

- (d) The Trustee(s) shall, in such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.
- (e) The Trustee(s) shall have the absolute and uncontrolled right, power and authority to institute, maintain and defend actions, suits and proceedings in any court of law or equity either in the name of said trust or in their names as Trustee(s) thereof; to sell, transfer, assign and convey the whole or any part of the trust estate, invest and reinvest the proceeds thereof at any time in such manner and on such terms and for such consideration as they in their absolute and uncontrolled discretion may deem best; to collect any money, and pledge the assets of the trust as security therefore; to improve, repair and develop any property belonging to the trust estate in any manner they shall deem proper; to insure the lives of any persons for the benefit of this trust; to execute and deliver in the manner herein provided all deeds, leases, mortgages, powers of attorney and other instruments in writing which they may deem necessary and proper in the exercise of the powers conferred hereunder; to purchase, hold, mortgage, pledge, exchange, sell, convey, and deal in real estate, stocks, bonds, securities of every kind and description, property, rights, privileges and franchises of every kind and character, in such cases and for such consideration and upon such terms and conditions as they may deem right and proper; to deal in, own, produce, store, and transport goods and commerce; and to own and hold lands, leases, rights, franchises and other properties for all purposes; own, construct and operate facilities, sales offices, warehouses, cars and all vehicles by them deemed necessary or convenient in the conduct of any business herein mentioned; to buy, sell and furnish gas or electricity for light, heat, power and any other purposes, and to obtain, hold and own franchises for all purposes, and to own, construct and operate any facility, business or enterprise of any kind or character whatsoever; either in connection with any of the business herein enumerated or otherwise; and finally, to do any act or thing of any kind or character, which in their judgment or discretion may be necessary, proper or expedient, in carrying into effect the purposes of this trust or any purpose specified in the declaration of trust, or in any amendments hereto, duly made and adopted.

- (f) With respect to real property: to sell and to buy real property; to mortgage and/or convey by deed of trust or otherwise encumber any real property now or hereafter owned by this Trust to lease, sublease, release; to eject, remove and relieve tenants or other persons from, and recover possession of by all lawful means; to accept real property as a gift or as security for a loan; to collect, sue for, receive and receipt for rents and profits and to conserve, invest or utilize and all of such rents, profits and receipts for the purposes described in this paragraph; to do any act of management and conservation, to pay, compromise, or to contest tax assessments and to apply for refunds in connection therewith; to employ laborers; to subdivide, develop, dedicate to public use without consideration, and/or dedicate easements over; to maintain, protect, repair, preserve, insure, build upon, demolish, alter or improve all or any part thereof; to obtain or vacate plats and adjust boundaries; to adjust differences in valuation on exchange or partition by giving or receiving consideration; to release or partially release real property from a lien.
- (g) To register any securities or other property held hereunder in the names of Trustee(s) or in the name of a nominee, with or without the addition of words indicating that such securities or other property are held in a fiduciary capacity, and to hold in bearer form any securities or other property held hereunder so that title thereto will pass by delivery, but the books and records of Trustee(s) shall show that all such investments are part of their respective funds.
- (h) To hold, manage, invest and account for the separate Trusts in one or more consolidated funds, in whole or in part, as they may determine. As to each consolidated fund, the division into the various shares comprising such fund need be made only upon Trustees' books of account.
- (i) To lease Trust property for terms within or beyond the term of the Trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling and utilization agreements.
- (j) To borrow money, mortgage, pledge or lease Trust assets for whatever period of time Trustee shall determine, even beyond the expected term of the respective Trust.
- (k) To hold and retain any property, real or personal, in the form in which the same may be at the time of the receipt thereof, as long as in the exercise of their discretion it may be advisable so to do, notwithstanding same may not be of a character authorized by law for investment of Trust funds.
- (l) To invest and reinvest in their absolute discretion, and they shall not be restricted in their choice of investments to such investments as are

permissible for fiduciaries under any present or future applicable law, notwithstanding that the same may constitute an interest in a partnership.

- (m) To advance funds to any of the Trusts for any Trust purpose. The interest rate imposed for such advances shall not exceed the current rates.
- (n) To institute, compromise, and defend any actions and proceedings.
- (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust created herein, and to participate in or consent to any voting Trust, reorganization, dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.
- (p) To partition, allot, and distribute, in undivided interest or in kind, or partly in money and partly in kind, and to sell such property as the Trustees may deem necessary to make division or partial or final distribution of any of the Trusts.
- (q) To determine what is principal or income of the Trusts and apportion and allocate receipts and expenses as between these accounts.
- (r) To make payments hereunder directly to any beneficiary under disability, to the guardian of his or her person or estate, to any other person deemed suitable by the Trustee(s), or by direct payment of such beneficiary's expenses.
- (s) To employ agents, attorneys, brokers, and other employees, individual or corporate, and to pay them reasonable compensation, which shall be deemed part of the expenses of the Trusts and powers hereunder.
- (t) To accept additions of property to the Trusts, whether made by the beneficiaries hereunder, or by any one interested in such beneficiaries.
- (u) To hold on deposit or to deposit any funds of any Trust created herein, whether part of the original Trust fund or received thereafter, in one or more savings and loan associations, bank or other financial institution and in such form of account, whether or not interest bearing, as Trustee(s) may determine, without regard to the amount of any such deposit or to whether or not it would otherwise be a suitable investment for funds of a trust.
- (v) To open and maintain safety deposit boxes in the name of this Trust.
- (w) To make distributions to any Trust or beneficiary hereunder in cash or in specific property, real or personal, or an undivided interest

therein, or partly in cash and partly in such property, and to do so without regard to the income tax basis of specific property so distributed.

- (x) The powers enumerated in NRS 163.265 to NRS 163.410, inclusive, are hereby incorporated herein to the extent they do not conflict with any other provisions of this instrument.
- (y) The enumeration of certain powers of the Trustee(s) shall not limit their general powers, subject always to the discharge of their fiduciary obligations, and being vested with and having all the rights, powers, and privileges which an absolute owner of the same property would have.
- (z) The Trustee(s) shall have the power to invest Trust assets in securities of every kind, including debt and equity securities, to buy and sell securities, to write covered securities options on recognized options exchanges, to buy-back covered securities options listed on such exchanges, to buy and sell listed securities options, individually and in combination, employing recognized investment techniques such as, but not limited to, spreads, straddles, and other documents, including margin and option agreements which may be required by securities brokerage firms in connection with the opening of accounts in which such option transaction will be effected.
- (aa) The power to guaranty loans made for the benefit of, in whole or in part, any beneficiary or any entity in which any beneficiary has a direct or indirect interest.
- (bb) In regard to the operation of any business of the Trust, the Trustee(s) shall have the following powers:
 - (1) The power to retain and continue the business engaged in by the Trust or to recapitalize, liquidate or sell the same.
 - (2) The power to direct, control, supervise, manage, or participate in the operation of the business and to determine the manner and degree of the fiduciary's active participation in the management of the business and to that end to delegate all or any part of the power to supervise, manage or operate the business to such person or persons as the fiduciary may select, including any individual who may be a beneficiary or Trustee hereunder.
 - (3) The power to engage, compensate and discharge, or as a stockholder owning the stock of the Corporation, to vote for the engagement,

compensation and discharge of such managers, employees, agents, attorneys, accountants, consultants or other representatives, including anyone who may be a beneficiary or Trustee hereunder.

