2) Prepaid casualty and/or liability insurance policies of not to exceed three (3) years duration, provided that the policy permits for short-rate cancellation by the insured.

(b) Incurring aggregate expenditures for capital improvements to the Common Area in any fiscal year in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year; or

(c) Selling during any fiscal year property of the Association having an aggregate fair market value greater than five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

6.8. The Association is authorized and empowered to grant such licenses, easements and rights-of-way for sewer lines, water lines, underground conduits, storm drains and other public utility purposes over those portions of the Common Area upon which no building or other structure has been erected as may be necessary and appropriate for maintenance and the preservation of the health, safety, convenience and welfare of the Owners. Such licenses, easements and rights-of-way may be granted at any time prior to twenty-one (21) years after the death of the individuals who have signed these Restrictions and their issue who are in being as of that date hereof, and the right to grant such licenses, easements and rights-of-way is hereby expressly reserved.

6.9. Except as provided in this Declaration, the Association may construct new improvements or additions to the Common Area or demolish existing improvements, provided that in the case of any improvement, addition or demolition involving a total expenditure in excess of five percent (5%) of the budgeted gross expenses of the Association for that fiscal year, the written consent or vote of a majority of the Owners in the Project as to the maximum total cost therefor shall first be obtained, and provided that no Condominium Unit shall be altered or damaged by any such demolition or construction without the consent of the Owner thereof. The Association shall levy a special assessment on all Owners in the Project for the cost of such work.

ARTICLE VII.

ASSESSMENTS

7.1. Creation of the Lien and Personal Obligations of Assessment: Subject to the provisions set forth in Sections 5 and 7 of this Article, each Owner of any Condominium by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) regular monthly assessments based on an annual assessment, and (2) special assessments for any action or undertaking on behalf of the Association including, but not limited to, capital improvements or reconstruction, such assessments to be established and collected as hereinbelow provided. The monthly assessment based on an annual assessment and special assessments together with interest, costs, and reasonable attorneys' fees for the collection thereof, shall be a charge on the land and shall be a continuing lien upon the property which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees shall also be the personal obligation of. the person who was the Owner of such property at the time when the assessment was the Owner of such property at the time when the assessment fell due. The personal obligations for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

7.2. Purpose of Annual Assessments; Levy and Collection: The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the Project and to maintain and improve the Common Area. Subject to the provisions set forth in Section 5 of this Article, the Association, by and through its Board of Directors, shall levy and collect assessments from the Owner of each Condominium in the Project in an amount sufficient to cover all of the costs and expenses incurred by the Association

in connection with the performance and execution of its powers and duties as set forth hereinabove and in the Articles of Incorporation.

7.3. Annual Assessments – Basis: Subject to the provisions set forth in Section 5 of this Article, the Owner of each Condominium shall share in the profits and common expenses of the Common Area on an equal basis. The maximum annual assessment may not be increased effective January 1 of each year by more than twenty (20) percent above the maximum assessment for the previous year without the vote or written assent for fifty-one (51%) percent of a quorum of Members at an Association meeting, the purpose of which is to vote on said increase. Subject to the maximum total annual assessment set forth herein, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

7.4. Special Assessments: In any fiscal year, the Board of Directors may not, without the vote or written assent of the majority, levy special assessments to defray in whole or in part the costs of any action or undertaking on behalf of the Association which in the aggregate exceed five percent (5%) of the budgeted gross expenses of the Association shall be levied upon to the same basis as that prescribed for the levying of regular assessments.

7.5. Date of Commencement of Annual Assessments; Due Dates: The monthly assessments based on annual assessments provided for herein shall commence as to each Condominium as follows:

(a) On the first day of the month following the first conveyance of any Condominium in the Project to a bona fide purchaser, all Condominiums in the Project shall be assessed equally for the costs and expense of maintaining the Common Area of the Project;

(b) General and special assessments for any other purpose including, but not limited to, all reserve funds, shall commence as to each Condominium upon the happening of the following event: The first day of the month following the first conveyance to a bona fide purchaser of any Condominium in its respective Condominium Building.

The first monthly assessments based on annual assessments shall be adjusted according to the number of months remaining in the fiscal year as set forth in the Bylaws. Subject to the provisions set forth herein, the Board of Directors shall fix the amount of the monthly assessments based on annual assessments against each Condominium at least thirty (30) days in advance of each annual assessment period. Written notice of the monthly assessment based on annual assessment shall be sent to every Owner subject thereto at least fifteen (15) days in advance of each assessment period. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association, setting forth whether the assessments on a specified Condominium have been paid. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment. Notwithstanding anything in the Bylaws or this Declaration to the contrary, the voting rights attributable to all Condominiums in the Project shall vest upon the sale of the first Condominium in the Project.

7.6. Waiver Prohibited: No Owner may waive or otherwise avoid liability for the assessments provided for herein for any reason whatsoever including, but not limited to, non-use of the Common Area or abandonment of his Condominium.

7.7. Exempt Property: The following property subject to this Declaration shall be exempt from the assessments herein:

(a) All property dedicated to and accepted by a local public authority;

(b) All property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of Nevada; however, no land or improvements devoted to dwelling use shall be exempt from said assessment; and

(c) All property owned by any public authority.

ARTICLE VIII.

EFFECT OF NON-PAYMENT OF ASSESSMENTS

8.1. Effect of Non-Payment of Assessments: Remedies of the Association: Any assessment not paid within ten (10) days after the due date shall bear interest from the due date at the highest rate allowed by law. The Association may commence legal action against the Owner personally obligated to pay the same, or foreclose the lien against his Condominium. The Association may also foreclose the lien described hereinbelow by a power of sale or other non-judicial procedure provided for by the laws of the State of Nevada.

8.2. Establishment of Lien: The Association may in the event an assessment become delinquent pursuant to the terms of Section 1 above, record with the County Recorder of Clark County, State of Nevada, a notice of assessment upon the Condominium Unit as to which is delinquent in paying their assessment which states: Said notice of claim must recite the record Owner or reputed Owner thereof, the amount claimed (which may, at the Association's option, include interest on the unpaid assessment at the highest rate allowed by law, plus reasonable attorneys' fees and expenses of collection incurred in connection with the debt secured by said lien), and the name and address of the claimant. Said notice further must be signed by an authorized representative of the management body of claimant or as otherwise provided in these restrictions.

8.3. Enforcement of Lien: No action shall be brought to foreclose said assessment lien or to proceed under the power of sale herein provided less than sixty (60) days following the day upon which the notice of default and election to sell is recorded in the Office of the County Recorder of the County in which the Project is located and a copy of the notice of default and election to sell is deposited in the United States Mail, certified or registered, postage prepaid, to the Owner of said Condominium.

8.4. Foreclosure Sale: Any foreclosure sale provided for above is to be conducted by the Board of Directors, its attorney or other persons authorized by the Board in accordance with

the procedures provided for by the laws of the State of Nevada applicable to the exercise of powers of sale in mortgages and deeds of trust, or in any other manner permitted by law. The Association, through duly authorized agents, shall have the power to bid on the Condominium at a foreclosure sale, and to acquire, hold, lease, mortgage and convey the same.

8.5. Curing of Default: Upon the timely curing of any default for which a notice of claim or lien was filed by the Association, the officers thereof are hereby authorized to file or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee, to be determined by the Board of Directors, to cover the costs of preparing and filing or recording such release.

8.6. Cumulative Remedies: The Association's remedies for nonpayment of assessments including, but not limited to, an action to recover a money judgment, assessment lien and right to foreclosure and sale, are cumulative and in addition to and not in substitution of any other rights and remedies which the Association and its assigns may have hereunder or at law.

ARTICLE IX.