- (4) The power to become or continue to be an officer, director or employee of a Corporation and to be paid reasonable compensation from such Corporation as such officer, director and employee, in addition to any compensation otherwise allowed by law.
- (5) The power to invest or employ in such business such other assets of the Trust estate.

ARTICLE XII

TRUSTEES, TERM, MEETINGS, AND COMPENSATION

The compensation of the Trustee(s) for management of the trust property in accordance herewith shall be approved in writing and under such terms and conditions as agreed upon by the beneficial certificate holders of the Trust and the Trustee(s). Additionally, the Trustee(s) shall be reimbursed for all actual expenses incurred in the administration of any Trust created or administered hereunder.

There shall be no more than three (1) trustee, approved by the beneficial trust certificate holders, and each of whom will serve for a term agreed upon between the Trustee(s) and the beneficiaries. Absent such an agreement, the Trustee(s) shall serve calendar year terms, with each term expiring on December 31st of each year. The Trustee(s) shall serve said term indefinitely, unless the tenure is terminated by death, resignation, or incapacity to serve. The death, resignation, or incapacity to serve of any or all of the trustees shall not terminate the trust or in any way affect its continuity. Subject to any limitations stated elsewhere in this Trust Indenture, all decisions affecting any of the Trust estate shall be made in the following manner: While three or more Trustees, whether corporate or individual, are in office, the determination of a majority shall be binding. If only two individual Trustees are in office, they must act unanimously. Any vacancy among the trustees shall be filled by the remaining trustees. Successor trustees shall execute a written consent to act as trustee under the terms of this declaration of trust. The trustees shall meet at such times and at such places as they deem advisable.

ARTICLE XIII

BOOKS, RECORDS, AND ACCOUNTING

The books of the Trust shall be open and available to the reasonable inspection of the beneficiaries. Trustees shall compile an annual report within 60 days after the end of the calendar year consisting of, but not limited to, the receipts, disbursements, earnings, assets and condition of the trust, including a financial statement prepared by an independent certified public accountant. A copy of such report shall be furnished to each beneficiary. The Trustee(s) is not discharged of his fiduciary obligations for the prior calendar year until said annual accounting and report is approved by the beneficiaries or otherwise confirmed by a court of competent jurisdiction.

ARTICLE XIV

QUALIFIED SUBCHAPTER S TRUSTS

14.1 S-Corporation Stock. To the extent that any Trust created under this Instrument (for purposes of this Article an "Original Trust") owns or becomes the owner (or would but for this provision become the owner) of shares of stock of any then electing "S corporation" pursuant to Section 1361 et seq. of the Internal Revenue Code, or to the extent that any such Original Trust owns or becomes the owner of shares of stock of any "small business corporation" as defined in Section 1361(b) of the Internal Revenue Code with respect to which the Trustee(s) desires to continue, make, or allow to be made an S corporation election, the Trustee(s) of such Trust shall have the power at any time, in such Trustee's sole and absolute discretion, the exercise of which shall not be subject to review by any person or court, to terminate said Original Trust as to such shares of stock and to allocate, pay, and distribute (or cause to be allocated, paid, and distributed directly from any transferor) some or all of such shares of stock to a separate and distinct Qualified Subchapter S Trust and Trust fund shall be designated with the name of the same Beneficiary with whose name the Original Trust is designated (such Beneficiary with whose name the Original Trust is designated being for purposes of this Article the "Beneficiary" of such trust) and shall be held pursuant to the same terms and conditions as the Original Trust, except that, notwithstanding any other provision in this Trust Indenture applicable to the Original Trust:

- (a) Until the death of the Beneficiary of the Qualified Subchapter S Trust, the Trustees of such Qualified Subchapter S Trust shall pay and distribute to such Beneficiary and to no other person all of the net income of the Qualified Subchapter S Trust annually or at more frequent intervals. Any and all income accrued but not paid to the Beneficiary prior to the death of the Beneficiary shall be paid to the estate of the Beneficiary.
- (b) Any distribution of principal from a Qualified Subchapter S Trust may be made only to the Beneficiary then entitled to receive income from such trust.
- (c) Each Qualified Subchapter S Trust is intended to be a Qualified Subchapter S Trust, as defined in Section 1361(d) of the Internal Revenue Code, as amended, or any successor provisions thereto. Accordingly, no Trustee of any Qualified Subchapter S Trust created pursuant to this Article shall have any power, the possession of which would cause any such Trust to fail to be a Qualified Subchapter S Trust; no power shall be exercisable in such a manner as to cause any such Trust to fail to be a Qualified Subchapter S Trust; and any ambiguity in this Trust Indenture shall be resolved in such a manner that each such trust shall be a Qualified Subchapter S Trust.
- (d) The provisions of Article 5 and 6 shall have no application to the distribution of income from any Qualified Subchapter S Trust created or continued pursuant to the provisions of this Article.
- (e) Any power provided in Article 5 and 6 of this Trust Indenture may be exercised with respect to any Qualified Subchapter S Trust created pursuant to this Article if and only if, or to the extent that, the exercise of any such power shall not violate the provisions of this Article and shall not impair or disqualify the Qualified Subchapter S Trust status of such trust.

14.2 Effect on Beneficiaries. In granting to the Trustee(s) the discretion to create one or more Qualified Subchapter S Trusts as herein provided, the beneficiaries recognize that the interest of present or future beneficiaries may be increased or diminished upon the exercise of such discretion.

ARTICLE XV

GENERAL PROVISIONS

15.1 Amendments. This declaration of trust may be amended in any particular except as regards to the liability of beneficiaries, by the unanimous vote of the Trustee(s),

but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates.

15.2 Term and Termination. This Trust shall continue indefinitely, subject to the rule against perpetuities, unless sooner terminated. The Trustee(s) may terminate and dissolve this trust at any time by unanimous vote, but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates. Upon termination, for any reason, the Trustee(s) shall liquidate all trust property and distribute the same to the beneficiaries according to their proportionate share of the issued and outstanding trust certificates.

15.3 Controlling Law. This Trust Indenture is executed under the laws of the State of Nevada and shall in all respects be administered by the laws of the State of Nevada; provided, however, the Trustee(s) shall have the discretion, exercisable at any later time and from time to time, to administer any Trust created hereunder pursuant to the laws of any jurisdiction in which the Trustee(s), may be domiciled, by executing a written instrument acknowledged before a notary public to that effect, and delivered to the then income beneficiaries. If the Trustee(s) exercises the discretion, as above provided, this Trust Indenture shall be administered from that time forth by the laws of the other state or jurisdiction.

15.4 Perpetuities Savings Clause. Unless terminated earlier in accordance with other provisions of this Trust, any Trust hereby created or created by the exercise of any power hereunder shall terminate Twenty-one (21) years after the death of the last survivor of the following: (1) the beneficiaries; (2) all the issue of the beneficiaries who are living at the death of the beneficial trust certificate holders; and (3) all named beneficiaries who are living at the death of the beneficial trust certificate holders, or upon the expiration of the maximum period authorized by the laws of the State of Nevada or the state by which the Trust is then being governed.

15.5 Severability. In the event any clause, provision or provisions of this Trust Indenture prove to be or be adjudged invalid or void for any reason, then such invalid or void clause, provision or provisions shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain operative and shall be carried into effect

insofar as legally possible.

15.6 **Headings.** The various clause headings used herein are for convenience of reference only and constitute no part of this Trust Indenture.

15.7 **More Than One Original.** This Trust Indenture may be executed in any number of copies and each shall constitute an original of one and the same instrument.

15.8 **Interpretation.** Whenever it shall be necessary to interpret this Trust, the masculine, feminine and neuter personal pronouns shall be construed interchangeably, and the singular shall include the plural and the singular.

ACCEPTANCE OF TRUSTEE(S)

I certify that I have read the foregoing Declaration of Trust and understand the terms and conditions upon which the Trust estate is to be held, managed, and disposed of by me as Trustee. I accept the Declaration of Trust in all particulars and acknowledge receipt of the trust property.

PARADISE HARBOR PLACE TRUST

IT 6-8-12
By **RESOURCES GROUP, LLC**, Trustee
Iyad Haddad, Manager

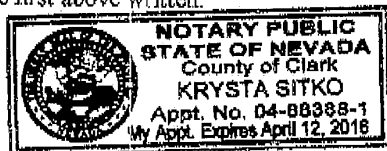
STATE OF NEVADA)

)ss.

COUNTY OF CLARK)

On June 23, 2012, before me, the undersigned, a Notary Public in and for said County of Clark, State of Nevada, personally appeared **IYAD HADDAD**, 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 to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first above written.



[Signature]
NOTARY PUBLIC *Krysta Sitko*

APPENDIX A

LEGAL DESCRIPTION(S)

<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5005 PARADISE HARBOR PL NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	TIERRA DE LAS PALMAS VILLAGE 2- UNIT 2 PLAT BOOK 84 PAGE 89 LOT 92 BLOCK 3 SEC 32 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3728 LODINA CT ENTERPRISE
<u>ASSESSOR DESCRIPTION</u>	TRIANA UNIT 2 AT SOUTHERN HIGHLANDS PLAT BOOK 111 PAGE 24 LOT 142 SEC 32 TWP 22 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	2601 VENDANGE PL HENDERSON
<u>ASSESSOR DESCRIPTION</u>	PROVENCE SUB 4 PLAT BOOK 122 PAGE 28 LOT 38 BLOCK 1 SEC 19 TWP 23 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	1704 PACIFIC BREEZE DR LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	PARCEL W IN THE CROSSING AT SUMMERLIN PLAT BOOK 67 PAGE 11 LOT 127 BLOCK E SEC 24 TWP 20 RNG 59
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5308 LA QUINTA HILLS ST NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	CORTEZ HGTS PLAT BOOK 113 PAGE 81 LOT 130 SEC 35 TWP 19 RNG 61

<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	6420 INDIAN PEAK CT NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	ELDORADO R1 60 #11-TM #18 PLAT BOOK 113 PAGE 6 LOT 24 BLOCK 8 SEC 21 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	8904 GOLDSTONE AVE LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	IRON MOUNTAIN EST-UNIT 2 PLAT BOOK 92 PAGE 17 LOT 190 BLOCK 5 SEC 05 TWP 19 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	2725 ECHO SPRINGS ST SUNRISE MANOR
<u>ASSESSOR DESCRIPTION</u>	YORKSHIRE HGTS-PHASE 2B PLAT BOOK 92 PAGE 98 LOT 49 BLOCK 1 SEC 15 TWP 20 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	2088 CLUB CREST WAY HENDERSON
<u>ASSESSOR DESCRIPTION</u>	WARM SPRINGS RESERVE PHASE 2 UNIT 10 PLAT BOOK 41 PAGE 80 LOT 24 BLOCK 9 SEC 08 TWP 22 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	6188 STONE HOLLOW AVE SUNRISE MANOR
<u>ASSESSOR DESCRIPTION</u>	YORKSHIRE HGTS-PHASE 6 PLAT BOOK 96 PAGE 34 LOT 246 BLOCK 1 SEC 15 TWP 20 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3984 MEADOW FOXTAIL DR WHITNEY
<u>ASSESSOR DESCRIPTION</u>	DESERT INN MASTER PLAN LOT E PLAT BOOK 118 PAGE 33 LOT 67 BLOCK 2

SEC 15 TWP 21 RNG 62

BENEFICIAL SHARE CERTIFICATE
FOR THE
PARADISE HARBOR PLACE TRUST

PARADISE HARBOR PLACE TRUST

Certificate No. 001 1,000 shares

This certifies that **RESOURCES GROUP, LLC** is the holder of **1,000** shares in the **PARADISE HARBOR PLACE TRUST**, which he holds subject to an agreement and declaration of trust thereof, dated June 8th, 2012, hereby referred to and made a part of this certificate, of which all persons dealing with this company shall take notice.

The shares of the **PARADISE HARBOR PLACE TRUST** are of the par value of \$10.00 dollars each.

No transfer hereof will affect the **PARADISE HARBOR PLACE TRUST** or the assets therein held thereby, until this certificate has been surrendered and the transfer recorded upon the books of the Trustee.

In witness whereof, the Trustee under said declaration of trust has signed his name in authentication hereof on June 8th, 2012.


TRUSTEE

EXHIBIT F

THE RIVER GLIDER AVE TRUST

Dated Nov 28th, 2011

Table of Contents

	Page
<u>ARTICLE 1</u> DECLARATION OF TRUST	3
<u>ARTICLE 2</u> APPOINTMENT OF TRUSTEE	3
<u>ARTICLE 3</u> GENERAL DUTIES OF TRUSTEE	3
<u>ARTICLE 4</u> NAME AND PRINCIPAL OFFICE	4
<u>ARTICLE 5</u> BENEFICIAL TRUST CERTIFICATES	4
<u>ARTICLE 6</u> TRANSFER OF SHARE CERTIFICATES	4
<u>ARTICLE 7</u> DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER	5
<u>ARTICLE 8</u> GENERAL AUTHORITY OF TRUSTEE	5
<u>ARTICLE 9</u> LIABILITIES OF TRUST	5
<u>ARTICLE 10</u> DISTRIBUTIONS	6
<u>ARTICLE 11</u> TRUSTEE POWERS	6
<u>ARTICLE 12</u> TRUSTEE, TERM, MEETING, AND COMPENSATION	11
<u>ARTICLE 13</u> BOOKS, RECORDS, AND ACCOUNTING	12
<u>ARTICLE 14</u> QUALIFIED SUBCHAPTER S TRUSTS	12
<u>ARTICLE 15</u> GENERAL PROVISIONS	13

Trust Agreement

OF THE

RIVER GLIDER AVE
TRUST

This Agreement of trust made Nov 28th, 2011, among the beneficial trust certificate holders, hereinafter called the Grantors, and RESOURCES GROUP, LLC of Clark County, Nevada, hereinafter called the Trustee(s).