ARCHITECTURAL CONTROL – APPROVAL

9.1. Architectural Control: Except for the purposes of proper maintenance and repair, and except as provided in Section 3 hereinbelow, no person, persons, entity or entities shall install, erect, attach, apply, paste, hinge, screw, nail, build or construct any deck covers, solar heating panels, lighting, shades, screens, awnings, decorations, fences, serials, antennas, radio or television broadcasting or receiving devices, air conditioning units (except those installed by Declarant) make any changes or otherwise alter the exterior of any Condominium Unit. For purposes of this provision, the term "exterior" shall mean any outside wall, outside surface, roof, outside door, patio or other outside structure of said Condominium Unit.

9.2. Present Condominium Exempt: Except for purposes of proper maintenance and repair, and except as provided in Section 3 hereinbelow, no person, persons, entity or entities shall install, construct or build any walkways, slabs, sidewalks, curbs, gutters, patios, patio covers, porches, radio or television broadcasting or receiving devices, air conditioning units or other structures of any kind which are to be constructed during the development of the Project by the Declarant.

9.3. Architectural Approval: No action described in Sections 1 and 2 above may be taken by an Owner or caused by an Owner to be taken until all requirements which may be imposed by the City have been satisfied and the plans and specifications showing the nature, kind, color, shape, dimensions, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and to topography by the Architectural Control Committee provided for in Section 4 hereinbelow. In the event said Committee or its designated representatives, fails to approve or

disapprove such design and location in writing within thirty (30) days after said plans and specification have been submitted to it, approval by said Committee will not be required.

9.4. Architectural Control Committee: The Architectural Control Committee is hereby authorized with the rights and powers set forth in this Article. Said Committee shall consist of three (3) members and each member shall serve for a term of one (1) year. In the event of the failure or inability to act of any member of the Committee, the remaining members shall designate a successor who shall serve for the remainder of the term of the member he replaces. The Board of Directors shall have the power to appoint all of the members of the Architectural Control Committee. No members of the Committee shall be liable to any person for his decisions or failure to act in making decisions as a member of the Committee.

ARTICLE X.

MORTGAGEE PROTECTION

10.1. Notwithstanding any other provisions in this Declaration to the contrary, in order to induce the Federal Home Loan Mortgage Corporation (F.H.L.M.C.), the Federal National Mortgage Association (F.N.M.A.) and institutional lenders to participate in the financing of the sale of Condominiums in the Project, the following provisions are added hereto, and, to the extent these added provisions conflict with any other provisions in this Declaration, these added provisions shall control.

The Declaration, the Articles of Incorporation and the Bylaws for the Association are hereinafter collectively referred to in this Article as the "constituent documents."

(a) The right of an Owner to sell, transfer or otherwise convey his Condominium Unit shall not be subject to any right of first refusal or any similar restriction in favor of the Association.

(b) Any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the mortgage, foreclosure of the mortgage, or any purchaser at a foreclosure sale will not be liable for such Unit's unpaid assessments and charges which accrue prior to the acquisition of title to such Unit by the mortgagee, except for claims for a share of such assessments or charges resulting from a reallocation of such dues, assessments or charges to all Condominiums including the mortgaged Condominium. The lien assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed upon the property subject to assessment; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or trustee sale. Such sale or transfer shall not release such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

(c) Except as provided by statute in case of condemnation or substantial loss to the Condominium Units and/or common elements of the Condominium Project, unless

mortgage on a Condominium in the Project has given its prior written approval, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium Project, except as otherwise provided herein in the event of substantial destruction by fire or other casualty or in the event of a taking by condemnation or eminent domain;

(2) Make any material amendment to this Declaration or to the Bylaws including, but not limited to, any amendments which would change the pro rata interest or obligations of (i) levying assessments or charges or allocating distributions or hazard insurance proceeds or condemnation awards; or (ii) determining the pro rata share in ownership of each Condominium Unit in the Common Area;

(3) Partition or subdivide any Condominium except as provided in the Article entitled "Covenant Against Partition" herein;

(4) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area. (The granting of easements for public utilities or for other public purposes consistent with the intended uses of the Common Area by the Project shall not be deemed a transfer within the meaning of this clause);

(5) Use hazard insurance proceeds for losses to the Project (whether to Condominium Units or to Common Area) for other than repair, replacement or reconstruction;

(6) Effect any decision of the Association to terminate professional management and assume self-management of the Project.

(d) First Mortgagees shall have the right to examine the books and records of the Association during normal business hours.

(e) All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to individual Condominiums, and not to the Project as a whole.

(f) No provision of the constituent documents shall be interpreted to give the Owner of a Condominium, or any other party, priority over any rights of the first mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Condominium Units and/or the Common Area.

(g) The assessments provided for in the constituent documents shall include an adequate reserve fund for maintenance, repairs and replacement of those elements of the Common Area that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments.

(h) A first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by an individual Owner of any obligation under the constituent documents which is not cured within sixty (60) days.

(i) Any agreement for professional management of the Project may not exceed one (1) year, renewable by agreement of the parties for successive one (1) year periods. Any such agreement must provide for termination by either party without cause and without payment of a termination fee on thirty (30) days written notice.

(j) In the event of substantial damage to or destruction of any Condominium Unit or any part of the Common Area, the institutional holder of any first mortgage on a Unit will be entitled to timely written notice of any such damage or destruction.

(k) Any institutional holder of a first mortgage on a Condominium in the Project will, upon request, be entitled to (i) receive an annual audited financial statement of the Project within ninety (90) days following the end of any fiscal year of the Project; and (ii) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.

(l) If any Condominium Unit or portion thereof or the Common Area or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the institutional holder of any first mortgage on such Unit will be entitled to timely written notice of any such proceeding or proposed acquisition.

(m)In the event any portion of the Common Area encroaches upon any Condominium Unit or any Condominium Unit encroaches upon the Common Area, as a result of the construction, reconstruction, repair, shifting, settlement or movement of any portion of the Project, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

10.2. No breach of any of the foregoing covenants shall cause any forfeiture of title or reversion or bestow any right of re-entry whatsoever, but in the event that any one or more of these covenants shall be violated, the Association or any Owner of a Condominium in the Project, may commence a legal action in any court of competent jurisdiction to enjoin or abate said violation and/or to recover damages; provided, however, that any such violation shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith and for value as to said Condominium. Said covenants shall be binding upon and effective against any Owner of said Condominium or a portion thereof, whose title thereto is acquired by foreclosure, trustee sale or otherwise.

ARTICLE XI.

OBLIGATION TO MAINTAIN, REPAIR AND REBUILD

11.1. Maintenance by Owner: Subject to the provisions of this Declaration regarding exterior maintenance of all buildings in the Project and architectural control approval, each Owner shall, at his sole cost and expense, maintain and repair his Condominium Unit, keeping same in a neat, safe, attractive, sanitary and orderly condition and making all structural repairs as they may be required.

11.2. Damage and Destruction Affecting Residences; Duty to Rebuild: If all or any portion of any Condominium Unit is damaged or destroyed by fire or other casualty, it shall be the duty of Homeowners Association to rebuild, repair or reconstruct said Condominium Unit in a manner which will restore it substantially to its appearance and condition immediately prior to the casualty.

ARTICLE XII.

INSURANCE

12.1. Required Insurance Coverage: The Association, acting by and through the Board of Directors, shall obtain for the Association the following insurance coverages:

(a) A policy or policies of casualty and fire insurance on all risk basis, excluding flood and earthquake coverage, for the full replacement value of the entire Project (without deduction for depreciation) including, without limitation, the Common Area and the Condominium Units, but excluding the Owners' personal property. Said policies shall be maintained for the benefit of the Association, the Owners, and their respective mortgages as their interest may appear.

(b) A policy or policies of full coverage public liability insurance (with cross-liability endorsement, if obtainable) insuring the Association, the Board of Directors, the Declarant, and the agents and employees of each of the foregoing against any liability to the public or to any Owner, his family, invitees and/or tenants, arising from or incident to the ownership, occupation, use, maintenance and/or repair of the Common Area and Condominium Units. The limits of liability under this Section shall be set by the Board of Directors and shall be reviewed at least annually by the Board of Directors and increased or decreased at the discretion of the Board, but shall at no time be less than ONE MILLION DOLLARS ($1,000,000.00).

(c) Workman's compensation insurance to the extent necessary to comply with any applicable laws.

IN THE SUPREME COURT OF NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Appellant, v. SFR INVESTMENTS POOL 1, LLC, a Nevada limited liability company, Respondent.	Supreme Court No. 71822

Electronically Filed
Apr 20 2017 08:50 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPEAL

from the Eighth Judicial District Court, Clark County
The Honorable JIM CROCKETT, District Judge
District Court Case No. A-13-692202-C

APPELLANT'S APPENDIX – VOLUME 2

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CHRONOLOGICAL INDEX

Document	Filing Date	Volume and Bates Number(s)
Complaint	November 26, 2013	1 AA 001-007
Proof of Service of Summons and Complaint	December 31, 2013	1 AA 008-010
Answer, Counterclaim and Cross-Claim	January 27, 2014	1 AA 011-021
Answer to Counterclaim	May 7, 2015	1 AA 022-032
Amended Answer to Counterclaim	May 27, 2015	1 AA 033-043
Amended Complaint	March 18, 2016	1 AA 044-053
SFR Investments Pool 1, LLC's Answer to Amended Complaint	April 4, 2016	1 AA 054-063
SFR Investments Pool 1, LLC's Motion for Summary Judgment (Exhibits Excluded)	July 22, 2016	1 AA 064-088
Excerpts from JPMorgan Chase Bank, N.A.'s Appendix of Exhibits to Motion for Summary Judgment	July 29, 2016	2 AA 089-294
Plaintiff JPMorgan Chase Bank, N.A.'s Opposition to SFR Investments Pool 1, LLC's Motion for Summary Judgment	August 8, 2016	2 AA 295-333
SFR Investments Pool 1, LLC's Reply in Support of Motion for Summary Judgment	August 15, 2016	3 AA 334-350
Order Granting SFR Investments Pool 1, LLC's Motion for Summary Judgment	October 26, 2016	3 AA 351-360
Notice of Entry of Order Granting SFR Investments Pool 1, LLC's Motion for Summary Judgment	October 26, 2016	3 AA 361-372
Notice of Appeal	November 22, 2016	3 AA 373-375

ALPHABETICAL INDEX

Document	Filing Date	Volume and Bates Number(s)
Amended Answer to Counterclaim	May 27, 2015	1 AA 033-043
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Notice of Appeal	November 22, 2016	3 AA 373-375
Notice of Entry of Order Granting SFR Investments Pool 1, LLC's Motion for Summary Judgment	October 26, 2016	3 AA 361-372
Order Granting SFR Investments Pool 1, LLC's Motion for Summary Judgment	October 26, 2016	3 AA 351-360
Plaintiff JPMorgan Chase Bank, N.A.'s Opposition to SFR Investments Pool 1, LLC's Motion for Summary Judgment	August 8, 2016	2 AA 295-333
Proof of Service of Summons and Complaint	December 31, 2013	1 AA 008-010
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SFR Investments Pool 1, LLC's Reply in Support of Motion for Summary Judgment	August 15, 2016	3 AA 334-350

CERTIFICATE OF SERVICE

I certify that on April 19, 2017, I filed **Appellant's Appendix – Volume 2**. Service will be made on the following through the Court's electronic filing system:

Jacqueline A. Gilbert
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Counsel for Respondent

/s/ Matthew D. Lamb
An Employee of Ballard Spahr

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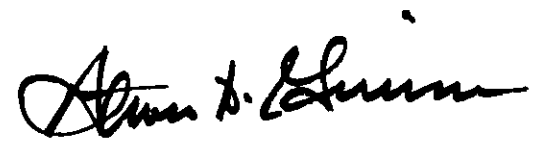

CLERK OF THE COURT

APEN
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Attorneys for Plaintiff and Counter-Defendant JPMorgan Chase Bank, N.A.

DISTRICT COURT
CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Plaintiff, vs. SFR INVESTMENTS POOL 1, LLC, a Nevada Limited Liability company; DOES I through X, ROE CORPORATIONS I through X, inclusive, Defendants.	CASE NO. A-13-692202-C DEPT NO. XXIV
SFR INVESTMENTS POOL 1, LLC a Nevada limited liability company, Counter-Claimant/Cross-Claimant, vs. JPMORGAN CHASE BANK N.A., a national association; KYLEEN T. BELL, an individual; DOES I through X, ROE CORPORATIONS I through X, inclusive, Counter-Defendant/Cross Defendants.	

JPMORGAN CHASE BANK, N.A.'S APPENDIX OF EXHIBITS TO MOTION FOR SUMMARY JUDGMENT

Exhibit	Document	Appendix Page
1	Declaration of JPMorgan Chase Bank, N.A.	001-004
2	Note	005-008
3	Deed of Trust, Recorded Instrument No. 2002112502874 (certified copy)	009-027
4	Declaration of John Curcio	028-047
5	Corporate Assignment of Deed of Trust, Recorded Instrument No. 201210250002057 (certified copy)	048-049
6	Excerpts from Fannie Mae Single-Family Servicing Guide (available at https://www.fanniemae.com/content/guide/svc071316.pdf)	050-084
7	Notice of Delinquent Assessment Lien, Recorded Instrument No. 201104010001371 (certified copy)	085
8	Delinquency Ledger of Nevada Association Services, Inc.	086-087
9	Excerpts from the Deposition Transcript of Sharon L. Bergeron, 30(b)(6) Designee for Eastbridge Gardens Condominiums	088-096
10	Second Restated Declaration of Restrictions for Eastbridge Gardens Condominiums, Recorded Instrument No. 200302050100l.	097-129
11	Excerpts from the Deposition Transcript of Susan Moses, 30(b)(6) Designee for Nevada Association Services, Inc.	130-139
12	Resident Delinquency Detail of Eastbridge Gardens Condominiums, and Delinquency Ledger of Nevada Association Services, Inc.	140-142
13	Delinquency Ledger of Nevada Association Services, Inc.	143-144
14	Notice of Default and Election to Sell Under Homeowners Association Lien, Recorded Instrument No. 201109210000506 (certified copy)	145-146
15	Notice of Foreclosure Sale, Recorded Instrument No. 201305070000894 (certified copy)	147-148
16	Delinquency Ledger of Nevada Association Services, Inc.	149-150
17	Foreclosure Deed, Recorded Instrument No. 201306100002206 (certified copy)	151-153
18	Escrow Activity Statement from JPMorgan Chase Bank, N.A.	154-156
19	Corporate Advance Activity Statement from JPMorgan Chase Bank, N.A.	157-167
20	Escrow Transaction History Statement from JPMorgan Chase Bank, N.A.	168-170
21	Loan Transfer History Screenshot from JPMorgan Chase Bank, N.A.	171
22	Residential Broker Price Opinion dated February 14, 2013	172-180
23	FHFA's Statement of April 21, 2015	181
24	Notice of Default and Election to Sell Under Deed of Trust, Recorded Instrument No. 201305090002867 (certified copy)	182-188
25	Expert Report of Craig Morley	189-225
26	Excerpts from the Deposition Transcript of Robert Diamond	226-230
27	Letter from Nevada Association Services, Inc. to Kyleen Bell regarding Repayment Plan	231

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28	MAS1/AQN1 Screenshot from JPMorgan Chase Bank, N.A.	232

DATED this 21 day of July, 2016.