ARTICLE I

DECLARATION OF TRUST

This trust agreement is intended to create a business trust, hereinafter called the trust, and not a partnership or a joint stock association.

ARTICLE II

APPOINTMENT OF TRUSTEE

The Grantors hereby transfer to the trustees all of their right, title and interest in the property described in the attached Appendix "A," attached hereto and made a part hereof.

ARTICLE III

GENERAL DUTIES OF TRUSTEE

The Trustee shall hold the property described in Appendix "A" and all property hereafter acquired by him as Trustee, and all income and profits therefrom, hereinafter collectively called the trust property, in trust, and shall manage, administer, collect, receive, dispose of and distribute the trust property for the benefit of such persons as have acquired shares of beneficial interests in the trust, hereinafter called the beneficiaries.

ARTICLE IV

NAME & PRINCIPAL OFFICE

The Trustee(s) shall be collectively called and referred to as the "RIVER GLIDER AVE TRUST," with its physical location principal office at "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101," and its mailing address as "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101."

ARTICLE V BENEFICIAL TRUST

CERTIFICATES

The beneficial interests in the trust shall consist of 1,000 shares, each with a \$10.00 par value. The Trustee(s) may sell or exchange such shares for such sums as they consider proper. The trustees shall issue certificates, in such form as they deem proper, to the beneficiaries of such shares. The certificates shall entitle the owners thereof to participate in all dividends and other distributions of income or principal in the proportion which the number of shares owned by him or her bears to the total number of shares issued and outstanding.

In the event of loss or destruction of a share certificate, the Trustee(s) may issue a new share certificate, upon such conditions as the Trustee (s) may deem necessary and proper.

ARTICLE VI

TRANSFER OF SHARE CERTIFICATES

A beneficiary may transfer his or her share certificate in person or by a duly authorized attorney. Such certificates must be endorsed for transfer and submitted to the Trustee(s), who shall record such transfer on the trust books and issue new certificates to the transferee. No transfer shall be of any effect as against the Trustee(s) until it has been so recorded.

ARTICLE VII

DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER

The death, insolvency, or incapacity of one or more of the Beneficial Interest Shareholders, or the transfer of shares, shall not operate to terminate or dissolve the trust or affect its continuity in any way. In the event of the death of a Beneficial Interest Shareholder, or a transfer of shares, the transferees, heirs, legatees, or legal representatives of the decedent or transferor shall succeed to his rights.

ARTICLE VIII

GENERAL AUTHORITY OF TRUSTEE

The Trustee(s) shall hold the legal title to all property at any time belonging to the trust and shall have absolute and exclusive power and control over the management and conduct of the business of the trust, free from any control or influence by the beneficiaries, aka Beneficial Interest Shareholders.

ARTICLE IX

LIABILITIES OF TRUST

Neither the Trustee(s) nor the beneficiaries shall ever be personally liable hereunder as partners or otherwise, but for all debts the Trustee(s) shall be liable for such to the extent of the trust property only. In all contracts or instruments creating liability, it shall be expressly stipulated that neither the Trustee(s) nor the beneficiaries shall be held personally liable under such instrument. No amendment shall ever be made to this declaration of trust, increasing or enlarging the liability of the Trustee(s) or the beneficiaries hereunder as herein stipulated. The Trustee(s) shall be indemnified by, and receive reimbursement from the trust estate against and from any and all personal liability, claim, damage and loss by him incurred or suffered in the administration of the trust estate, or in the conduct of any business provided for hereunder, except such as may arise from his own personal and willful breach of trust; but all such indemnification and reimbursement shall be limited to the trust estate alone, and under no circumstances and in no event, shall the beneficiaries or any of them be subjected to any personal liability by virtue thereof, or of any provision of this instrument.

ARTICLE X

DISTRIBUTIONS

The Trustee(s) shall distribute to the beneficiaries out of the net income of the trust such sums as they deem appropriate, the time and amounts of such distributions subject solely to their discretion. The beneficiaries shall share in such distributions in proportion to their percentage of ownership of the number of shares issued and outstanding.

ARTICLE XI

TRUSTEE POWERS

The purposes of this trust are to authorize and empower the trustees hereunder, as such, to organize, own, operate and conduct any business, trade, enterprise, or industry of any kind, description or character whatsoever; to buy and sell property of every kind, character and description, and to do anything, and transact any business with respect to any of said matters and properties which they could lawfully do in their individual capacity as absolute owners. Without in any way limiting or curtailing the generality of the foregoing purposes and powers the Trustee(s) shall, without further authority and without any control by the beneficiaries, possess all and singular, the following special rights, powers and authority:

- (a) As far as convenient and practicable, take and hold the title, both legal and equitable, to all property, however acquired under the terms hereof in the name of RESOURCES GROUP, LLC said property shall be held by the Trustee(s) in trust according to the terms hereof. All conveyances of every kind and description, at any time made to or in the name of the Trustee(s) as Manager and Member of RESOURCES GROUP, LLC shall be held to vest the title to the property so conveyed in the Trustee(s) as such under this instrument.
- (b) Administer and dispose of all properties for the benefit of the beneficiaries hereunder in proportion to their respective interests, as represented by the trust certificates referenced hereinabove.
- (c) The Trustee(s) shall have the absolute management, control and disposition of all the trust estate and its business and affairs, of every kind and character.

- (d) The Trustee(s) shall, in such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.
- (e) The Trustee(s) shall have the absolute and uncontrolled right, power and authority to institute, maintain and defend actions, suits and proceedings in any court of law or equity either in the name of said trust or in their names as Trustee(s) thereof; to sell, transfer, assign and convey the whole or any part of the trust estate, invest and reinvest the proceeds thereof at any time in such manner and on such terms and for such consideration as they in their absolute and uncontrolled discretion may deem best; to collect any money, and pledge the assets of the trust as security therefore; to improve, repair and develop any property belonging to the trust estate in any manner they shall deem proper; to insure the lives of any persons for the benefit of this trust; to execute and deliver in the manner herein provided all deeds, leases, mortgages, powers of attorney and other instruments in writing which they may deem necessary and proper in the exercise of the powers conferred hereunder; to purchase, hold, mortgage, pledge, exchange, sell, convey, and deal in real estate, stocks, bonds, securities of every kind and description, property, rights, privileges and franchises of every kind and character, in such cases and for such consideration and upon such terms and conditions as they may deem right and proper; to deal in, own, produce, store, and transport goods and commerce; and to own and hold lands, leases, rights, franchises and other properties for all purposes; own, construct and operate facilities, sales offices, warehouses, cars and all vehicles by them deemed necessary or convenient in the conduct of any business herein mentioned; to buy, sell and furnish gas or electricity for light, heat, power and any other purposes, and to obtain, hold and own franchises for all purposes, and to own, construct and operate any facility, business or enterprise of any kind or character whatsoever; either in connection with any of the business herein enumerated or otherwise; and finally, to do any act or thing of any kind or character, which in their judgment or discretion may be necessary, proper or expedient, in carrying into effect the purposes of this trust or any purpose specified in the declaration of trust, or in any amendments hereto, duly made and adopted.