Ballard Spahr LLP

By: _____

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 29th day of July, 2016, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing JPMORGAN CHASE BANK, N.A.'S APPENDIX OF EXHIBITS TO MOTION FOR SUMMARY JUDGMENT was served on the following counsel of record via the Court's electronic service system:

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An employee of BALLARD SPAHR LLP

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EXHIBIT 1

EXHIBIT 1

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Attorneys for Plaintiff and Counter-Defendant JPMorgan Chase Bank, National Association

DISTRICT COURT

CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Plaintiff, vs. SFR INVESTMENTS POOL 1, LLC, a Nevada Limited Liability company; DOES I through X, ROE CORPORATIONS I through X, inclusive, Defendants.	CASE NO. A-13-692202-C DEPT NO. XXIV
SFR INVESTMENTS POOL 1, LLC a Nevada limited liability company, Counter-Claimant/Cross-Claimant, vs. JPMORGAN CHASE BANK NATIONAL ASSOCIATION, a national association; KYLEEN T. BELL, an individual; DOES I through X, ROE CORPORATIONS I through X, inclusive, Counter-Defendant/Cross Defendants.	

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION'S DECLARATION IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT

I, Matthew Dudas, declare as follows:

1. My name is Matthew Dudas. I have personal knowledge of and am competent to testify as to the facts stated herein by virtue of my position as Legal Specialist III for JPMorgan Chase Bank, National Association. ("Chase").

2. As a Legal Specialist III, I am familiar with certain systems and databases maintained by Chase that contain data regarding certain loans owned by the Federal National Mortgage Association ("Fannie Mae") and serviced by Chase. This Declaration is based upon my review of Chase's systems and databases containing business and servicing records for the loan made to Kyleen Bell.

3. Entries in Chase's systems and databases are made at or near the time of the events recorded by, or from information transmitted by, persons with knowledge. Chase maintains and keeps these systems and databases in the ordinary course of Chase's regularly conducted business activity, and it is the regular practice of Chase to keep and maintain information regarding loans owned by Fannie Mae and serviced by Chase in Chase's databases. Chase's systems and databases consist of records that were made and kept by Chase in the course of its regularly conducted activities pursuant to its regular business practice of creating such records. These systems and databases store Chase's business records.

4. Chase's business records and my review of the public documents reflect the following:

a. On or about November 14, 2002, Kyleen Bell ("Borrower") obtained a loan from Republic Mortgage LLC in the amount of $68,000.00 ("Loan"). The loan is secured by a deed of trust ("Deed of Trust") on real property located at 2824 Begonia Court Henderson, Nevada 89074 ("Property").

b. The Deed of Trust is recorded in Clark County, Nevada as Instrument No. 20021125-02874 and lists Mortgage Electronic Registration Systems, Inc. ("MERS") as the beneficiary, solely as nominee for lender and lender's successors and assigns.

c. As indicated by Chase's business records, Fannie Mae was the owner of the

Loan on May 31, 2013 and is currently still is the owner. A redacted but otherwise true and correct copy of the Loan Transfer History attesting to Fannie Mae's ownership interest is attached as Exhibit 21 to "JPMorgan Chase Bank, National Association's Motion for Summary Judgment" ("Motion").

d. On or about February 14, 2003, as indicated by Chase's business records, Chase began servicing the Loan on behalf of Fannie Mae. Chase has serviced the Loan on behalf of Fannie Mae through the present, including on May 31, 2013, and remains the servicer. A redacted but otherwise true and correct copy of the MAS1/AQN1 attesting to the date Chase became servicer is attached as Exhibit 28 to the Motion.

e. On October 25, 2012, a Corporate Assignment of Deed of Trust was recorded in Clark County, Nevada as Instrument No. 20121025002057. Pursuant to the Corporate Assignment of Deed of Trust, MERS recorded the interest in the Deed of Trust it had assigned to Chase.

5. Chase's business records related to the Loan include Corporate Advance Activity, dated May 31, 2013 to October 8, 2014. A redacted but otherwise true and correct copy of the Corporation Advance Activity is attached as Exhibit 19 to the Motion.

6. Chase's business records related to the Loan include Escrow Activity dated May 31, 2013 to October 8, 2014. A redacted but otherwise true and correct copy of the Escrow Activity is attached as Exhibit 18 to the Motion.

7. Chase's business records related to the Loan include the Note dated November 14, 2002. A redacted but otherwise true and correct copy of the Note is attached as Exhibit 2 to the Motion.

8. Chase's business records related to the Loan include a Residential Broker Price Opinion, dated February 14, 2013. A redacted but otherwise true and correct copy of the Residential Broker Price Opinion is attached as Exhibit 22 to the Motion.

9. Chase's business records related to the Loan include Escrow Transaction History, dated November 14, 2002 to April 12, 2016. A redacted but otherwise true and correct copy of the

Escrow Transaction History is attached as Exhibit 20 to the Motion.

I declare under the penalty of perjury under the law of the State of the Nevada that the foregoing facts are true and correct.

Executed on July 29, 2016.

Name: Matthew Dudas
Title: Authorized Signer
JPMorgan Chase Bank, National Association

EXHIBIT 2

EXHIBIT 2

MIN [redacted]

[redacted]

NOTE

November 14, 2002 [Date] | Henderson [City] | Nevada [State]

2824 BEGONIA COURT, HENDERSON, NV 89074
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $68,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is Republic Mortgage LLC, Nevada LLC

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.5000 %.

The interest rate required by this Section 2 is the rate I will pay both before and after any default described in Section 6(B) of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the 1st day of each month beginning on January 1, 2003. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on December 1, 2032, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 1401 N. Green Valley Pkwy #250, Henderson, NV 89074 or at a different place if required by the Note Holder.

(B) Amount of Monthly Payments

My monthly payment will be in the amount of U.S. $429.81

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes.

5. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

6. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charge for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.0000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

(C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

(D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Kyleen T. Bell (Seal)
KYLEEN BELL
-Borrower

Kyleen Bell (Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

[Sign Original Only]

M57BELPS2846396 2846396 0

PAY TO THE ORDER OF:
CHASE MANHATTAN MORTGAGE CORPORATION

WITHOUT RECOURSE

REPUBLIC MORTGAGE LLC

BY _____
MARY L. ISHII, Closer

Pay to the Order of
Without Recourse
Chase Manhattan Mortgage Corporation
BY _____
LATECIA KING, ASST. SECRETARY

EXHIBIT 3

EXHIBIT 3

35

20021125
.02874

Assessor's Parcel Number:
177-12-410-074
Return To: and mail tax Statements to.
Republic Mortgage LLC
1401 N. Green Valley Pkwy #250, Henderson, NV 89074

19

Prepared By:
Betsy Ishii

~~Recording Requested By~~:
Republic Mortgage LLC
1401 N. Green Valley Pkwy #250, Henderson, NV 89074

[Space Above This Line For Recording Data]

DEED OF TRUST

MIN [redacted]030-4

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated November 14, 2002, together with all Riders to this document.
(B) "Borrower" is KYLEEN BELL, AN UNMARRIED WOMAN

Borrower is the trustor under this Security Instrument.
(C) "Lender" is Republic Mortgage LLC

Lender is a Nevada LLC
organized and existing under the laws of Nevada

M57BELPS2846396 2846395 0

Lender's address is 1401 N. Green Valley Pkwy #250. Henderson. NV 89074

(D) "Trustee" is PIONEER NATIONAL TITLE OF NEVADA. INC.

(E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the beneficiary under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated November 14. 2002 . The Note states that Borrower owes Lender Sixty Eight Thousand and no/100 Dollars (U.S. $68.000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than December 1. 2032 .