- (f) With respect to real property: to sell and to buy real property; to mortgage and/or convey by deed of trust or otherwise encumber any real property now or hereafter owned by this Trust to lease, sublease, release; to eject, remove and relieve tenants or other persons from, and recover possession of by all lawful means; to accept real property as a gift or as security for a loan; to collect, sue for, receive and receipt for rents and profits and to conserve, invest or utilize and all of such rents, profits and receipts for the purposes described in this paragraph; to do any act of management and conservation, to pay, compromise, or to contest tax assessments and to apply for refunds in connection therewith; to employ laborers; to subdivide, develop, dedicate to public use without consideration, and/or dedicate easements over; to maintain, protect, repair, preserve, insure, build upon, demolish, alter or improve all or any part thereof; to obtain or vacate plats and adjust boundaries; to adjust differences in valuation on exchange or partition by giving or receiving consideration; to release or partially release real property from a lien.
- (g) To register any securities or other property held hereunder in the names of Trustee(s) or in the name of a nominee, with or without the addition of words indicating that such securities or other property are held in a fiduciary capacity, and to hold in bearer form any securities or other property held hereunder so that title thereto will pass by delivery, but the books and records of Trustee(s) shall show that all such investments are part of their respective funds.
- (h) To hold, manage, invest and account for the separate Trusts in one or more consolidated funds, in whole or in part, as they may determine. As to each consolidated fund, the division into the various shares comprising such fund need be made only upon Trustees' books of account.
- (i) To lease Trust property for terms within or beyond the term of the Trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling and utilization agreements.
- (j) To borrow money, mortgage, pledge or lease Trust assets for whatever period of time Trustee shall determine, even beyond the expected term of the respective Trust.
- (k) To hold and retain any property, real or personal, in the form in which the same may be at the time of the receipt thereof, as long as in the exercise of their discretion it may be advisable so to do, notwithstanding same may not be of a character authorized by law for investment of Trust funds.
- (l) To invest and reinvest in their absolute discretion, and they shall not be restricted in their choice of investments to such investments as are

permissible for fiduciaries under any present or future applicable law, notwithstanding that the same may constitute an interest in a partnership.

- (m) To advance funds to any of the Trusts for any Trust purpose. The interest rate imposed for such advances shall not exceed the current rates.
- (n) To institute, compromise, and defend any actions and proceedings.
- (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust created herein, and to participate in or consent to any voting Trust, reorganization, dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.
- (p) To partition, allot, and distribute, in undivided interest or in kind, or partly in money and partly in kind, and to sell such property as the Trustees may deem necessary to make division or partial or final distribution of any of the Trusts.
- (q) To determine what is principal or income of the Trusts and apportion and allocate receipts and expenses as between these accounts.
- (r) To make payments hereunder directly to any beneficiary under disability, to the guardian of his or her person or estate, to any other person deemed suitable by the Trustee(s), or by direct payment of such beneficiary's expenses.
- (s) To employ agents, attorneys, brokers, and other employees, individual or corporate, and to pay them reasonable compensation, which shall be deemed part of the expenses of the Trusts and powers hereunder.
- (t) To accept additions of property to the Trusts, whether made by the beneficiaries hereunder, or by any one interested in such beneficiaries.
- (u) To hold on deposit or to deposit any funds of any Trust created herein, whether part of the original Trust fund or received thereafter, in one or more savings and loan associations, bank or other financial institution and in such form of account, whether or not interest bearing, as Trustee(s) may determine, without regard to the amount of any such deposit or to whether or not it would otherwise be a suitable investment for funds of a trust.
- (v) To open and maintain safety deposit boxes in the name of this Trust.
- (w) To make distributions to any Trust or beneficiary hereunder in cash or in specific property, real or personal, or an undivided interest

therein, or partly in cash and partly in such property, and to do so without regard to the income tax basis of specific property so distributed.

- (x) The powers enumerated in NRS 163.265 to NRS 163.410, inclusive, are hereby incorporated herein to the extent they do not conflict with any other provisions of this instrument.
- (y) The enumeration of certain powers of the Trustee(s) shall not limit their general powers, subject always to the discharge of their fiduciary obligations, and being vested with and having all the rights, powers, and privileges which an absolute owner of the same property would have.
- (z) The Trustee(s) shall have the power to invest Trust assets in securities of every kind, including debt and equity securities, to buy and sell securities, to write covered securities options on recognized options exchanges, to buy-back covered securities options listed on such exchanges, to buy and sell listed securities options, individually and in combination, employing recognized investment techniques such as, but not limited to, spreads, straddles, and other documents, including margin and option agreements which may be required by securities brokerage firms in connection with the opening of accounts in which such option transaction will be effected.
- (aa) The power to guaranty loans made for the benefit of, in whole or in part, any beneficiary or any entity in which any beneficiary has a direct or indirect interest.
- (bb) In regard to the operation of any business of the Trust, the Trustee(s) shall have the following powers:
 - (1) The power to retain and continue the business engaged in by the Trust or to recapitalize, liquidate or sell the same.
 - (2) The power to direct, control, supervise, manage, or participate in the operation of the business and to determine the manner and degree of the fiduciary's active participation in the management of the business and to that end to delegate all or any part of the power to supervise, manage or operate the business to such person or persons as the fiduciary may select, including any individual who may be a beneficiary or Trustee hereunder.
 - (3) The power to engage, compensate and discharge, or as a stockholder owning the stock of the Corporation, to vote for the engagement,

compensation and discharge of such managers, employees, agents, attorneys, accountants, consultants or other representatives, including anyone who may be a beneficiary or Trustee hereunder.

- (4) The power to become or continue to be an officer, director or employee of a Corporation and to be paid reasonable compensation from such Corporation as such officer, director and employee, in addition to any compensation otherwise allowed by law.
- (5) The power to invest or employ in such business such other assets of the Trust estate.

ARTICLE XII

TRUSTEES, TERM, MEETINGS, AND COMPENSATION

The compensation of the Trustee(s) for management of the trust property in accordance herewith shall be approved in writing and under such terms and conditions as agreed upon by the beneficial certificate holders of the Trust and the Trustee(s). Additionally, the Trustee(s) shall be reimbursed for all actual expenses incurred in the administration of any Trust created or administered hereunder.

There shall be no more than three (1) trustee, approved by the beneficial trust certificate holders, and each of whom will serve for a term agreed upon between the Trustee(s) and the beneficiaries. Absent such an agreement, the Trustee(s) shall serve calendar year terms, with each term expiring on December 31st of each year. The Trustee(s) shall serve said term indefinitely, unless the tenure is terminated by death, resignation, or incapacity to serve. The death, resignation, or incapacity to serve of any or all of the trustees shall not terminate the trust or in any way affect its continuity. Subject to any limitations stated elsewhere in this Trust Indenture, all decisions affecting any of the Trust estate shall be made in the following manner: While three or more Trustees, whether corporate or individual, are in office, the determination of a majority shall be binding. If only two individual Trustees are in office, they must act unanimously. Any vacancy among the trustees shall be filled by the remaining trustees. Successor trustees shall execute a written consent to act as trustee under the terms of this declaration of trust. The trustees shall meet at such times and at such places as they deem advisable.

ARTICLE XIII

BOOKS, RECORDS, AND ACCOUNTING

The books of the Trust shall be open and available to the reasonable inspection of the beneficiaries. Trustees shall compile an annual report within 60 days after the end of the calendar year consisting of, but not limited to, the receipts, disbursements, earnings, assets and condition of the trust, including a financial statement prepared by an independent certified public accountant. A copy of such report shall be furnished to each beneficiary. The Trustee(s) is not discharged of his fiduciary obligations for the prior calendar year until said annual accounting and report is approved by the beneficiaries or otherwise confirmed by a court of competent jurisdiction.

ARTICLE XIV

QUALIFIED SUBCHAPTER S TRUSTS

14.1 **S-Corporation Stock** To the extent that any Trust created under this Instrument (for purposes of this Article an "Original Trust") owns or becomes the owner (or would but for this provision become the owner) of shares of stock of any then electing "S corporation" pursuant to Section 1361 et seq. of the Internal Revenue Code, or to the extent that any such Original Trust owns or becomes the owner of shares of stock of any "small business corporation" as defined in Section 1361(b) of the Internal Revenue Code with respect to which the Trustee(s) desires to continue, make, or allow to be made an S corporation election, the Trustee(s) of such Trust shall have the power at any time, in such Trustee's sole and absolute discretion, the exercise of which shall not be subject to review by any person or court, to terminate said Original Trust as to such shares of stock and to allocate, pay, and distribute (or cause to be allocated, paid, and distributed directly from any transferor) some or all of such shares of stock to a separate and distinct Qualified Subchapter S Trust and Trust fund shall be designated with the name of the same Beneficiary with whose name the Original Trust is designated (such Beneficiary with whose name the Original Trust is designated being for purposes of this Article the "Beneficiary" of such trust) and shall be held pursuant to the same terms and conditions as the Original Trust, except that, notwithstanding any other provision in this Trust Indenture applicable to the Original Trust;

- (a) Until the death of the Beneficiary of the Qualified Subchapter S Trust, the Trustees of such Qualified Subchapter S Trust shall pay and distribute to such Beneficiary and to no other person all of the net income of the Qualified Subchapter S Trust annually or at more frequent intervals. Any and all income accrued but not paid to the Beneficiary prior to the death of the Beneficiary shall be paid to the estate of the Beneficiary.
- (b) Any distribution of principal from a Qualified Subchapter S Trust may be made only to the Beneficiary then entitled to receive income from such trust.
- (c) Each Qualified Subchapter S Trust is intended to be a Qualified Subchapter S Trust, as defined in Section 1361(d) of the Internal Revenue Code, as amended, or any successor provisions thereto. Accordingly, no Trustee of any Qualified Subchapter S Trust created pursuant to this Article shall have any power, the possession of which would cause any such Trust to fail to be a Qualified Subchapter S Trust; no power shall be exercisable in such a manner as to cause any such Trust to fail to be a Qualified Subchapter S Trust; and any ambiguity in this Trust Indenture shall be resolved in such a manner that each such trust shall be a Qualified Subchapter S Trust.
- (d) The provisions of Article 5 and 6 shall have no application to the distribution of income from any Qualified Subchapter S Trust created or continued pursuant to the provisions of this Article.
- (e) Any power provided in Article 5 and 6 of this Trust Indenture may be exercised with respect to any Qualified Subchapter S Trust created pursuant to this Article if and only if, or to the extent that, the exercise of any such power shall not violate the provisions of this Article and shall not impair or disqualify the Qualified Subchapter S Trust status of such trust.

14.2 Effect on Beneficiaries. In granting to the Trustee(s) the discretion to create one or more Qualified Subchapter S Trusts as herein provided, the beneficiaries recognize that the interest of present or future beneficiaries may be increased or diminished upon the exercise of such discretion.

ARTICLE XV

GENERAL PROVISIONS

15.1 Amendments. This declaration of trust may be amended in any particular except as regards to the liability of beneficiaries, by the unanimous vote of the Trustee(s),

but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates.

15.2 Term and Termination. This Trust shall continue indefinitely, subject to the rule against perpetuities, unless sooner terminated. The Trustee(s) may terminate and dissolve this trust at any time by unanimous vote, but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates. Upon termination, for any reason, the Trustee(s) shall liquidate all trust property and distribute the same to the beneficiaries according to their proportionate share of the issued and outstanding trust certificates.

15.3 Controlling Law. This Trust Indenture is executed under the laws of the State of Nevada and shall in all respects be administered by the laws of the State of Nevada; provided, however, the Trustee(s) shall have the discretion, exercisable at any later time and from time to time, to administer any Trust created hereunder pursuant to the laws of any jurisdiction in which the Trustee(s), may be domiciled, by executing a written instrument acknowledged before a notary public to that effect, and delivered to the then income beneficiaries. If the Trustee(s) exercises the discretion, as above provided, this Trust Indenture shall be administered from that time forth by the laws of the other state or jurisdiction.

15.4 Perpetuities Savings Clause. Unless terminated earlier in accordance with other provisions of this Trust, any Trust hereby created or created by the exercise of any power hereunder shall terminate Twenty-one (21) years after the death of the last survivor of the following: (1) the beneficiaries; (2) all the issue of the beneficiaries who are living at the death of the beneficial trust certificate holders; and (3) all named beneficiaries who are living at the death of the beneficial trust certificate holders, or upon the expiration of the maximum period authorized by the laws of the State of Nevada or the state by which the Trust is then being governed.

15.5 Severability. In the event any clause, provision or provisions of this Trust Indenture prove to be or be adjudged invalid or void for any reason, then such invalid or void clause, provision or provisions shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain operative and shall be carried into effect

insofar as legally possible.

15.6 **Headings.** The various clause headings used herein are for convenience of reference only and constitute no part of this Trust Indenture.

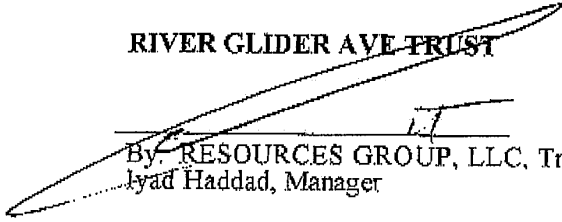
15.7 **More Than One Original.** This Trust Indenture may be executed in any number of copies and each shall constitute an original of one and the same instrument.

15.8 **Interpretation.** Whenever it shall be necessary to interpret this Trust, the masculine, feminine and neuter personal pronouns shall be construed interchangeably, and the singular shall include the plural and the singular.

ACCEPTANCE OF TRUSTEE(S)

I certify that I have read the foregoing Declaration of Trust and understand the terms and conditions upon which the Trust estate is to be held, managed, and disposed of by me as Trustee. I accept the Declaration of Trust in all particulars and acknowledge receipt of the trust property.