(G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(H) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

☐ Adjustable Rate Rider	☒ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☐ Planned Unit Development Rider	☐ 1-4 Family Rider
☐ VA Rider	☐ Biweekly Payment Rider	☐ Other(s) [specify]

(J) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(K) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(L) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

(M) "Escrow Items" means those items that are described in Section 3.

(N) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(O) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(P) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to

time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the COUNTY [Type of Recording Jurisdiction] of CLARK [Name of Recording Jurisdiction]:

SEE EXHIBIT "A" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

Parcel ID Number: 177-12-410-074
2824 BEGONIA COURT
HENDERSON
("Property Address"):

which currently has the address of [Street]
[City], Nevada 89074 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing and canceling this Security Instrument.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances

of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

2. Application of Payments or Proceeds. Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives

Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

5. **Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument. If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable

attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

11. Assignment of Miscellaneous Proceeds; Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be

one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

21. Hazardous Substances. As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option, and without further demand, may invoke the power of sale, including the right to accelerate full payment of the Note, and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold, and shall cause such notice to be recorded in each county in which any part of the Property is located. Lender shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law.

24. Substitute Trustee. Lender at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Assumption Fee. If there is an assumption of this loan, Lender may charge an assumption fee of U.S. $ 680.00

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

Kyleen T. Bell (Seal)
KYLEEN BELL -Borrower

Kylen Bell (Seal)
-Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

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STATE OF NEVADA
COUNTY OF CLARK

This instrument was acknowledged before me on Nov 19, 2002 by KYLEEN BELL

NOTARY PUBLIC
County of Clark-State of Nevada
CLOE CESSNA
No. 94-2164-1
My Appointment Expires Oct. 13, 2006

My Commission Expires:

M57BELPS2846396 2846396 0

Initials: KB

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.02874

EXHIBIT "A"

Parcel I:

Building No. 2 – 4A of Unit No. 4 of EASTBRIDGE GARDENS, as shown by map thereof on file n Book 27 of Plats, Page 76, in the Office of the County Recorder of Clark County, Nevada

Parcel II:

An undivided interest in and to the common area as apportioned to said unit in said building as described in the covenants, conditions and restrictions for said subdivision.

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CONDOMINIUM RIDER

THIS CONDOMINIUM RIDER is made this 14th day of November, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to
Republic Mortgage LLC, Nevada LLC
(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

2824 BEGONIA COURT,HENDERSON,NV 89074
[Property Address]

The Property includes a unit in, together with an undivided interest in the common elements of, a condominium project known as:

EASTBRIDGE GARDENS
[Name of Condominium Project]

(the "Condominium Project"). If the owners association or other entity which acts for the Condominium Project (the "Owners Association") holds title to property for the benefit or use of its members or shareholders, the Property also includes Borrower's interest in the Owners Association and the uses, proceeds and benefits of Borrower's interest.

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. Condominium Obligations. Borrower shall perform all of Borrower's obligations under the Condominium Project's Constituent Documents. The "Constituent Documents" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Lender requires insurance,

then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, whether to the unit or to common elements, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender for application to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay condominium dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this Condominium Rider.

Kyleen Bell (Seal) _____ (Seal)
KYLEEN BELL -Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

_____ (Seal) _____ (Seal)
-Borrower -Borrower

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CLARK COUNTY, NEVADA
JUDITH A. VANDEVER, RECORDER
RECORDED AT REQUEST OF: PIONEER NATIONAL TITLE
11-25-2002 14:53 SUO PAGE COUNT: 19
OFFICIAL RECORDS
BOOK/INSTR:20021125-02874 FEE: 32.00
RPTT: .00

EXHIBIT 4

EXHIBIT 4

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DISTRICT COURT

CLARK COUNTY, NEVADA

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, a national association, Plaintiff, vs. SFR INVESTMENTS POOL 1, LLC, a Nevada Limited Liability company; DOES I through X, ROE CORPORATIONS I through X, inclusive, Defendants.	CASE NO. A-13-692202-C DEPT NO. XXIV
SFR INVESTMENTS POOL 1, LLC a Nevada limited liability company, Counter-Claimant/Cross-Claimant, vs. JPMORGAN CHASE BANK N.A., a national association; KYLEEN T. BELL, an individual; DOES I through X, ROE CORPORATIONS I through X, inclusive, Counter-Defendant/Cross Defendants.	

DECLARATION OF JOHN CURCIO

I, John Curcio, declare as follows:

1. My name is John Curcio. I have personal knowledge of and am competent to testify as to the matters stated herein by virtue of my position as Assistant Vice President for Federal National Mortgage Association ("Fannie Mae"), a corporation organized and existing under the laws of the United States.

2. This declaration is being filed in support of JPMorgan Chase Bank, National Association's Motion for Summary Judgment on federal preemption.

3. As Assistant Vice President for Fannie Mae, I am familiar with certain Fannie Mae systems that contain data regarding mortgage loans acquired and owned by Fannie Mae. I am also familiar with the Servicing Guidelines and Lender Letters applicable to entities that service mortgage loans on behalf of Fannie Mae.

4. Attached hereto as Exhibit "A" are true and correct copies of printouts from Fannie Mae's Servicer & Investor Reporting platform ("SIR"). SIR is an electronic system of record that contains information regarding mortgage loans acquired and owned by Fannie Mae. Entries in SIR are made at or near the time of the events recorded by, or from information transmitted by, persons with knowledge. SIR is kept in the course of Fannie Mae's regularly conducted business activity, and it is the regular practice of Fannie Mae to keep and maintain information regarding mortgage loans owned by Fannie Mae. Exhibit "A" consists of records that were made and kept by Fannie Mae in the course of its regularly conducted activities pursuant to its regular business practice of creating such records. The printouts in Exhibits "A" are Fannie Mae business records.

5. Exhibit "A" reflects that Fannie Mae acquired ownership of a mortgage loan secured by real property located at 2824 Begonia Court, Henderson, NV 89074 on or about February 1, 2003 (the "Loan") and remains the owner of the Loan.

6. The first page of Exhibit "A" is a printout of the SIR "Acquisition" tab relating to the Loan. The acquisition date referenced above is shown in the Acquisition tab.

7. The second page of Exhibit "A" is a printout of the SIR "Property" tab relating to the Loan. The property address referenced above is shown in the Property tab.

8. Beginning at the third page of Exhibit "A" is the SIR Loan Activity History for this Loan. The Loan Activity History reflects that Fannie Mae owned the Loan before May 2013 and remains the owner of the Loan. The Loan Activity History shows that the Loan servicer reported certain information to Fannie Mae regarding the Loan (such as the unpaid principal balance) on a monthly basis. This information was reported to Fannie Mae because Fannie Mae owns this Loan. If Fannie Mae did not own this Loan, this loan activity information would not have been reported to Fannie Mae.

9. Additionally, had Fannie Mae ceased to own this Loan (if, for example, the Loan had been paid off, foreclosed, or sold to another entity), information reflecting that would appear under the "Action Code – Action Description" column on the Loan Activity History. There is no such information under the "Action Code – Action Description" column on the attached Loan Activity History, which means that the Loan is still owned by Fannie Mae as of the last reporting shown in Exhibit "A."

10. The banner appearing above the Acquisition Tab, Property Tab, and Loan Activity History reflects that the current servicer of the Loan for Fannie Mae is JPMorgan Chase Bank, National Association.

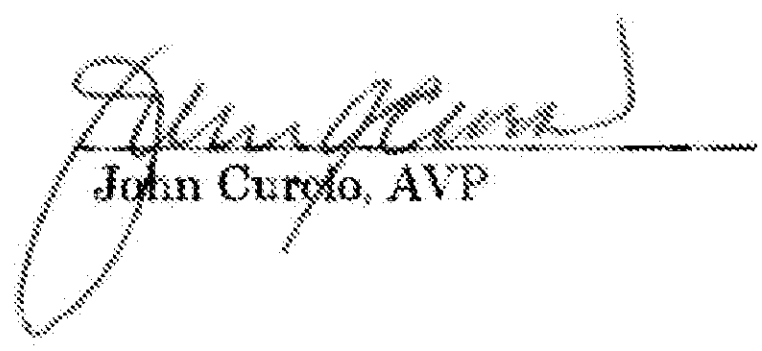
11. The Fannie Mae Single-Family Servicing Guide ("Guide") is a publicly accessible document which serves as a central document governing the contractual relationship between Fannie Mae and its loan servicers nationwide, including JPMorgan Chase Bank, National Association. A true and correct copy of the current Guide and archived prior versions of the Guide can be found at

https://www.fanniemae.com/content/guide/servicing/index.html. Prior versions of the Guide are available at that URL by clicking "Show All" in the left hand column of that site.

12. A true and correct copy of Fannie Mae Lender Letter LL-2015-04 dated September 16, 2015 is attached as Exhibit "B" and is publicly accessible at https://www.fanniemae.com/content/announcement/ll1504.pdf.

I declare under penalty of perjury of the laws of the State of Nevada that the foregoing is true and correct.

Executed on May 12th 2016.



John Curdo, AVP

EXHIBIT A

TO

DECLARATION OF JOHN CURCIO

Fannie Mae

Business Functions Tools Search Print Preview / Export... Contacts

Loan Detail

Servicer Name	JPMorgan Chase Bank, National Association	**Fannie Mae Loan No.**	[redacted]0851	**Converted Loan**	Yes	Loan Activity History
Servicer No.	100470006	**Servicer Loan No.**	[redacted]7749	**Pool No.**		Comments

Select one of the following ...

General Loan | **Origination** | **Acquisition** | Property | Feature | Loan Balance | Schedule | ARM Feature | Cash Flow | Mortgage Insurance | Rate & Payment | Pool

Acquisition Snapshot | **Pricing**

Seller No	132350000	**Seller Name**	JPMorgan Chase Bank, National Association
Acquisition Date	02/01/2003	**Seller Loan No.**	
LPI Date	01/01/2003	**Actual UPB**	$67,938.52
Interest Rate	6.5000%	**P&I Amt**	$429.31
LPTR	6.0000%	**Acquisition LTV Ratio**	71.0000%
Excess Yield Rate	0.0000%	**GFee Rate After Buyup/Buydown**	0.1100%
GFee Rate after APM	0.1100%	**Contract GFee Rate**	0.1100%
Scheduled LPI	02/01/2003	**Scheduled UPB**	$67,878.71
Acquisition Loan Margin		**Next Interest Rate Adj Date**	
Next P&I Adj Date		**Remaining Term**	359
Acquisition Maturity Date	12/01/2032	**Periods Delinquent**	
No. Days Delinquent		**Skipped Payment No.**	
Payee ID		**Submission Type Code**	Whole First Mortgage
Doc Custodian Code	Document Custodian	**Home Improvement Product Type**	
Original Purchase Discount Book Amount	$0.00	**Original Purchase Discount Tax Amount**	$0.00
Original Other Yield Adjustment Book Amount	$0.00	**Purchase Deduction Tax Amort Method**	
Purchase Premium Tax Amort Method		**Purchase Premium Book Amort Method**	
Other Yield Adjustment Tax Amort Method		**Financial Index Rate**	
Extensions Exercised at Acquisitions		**Acquisition Amortization Term**	360

Fannie Mae

Business Functions Tools Search Print Preview / Export... Contacts

Loan Detail

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]0851	Converted Loan	Yes
Servicer No.	106470005	Servicer Loan No.	[redacted]7748	Pool No.	

Loan Activity History
Comments

Select one of the following...

General Loan | Origination | Acquisition | **Property** | Feature | Loan Balance | Schedule | ARM Feature | Cash Flow | Mortgage Insurance | Rate & Payment | Pool

Property Street Address	2924 BEGONIA CT	City	HENDERSON
Postal Code	89074	State	NV
Year Built		Occupancy	Principal Residence
Appraisal Type		Original Appraised Amount	
Purchase Price		Project Classification	Type C - Fannie Mae Approved Condominium
Project Total Units	1	Category Type	
Flood Insurance Required	No	Appraisal Date	
Original Appraised Value			

Dwelling Units

Expand Section All/ Collapse Section All

Select one of the following...

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Price Required Net Yield Rate 0.0000%

Select one of the following...

© 2009 Fannie Mae

Business Functions Tools Search Print Preview / Export

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	10647008	Servicer Loan No.	[redacted]748	Pool No.	

Records Found: 88 Current Set: 88 Show 10 Per Page Pages 1 2 3 4 5 Next »

[redacted]	[redacted]		[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	
	[redacted]811		04/01/2016	05/02/2016	04/30/2016	$59,784.13	$0.00		
	3783025240		03/01/2016	04/01/2016	03/31/2016	$59,784.13	$0.00		
	3751802541		02/01/2016	03/01/2016	02/29/2016	$59,784.13	$0.00		
	3722022287		01/01/2016	02/01/2016	01/31/2016	$59,784.13	$0.00		
	3687038815		12/01/2015	01/02/2016	12/31/2015	$59,784.13	$0.00		
	3653285130		11/01/2015	12/01/2015	11/30/2015	$59,784.13	$0.00		
	3617783523		10/01/2015	11/02/2016	10/31/2016	$59,784.13	$0.00		
	3583027881		09/01/2015	10/01/2015	09/30/2016	$59,784.13	$0.00		
	[redacted]3844		08/01/2015	09/01/2015	08/31/2015	$59,784.13	$0.00		
	[redacted]		07/01/2015	08/01/2015	07/31/2015	$59,784.13	$0.00		

Business Functions Tools Search Print Preview / Export

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	108470008	Servicer Loan No.	[redacted]7748	Pool No.	

Records Found: 88 Current Set: 88 Show 10 Per Page Pages < Prev 1 2 3 4 5 Next >

View									
	3457197098		08/01/2015	07/01/2015	08/30/2015	$58,784.13	$0.00		
	3433854697		05/01/2015	06/01/2015	05/31/2015	$58,784.13	$0.00		
	3393711580		04/01/2015	05/01/2015	04/30/2015	$58,784.13	$0.00		
	3362788181		03/01/2015	04/01/2015	03/31/2015	$58,784.13	$0.00		
	3317886430		02/01/2015	03/02/2015	02/28/2015	$58,784.13	$0.00		
	3281138693		01/01/2015	02/02/2015	01/31/2015	$58,784.13	$0.00		
	3243391332		12/01/2014	01/02/2015	12/31/2014	$58,784.13	$0.00		
	3208057024		11/01/2014	12/01/2014	11/30/2014	$58,784.13	$0.00		
	3164546878		10/01/2014	11/01/2014	10/31/2014	$58,784.13	$0.00		
	3135928884		09/01/2014	10/01/2014	09/30/2014	$58,784.13	$0.00		

FannieMae Investor Reporting

Business Functions Tools Search

Print Preview / Export

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	100470008	Servicer Loan No.	[redacted]7748	Pool No.	