RIVER GLIDER AVE TRUST


By **RESOURCES GROUP, LLC**, Trustee
Iyad Haddad, Manager

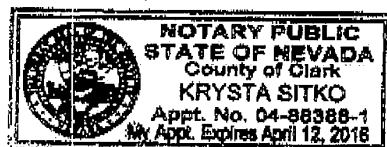
STATE OF NEVADA)

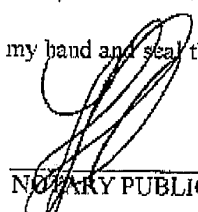
)ss.

COUNTY OF CLARK)

On JUNE 27, 2012, before me, the undersigned, a Notary Public in and for said County of Clark, State of Nevada, personally appeared **IYAD HADDAD**, 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 to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first above written.




NOTARY PUBLIC *Krysta Sitko*

APPENDIX A

LEGAL DESCRIPTION(S)

LOCATION ADDRESS CITY/UNINCORPORATED TOWN	6513 DUCK HILL SPRINGS DR WHITNEY
ASSESSOR DESCRIPTION	RIVERWALK UNIT 3 PLAT BOOK 115 PAGE 91 LOT 88 SEC 15 TWP 21 RNG 62
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	10428 AMBER NIGHT ST ENTERPRISE
ASSESSOR DESCRIPTION	LAMPLIGHT GARDENS AT SILVERADO RANCH UNIT-4 PLAT BOOK 128 PAGE 87 LOT 214 BLOCK 1 SEC 26 TWP 22 RNG 61
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	6119 COZY CREEK ST NORTH LAS VEGAS
ASSESSOR DESCRIPTION	AZURE EST UNIT 3 PLAT BOOK 91 PAGE 64 LOT 90 BLOCK 1 SEC 27 TWP 19 RNG 61
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	2670 EARLY VISTA ST SUNRISE MANOR
ASSESSOR DESCRIPTION	SAHARA SUNRISE PLAT BOOK 91 PAGE 12 LOT 70 BLOCK 1 SEC 10 TWP 21 RNG 62
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	10225 HEADRICK DR LAS VEGAS
ASSESSOR DESCRIPTION	MADISON COLONY AT PROVIDENCE UNIT 1 PLAT BOOK 138 PAGE 23 LOT 30 BLOCK 1 SEC 13 TWP 19 RNG 59
LOCATION ADDRESS CITY/UNINCORPORATED TOWN	7919 HORN TAIL CT LAS VEGAS

<u>ASSESSOR DESCRIPTION</u>	ORCHARD VALLEY ELKHORN SPRINGS-CLUSTER HMS-UT 7 <u>PLAT BOOK 86 PAGE 96</u> LOT 19 BLOCK 9 SEC 16 TWP 19 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	8112 LAKE HILLS DR LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	HARBOR COVE <u>PLAT BOOK 42 PAGE 23</u> LOT 9 BLOCK 4 SEC 16 TWP 20 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	336 RIVER GLIDER AVE NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	PARKS UNIT 2 <u>PLAT BOOK 94 PAGE 27</u> LOT 139 BLOCK 3 SEC 22 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	7304 ROAMER PL LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	ELKHORN SPRINGS PARCEL 3A <u>PLAT BOOK 64 PAGE 34</u> LOT 68 BLOCK 4 SEC 16 TWP 19 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5982 SPINNAKER POINT AVE SUNRISE MANOR
<u>ASSESSOR DESCRIPTION</u>	SPINNAKER HOMES AT SUNRISE MOUNTAIN UNIT 1 <u>PLAT BOOK 86 PAGE 32</u> LOT 1 BLOCK 1 SEC 34 TWP 20 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	10993 LADYBURN CT ENTERPRISE
<u>ASSESSOR DESCRIPTION</u>	ROYAL HIGHLANDS AT SOUTHERN HIGHLANDS-UNIT 1 <u>PLAT BOOK 104 PAGE 64</u> LOT 152 SEC 31 TWP 22 RNG 61

BENEFICIAL SHARE CERTIFICATE

FOR THE

RIVER GLIDER AVE TRUST

RIVER GLIDER AVE TRUST

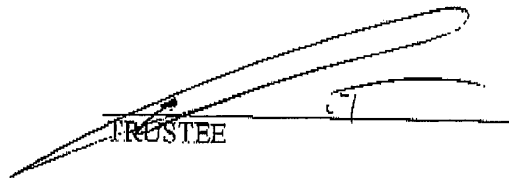
Certificate No. 001 1,000 shares

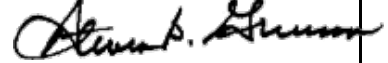
This certifies that **RESOURCES GROUP, LLC** is the holder of **1,000** shares in the RIVER GLIDER AVE TRUST, which he holds subject to an agreement and declaration of trust thereof, dated Nov 28th, 2011, hereby referred to and made a part of this certificate, of which all persons dealing with this company shall take notice.

The shares of the RIVER GLIDER AVE TRUST are of the par value of \$10.00 dollars each.

No transfer hereof will affect the RIVER GLIDER AVE TRUST or the assets therein held thereby, until this certificate has been surrendered and the transfer recorded upon the books of the Trustee.

In witness whereof, the Trustee under said declaration of trust has signed his name in authentication hereof, this the 28th day of Nov, 2011.


TRUSTEE



1 **OPPS**

2 MICHAEL F. BOHN, ESQ.

3 Nevada Bar No.: 1641

4 mbohn@bohnlawfirm.com

5 ADAM R. TRIPPIEDI, ESQ.

6 Nevada Bar No. 12294

7 atrippiedi@bohnlawfirm.com

8 LAW OFFICES OF

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10 376 E. Warm Springs Rd., Ste. 140

11 Las Vegas, Nevada 89119

12 (702) 642-3113/ (702) 642-9766 FAX

13 Attorney for plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

10 5316 CLOVER BLOSSOM CT TRUST

11 Plaintiff,

12 vs.

13 U.S. BANK, NATIONAL ASSOCIATION,
14 SUCCESSOR TRUSTEE TO BANK OF
15 AMERICA, N.A., SUCCESSOR BY MERGER
16 TO LASALLE BANK, N.A., AS TRUSTEE TO
17 THE HOLDERS OF THE ZUNI MORTGAGE
18 LOAN TRUST 2006-OA1, MORTGAGE
19 LOAN PASS-THROUGH CERTIFICATES
20 SERIES 2006-OA1; and CLEAR RECON
21 CORPS

22 Defendants.

19 U.S. BANK, NATIONAL ASSOCIATION,
20 SUCCESSOR TRUSTEE TO BANK OF
21 AMERICA, N.A., SUCCESSOR BY MERGER
22 TO LASALLE BANK, N.A., AS TRUSTEE TO
23 THE HOLDERS OF THE ZUNI MORTGAGE
24 LOAN TRUST 2006-OA1, MORTGAGE
25 LOAN PASS-THROUGH CERTIFICATES
26 SERIES 2006-OA1,

27 Counterclaimant,

28 vs.

5316 CLOVER BLOSSOM CT TRUST

Counterdefendant.