Records Found: 88 Current Set: 88 Show 10 Per Page Pages: 1 2 3 4 5 Next

Transaction ID	Effective Transaction Date	Posted Date	Posted Period	Balance (MUPB)	Principal Amount	Interest Amount	Escrow Amount	[illegible]
2287018468	08/01/2014	09/02/2014	08/31/2014	$59,764.13	$0.00			
2258183872	07/01/2014	08/01/2014	07/31/2014	$59,764.13	$0.00			
2218816296	06/01/2014	07/01/2014	06/30/2014	$59,764.13	$0.00			
2187258823	05/01/2014	06/02/2014	05/31/2014	$59,764.13	$0.00			
2147797272	04/01/2014	05/01/2014	04/30/2014	$59,764.13	$0.00			
2109092423	03/01/2014	04/01/2014	03/31/2014	$59,764.13	$0.00			
2068819278	02/01/2014	03/01/2014	02/28/2014	$59,764.13	$0.00			
2033403217	01/01/2014	02/01/2014	01/31/2014	$59,764.13	$0.00			
2005113111	12/01/2013	01/02/2014	12/31/2013	$59,764.13	$0.00			
2158023522	11/01/2013	12/02/2013	11/30/2013	$59,764.13	$0.00			

Fannie Mae Investor Reporting

Business Functions Tools Search Print Preview / Export...

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	106470006	Servicer Loan No.	[redacted]2749	Pool No.	

Records Found: 88 Current Set: 88 Show 10 Per Page Pages 1 Prev 2 3 4 5 6 Next

Transaction ID	Financial Transaction ID	Effective Date	[illegible]	Activity Period	Principal Balance	Interest Difference ($/%)	Action Code - Action Description	Action Date
[redacted]		10/01/2013	11/01/2013	10/31/2013	$59,764.13	$0.00		
[redacted]		09/01/2013	10/01/2013	09/30/2013	$59,764.13	$0.00		
[redacted]		08/01/2013	09/03/2013	08/31/2013	$59,764.13	$0.00		
[redacted]		07/01/2013	08/01/2013	07/31/2013	$59,764.13	$0.00		
[redacted]		06/01/2013	07/01/2013	06/30/2013	$59,764.13	$0.00		
[redacted]		05/01/2013	06/01/2013	05/31/2013	$59,764.13	$0.00		
[redacted]		04/01/2013	05/01/2013	04/30/2013	$59,764.13	$0.00		
[redacted]		03/01/2013	04/01/2013	03/31/2013	$59,764.13	$0.00		
[redacted]		02/01/2013	03/01/2013	02/28/2013	$59,764.13	$0.00		
[redacted]		01/01/2013	02/01/2013	01/31/2013	$59,764.13	$0.00		

Fannie Mae Investor Reporting

Business Functions | Tools | Search

Print Preview (Excel)

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	10647006	Servicer Loan No.	[redacted]7748	Pool No.	

Records [illegible] Current Set: 86 Show 10 Per Page Pages [illegible]

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Filter									
	[illegible]		12/01/2013	01/02/2013	12/31/2012	$59,764.13	$0.00		
	[illegible]		11/01/2013	12/01/2012	11/30/2012	$59,764.13	$0.00		
	[illegible]		10/01/2012	11/01/2012	10/31/2012	$59,764.13	$0.00		
	[illegible]		09/01/2012	10/01/2012	09/30/2012	$59,764.13	$0.00		
	[illegible]		08/01/2012	09/01/2012	08/31/2012	$59,764.13	$0.00		
	[illegible]		07/01/2012	08/01/2012	07/31/2012	$59,764.13	$0.00		
	[illegible]		06/01/2012	07/02/2012	06/30/2012	$59,764.13	$0.00		
	[illegible]		05/01/2012	06/01/2012	05/31/2012	$59,764.13	$0.00		
	[illegible]		04/01/2012	05/01/2012	04/30/2012	$59,764.13	$0.00		
	[illegible]		03/01/2012	04/02/2012	03/31/2012	$59,764.13	$0.00		

FannieMae Investor Reporting

Business Functions | Tools | Search | Print Preview / Export | Go

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	100470008	Servicer Loan No.	[redacted]748	Pool No.	

Records Found: 68 Current Set: 68 Show 10 Per Page Pages < Prev 4 5 6 7 8 Next >

	Transaction #	Date	Transaction Date	Effective Date	Action Taken	Converted UPB	Current Outstanding UPB	Action Code - Action Description	Action Date
View									
	1354080781		02/01/2012	03/01/2012	02/29/2012	$56,784.13	$0.00		
	1327400114		01/01/2012	02/01/2012	01/31/2012	$56,784.13	$0.00		
	1293261340		12/01/2011	01/03/2012	12/31/2011	$56,784.13	$0.00		
	1262427253		11/01/2011	12/01/2011	11/30/2011	$56,784.13	$0.00		
	1231453416		10/01/2011	11/01/2011	10/31/2011	$56,784.13	$0.00		
	1201134528		09/01/2011	10/01/2011	09/30/2011	$56,784.13	$0.00		
	[illegible]		08/01/2011	09/01/2011	08/31/2011	$56,784.13	$0.00		
	[illegible]		07/01/2011	08/01/2011	07/31/2011	$56,784.13	$0.00		
	[illegible]		06/01/2011	07/01/2011	06/30/2011	$56,784.13	$0.00		
	[illegible]		05/01/2011	06/01/2011	05/31/2011	$56,784.13	$0.00		

Fannie Mae Investor Reporting

Business Functions Tools Search

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	106470006	Servicer Loan No.	[redacted]7748	Pool No.	

Records Found: 88 Current Sec: 88 Show 10 Per Page Pages « Prev 5 6 7 8 9 Next »

Transaction ID	Reversal Transaction ID	Effective Date	[illegible]	[illegible]	Scheduled Principal ($)	Unscheduled Principal ($)	Memo Code	Memo Description	Loan Code
1561787919		04/01/2011	05/02/2011	04/30/2011	$59,784.13	$0.00			
1544827106		03/01/2011	04/01/2011	03/31/2011	$60,192.80	$0.00			
1526185821		02/01/2011	03/01/2011	02/28/2011	$60,192.80	$0.00			
1509261968		01/01/2011	02/01/2011	01/31/2011	$60,388.78	$0.00			
1492796445		12/01/2010	01/01/2011	12/31/2010	$60,388.78	$0.00			
1476270258		11/01/2010	12/01/2010	11/30/2010	$60,388.78	$0.00			
1459752237		10/01/2010	11/01/2010	10/31/2010	$60,490.91	$0.00			
1443232123		09/01/2010	10/01/2010	09/30/2010	$60,592.51	$0.00			
1426692192		08/01/2010	09/01/2010	08/31/2010	$60,693.66	$0.00			
1410285488		07/01/2010	08/02/2010	07/31/2010	$60,794.07	$0.00			

Fannie Mae Investor Reporting

Business Functions Tools Search

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	108470008	Servicer Loan No.	[redacted]748	Pool No.	

Records Current Bal: 80 Show 10 Per Page Pages 5 6 7 8 9 Next

	Transaction ID	Reverse Transaction ID	Effective Date	Posted Date	Activity Date	Principal Collected	Interest Collected	Action Code Action Description	Posted Date
Page									
	1192278558		06/01/2010	07/01/2010	06/30/2010	$80,894.04	$0.00		
	1192166539		05/01/2010	06/01/2010	05/31/2010	$80,893.47	$0.00		
	1191278859		04/01/2010	05/01/2010	04/30/2010	$81,190.72	$0.00		
	1077478638		03/01/2010	04/01/2010	03/31/2010	$81,190.72	$0.00		
	1035941109		02/01/2010	03/01/2010	02/28/2010	$81,288.55	$0.00		
	992601120		01/01/2010	02/01/2010	01/31/2010	$81,385.05	$0.00		
	932602082		12/01/2009	01/02/2010	12/31/2009	$81,482.63	$0.00		
	926989030		11/01/2009	12/01/2009	11/30/2009	$81,578.89	$0.00		
	872289715		10/01/2009	11/02/2009	10/31/2009	$81,674.63	$0.00		
	837341916		09/01/2009	10/01/2009	09/30/2009	$81,769.85	$0.00		

Fannie Mae Investor Reporting

Business Functions Tools Search

Loan Transaction History - Loan Activity History

Servicer Name	JPMorgan Chase Bank, National Association	Fannie Mae Loan No.	[redacted]	Converted Loan	Yes
Servicer No.	108478006	Servicer Loan No.	[redacted]748	Pool No.	

Records Found: 36 Current Set: 33 Show 10 Per Page Pages: Prev 2 3 4 5 6

	Transaction ID	Previous Transaction ID	Effective Date	[illegible]	Accrual Period	Principal Balance	Interest Differential Amt	Accumulated Interest Differential	Unpaid Bal	[illegible]
View										
	850348198		08/01/2009	09/01/2009	08/31/2009	$61,864.56	$0.00			
	735452812		07/01/2009	08/01/2009	07/31/2009	$61,958.76	$0.00			
	727938422		06/01/2009	07/01/2009	06/30/2009	$62,052.45	$0.00			
	682402320		05/01/2009	06/01/2009	05/31/2009	$62,145.84	$0.00			
	647496727		04/01/2009	05/01/2009	04/30/2009	$62,238.33	$0.00			
	609084289		03/01/2009	04/01/2009	03/31/2009	$62,330.52	$0.00			
	593529580		02/01/2009	03/02/2009	02/28/2009	$62,422.21	$0.00			
	521387286		01/01/2009	02/02/2009	01/31/2009	$62,513.41	$0.00			

EXHIBIT B

TO

DECLARATION OF JOHN CURCIO

Lender Letter LL-2015-04

September 16, 2015

To: All Fannie Mae Single-Family Servicers

Nevada HOA Litigation

Servicer Reliance on HERA: Nevada Properties

On September 18, 2014, the Nevada Supreme Court held that a homeowners association's non-judicial foreclosure of a "super-priority" lien could extinguish an existing first deed of trust. *See SFR Investments v. U.S. Bank* (Nev. 2014). In response, the Federal Housing Finance Agency (FHFA), Fannie Mae, Freddie Mac, and various GSE servicers have asserted in litigation that the Housing and Economic Recovery Act of 2008 (HERA), prohibits the extinguishment of GSE liens absent FHFA's consent as conservator of the GSEs.

FHFA's Statement on Servicer Reliance on HERA

For reference, attached is the Servicer Reliance on HERA in Foreclosures Involving Homeownership Associations statement issued by FHFA on August 28, 2015, regarding servicers' reliance on HERA in connection with Nevada "super-priority" lien foreclosures and related HOA litigation.

Servicer Obligation to Escalate All Non-Routine Litigation

Fannie Mae reminds the servicer to escalate via submission of the *Non-Routine Litigation Form* (Form 20) as specified in *Servicing Guide* E-1.3-01, General Servicer Responsibilities for Non-Routine Matters all non-routine litigation involving actions that challenge the validity, priority, or enforceability of a Fannie Mae mortgage loan or that seek to impair Fannie Mae's interest in an acquired property.

Additionally, *Servicing Guide* E-1.3-02, Reporting Non-Routine Litigation to Fannie Mae specifies servicers must report non-routine litigation to Fannie Mae within two business days of the servicer receiving notice of the litigation.

*****

The servicer should contact its Servicing Consultant, Portfolio Manager, or Fannie Mae's Credit Portfolio Management's Servicer Support Center at 1-888-FANNIES (1-888-326-6435) with any questions regarding this Lender Letter.

Malloy Evans
Vice President
Credit Portfolio Management

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Federal Housing Finance Agency

August 28, 2015

Servicer Reliance on the Housing and Economic Recovery Act of 2008 in Foreclosures Involving Homeownership Associations

As noted in the December 22, 2014 and April 21, 2015 statements on certain super-priority liens, the Federal Housing Finance Agency has an obligation to protect Fannie Mae's and Freddie Mac's property rights. FHFA will aggressively do so by bringing or supporting actions to contest common ownership association (commonly known as HOAs) foreclosures that purport to extinguish Enterprise property interests in a manner that contravenes federal law.

This statement confirms that FHFA supports the reliance on Title 12 United States Code Section 4617(j)(3) in litigation by authorized servicers of the Enterprises to preclude the purported involuntary extinguishment of an Enterprise's property interest by an HOA foreclosure sale.

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency

EXHIBIT 5

EXHIBIT 5

Inst #: 201210250002057
Fees: $18.00
N/C Fee: $0.00
10/25/2012 12:42:24 PM
Receipt #: 1357894
Requestor:
PREMIER AMERICAN TITLE
Recorded By: KGP Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

I hereby affirm that this document submitted for recording does not contain a social security number.

Signed: Deborah A Yates
Deborah A. Yates
Assistant Secretary

Parcel #: 177-12-410-074

When Recorded Mail To:
CHASE
P.O. BOX 8000
MONROE, LA 71203
Loan #: 1519337748
11-32850

61102134

CORPORATE ASSIGNMENT OF DEED OF TRUST

--- Contact JPMORGAN CHASE BANK, N.A. for this instrument 780 Kansas Lane, Suite A, Monroe, LA 71203, telephone # (866) 756-8747, which is responsible for receiving payments.

FOR GOOD AND VALUABLE CONSIDERATION, the sufficiency of which is hereby acknowledged, the undersigned, **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS") AS NOMINEE FOR REPUBLIC MORTGAGE L.L.C., ITS SUCCESSORS AND ASSIGNS, (ASSIGNOR), (MERS Address: P.O. Box 2026, Flint, Michigan 48501-2026)** by these presents does convey, grant, sell, assign, transfer and set over the described deed of trust together with the certain note(s) described therein together with all interest secured thereby, all liens, and any rights due or to become due thereon to **JPMORGAN CHASE BANK, NATIONAL ASSOCIATION, WHOSE ADDRESS IS 700 Kansas Lane, MC 8000, Monroe, LA 71203 (866)756-8747, ITS SUCCESSORS OR ASSIGNS, (ASSIGNEE).**

Said Deed of Trust made by: **KYLEEN BELL** and recorded as ~~Instrument~~ Book # 02874, and/or ~~Book~~ Instrument 20021125, Page n/a, in the Recorder's office of CLARK, Nevada.

Date: 10 / 18 / 2011 **(MM/DD/YYYY)**

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS") AS NOMINEE FOR REPUBLIC MORTGAGE L.L.C., ITS SUCCESSORS AND ASSIGNS.

By: Deborah A Yates
Deborah A. Yates
Assistant Secretary

FRMNV1

14940477

Parcel #: 177-12-410-074
Loan #: [redacted]7748

STATE OF OHIO COUNTY OF FRANKLIN
The foregoing instrument was acknowledged before me on 10 / 18 / 2011 (MM/DD/YYYY) by Deborah A. Yates as Assistant Secretary of MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ("MERS") AS NOMINEE FOR REPUBLIC MORTGAGE L.L.C., ITS SUCCESSORS AND ASSIGNS, who, being authorized to do so, executed the foregoing instrument for the purposes therein contained. He/she/they is (are) personally known to me.

Signed: Susan E. Owens
Susan E. Owens
Notary Public - State of OHIO
Commission expires: 6/14/2016

SUSAN E. OWENS
NOTARY PUBLIC, STATE OF OHIO
My Comm. Expires June 14, 2016

Prepared By: E. Lance/NTC, 2100 Alt. 19 North, Palm Harbor, FL 34683 (800)346-9152

Mail Tax Statements to: KYLEEN BELL
2824 BEGONIA CT.
HENDERSON, NV 89074

IPCFA 14940477 -- CHASE DP3320247 MIN [redacted]0304 MERS PHONE 1-888-679-MERS
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EXHIBIT 6

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