CASE NO.: A-14-704412-C
DEPT NO.: XXIV

**PLAINTIFF'S OPPOSITION TO U.S.
BANK, N.A., AS TRUSTEE'S MOTION
FOR RECONSIDERATION
UNDER NRCP 59**

Date of Hearing: April 3, 2018
Time of Hearing: Chambers

1 U.S. BANK, NATIONAL ASSOCIATION,
2 SUCCESSOR TRUSTEE TO BANK OF
3 AMERICA, N.A., SUCCESSOR BY MERGER
4 TO LASALLE BANK, N.A., AS TRUSTEE TO
5 THE HOLDERS OF THE ZUNI MORTGAGE
6 LOAN TRUST 2006-OA1, MORTGAGE
7 LOAN PASS-THROUGH CERTIFICATES
8 SERIES 2006-OA1,

9 Cross-claimant,

10 vs.

11 5316 CLOVER BLOSSOM CT TRUST

12 Cross-defendant.

13 Plaintiff 5316 Clover Blossom Ct Trust (hereinafter “plaintiff”), by and through its counsel,
14 Michael F. Bohn, Esq., submits the following points and authorities in opposition to the motion for
15 reconsideration under NRCP 59, filed on February 26, 2018, by defendant, U.S. Bank, National
16 Association, successor trustee to Bank of America, N.A., successor by merger to LaSalle Bank, N.A., as
17 Trustee to the Holders of Zuni Mortgage Loan Trust 2006-OA1, Mortgage Loan Pass-Through
18 Certificates, Series 2006-OA1 (hereinafter “defendant”).

19 **POINTS AND AUTHORITIES**

20 **STATEMENT OF FACTS**

21 As proved by the trustee’s deed upon sale, recorded on January 24, 2013 (Exhibit H to
22 defendant’s answer to amended complaint, counterclaims, and cross-claims, filed October 10, 2017),
23 plaintiff acquired title to the real property located at 5316 Clover Blossom Court, North Las Vegas,
24 Nevada (hereinafter “Property”) by entering and paying the high bid of \$8,200.00 at the public auction
25 held on January 16, 2013.

26 As proved by the assignment of deed of trust recorded on June 20, 2011 (Exhibit B to defendant’s
27 answer to amended complaint, counterclaims, and cross-claims, filed October 10, 2017), defendant is the
28 assigned beneficiary of a deed of trust recorded against the Property on June 30, 2004. See Exhibit A to
29 defendant’s answer to amended complaint, counterclaims, and cross-claims, filed October 10, 2017.

1 On February 22, 2012, Alessi & Koenig, LLC (hereinafter “foreclosure agent”) recorded a notice
2 of delinquent assessment (lien) for \$1,095.50 against the Property. See Exhibit C to defendant’s answer
3 to amended complaint, counterclaims, and cross-claims, filed October 10, 2017.

4 On April 20, 2012, the foreclosure agent recorded a notice of default and election to sell under
5 homeowners association lien for \$3,396.00 against the Property. See Exhibit E to defendant’s answer
6 to amended complaint, counterclaims, and cross-claims, filed October 10, 2017.

7 On October 31, 2012, the foreclosure agent recorded a notice of foreclosure sale for \$4,039.00
8 against the Property. See Exhibit F to defendant’s answer to amended complaint, counterclaims, and
9 cross-claims, filed October 10, 2017.

10 At page 4 of its motion, defendant states that the letter by Rock K. Jung, Esq. of Miles, Bauer,
11 Bergstrom & Winters, LLP, dated December 6, 2012 (Exhibit G-3 to defendant’s answer to amended
12 complaint, counterclaims, and cross-claims, filed October 10, 2017), “made clear that the payment was
13 meant to extinguish only the super-priority portion of the HOA’s lien.” Page 2 of the letter instead states
14 that the \$1,494.50 was a “non-negotiable amount” that “takes into account both the maximum 9 months
15 worth of common assessments **as well as reasonable collection costs** to satisfy its obligations to the
16 HOA as a holder of the first deed of trust against the property.” (emphasis added)

17 At page 4 of its motion, defendant states that Section 9.1 of the CC&Rs for the HOA “stated that
18 ‘no enforcement of any lien provision [in the CC&Rs] shall defeat or render invalid’ a senior deed of
19 trust.” See Exhibit A to defendant’s opposition to motion to dismiss counterclaim, filed on November
20 9, 2017.

21 On the other hand, Section 4.12 of the CC&Rs is titled “Super Priority” and provide that the
22 HOA’s assessment lien is “also prior to all Security Interests described in Sub-section 4.11(c).” Sub-
23 section 4.11(c) describes “a First Security Interest on the Lot recorded before the date on which the
24 assessment sought to be enforced became delinquent.”

25 LEGAL ARGUMENT

- 26 1. **The information listed in the bankruptcy schedules and other pleadings filed**
27 **by River Glider Avenue Trust does not affect the rights obtained by plaintiff**
28 **by entering the high bid at the public auction held on January 16, 2013.**

1 At page 7 of its motion, defendant states that “[t]he 2012 bankruptcy filings for Haddad’s River
2 Glider Trust explicitly state that it purchased properties ‘subject to the first mortgage lien’ at HOA Lien
3 auctions.” On the other hand, River Glider Ave Trust is not a party to this action, and River Glider Ave
4 Trust did not enter a bid at the public auction where plaintiff purchased the Property.

5 At page 8 of its motion, defendant cites Berge v. Fredericks, 95 Nev. 183, 185, 591 P.2d 246, 248
6 (1979), as authority that “[t]he burden of establishing bona fide purchaser status rests with the party
7 claiming such status – here, plaintiff.” Plaintiff then states that “[p]laintiff cannot meet this burden
8 because its Manager, Eddie Haddad, admitted that senior deeds of trust survive foreclosure sales in a
9 bankruptcy filing **for another trust** he managed.” (emphasis added)

10 In Nationstar Mortgage, LLC v. Saticoy Bay LLC Series 2227 Shadow Canyon, 133 Nev., Adv.
11 Op. 91, 405 P.3d 641, 646 (2017) (hereinafter “Shadow Canyon”), the Nevada Supreme Court quoted
12 from Breliant v. Preferred Equities Corp., 112 Nev. 663, 669, 918 P.2d 314, 318 (1996), that “there is a
13 presumption in favor of the record titleholder.” The Court also cited the presumptions in NRS 47.250(16)
14 and NRS 116.31166(1)-(2).

15 Defendant misstates the meaning attributed to River Glider Ave Trust listing certain creditors in
16 Schedule D of the bankruptcy schedules attached as Exhibit B to defendant’s motion. Listing a creditor
17 is not an admission by the debtor that the creditor’s claim is valid. 11 U.S.C. § 101(10)(A) defines a
18 “creditor” as an “entity that has a claim against the debtor that arose at the time of or before the order for
19 relief concerning the debtor,” and 11 U.S.C. § 101(5)(A) defines a “claim” to be a “right to payment,
20 whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured,
21 unmatured, **disputed**, undisputed, legal, equitable, secured, or unsecured” (emphasis added) 11
22 U.S.C. § 521(a)(1) requires that the debtor file “a list of creditors” and “a schedule of assets and
23 liabilities.”

24 By complying with the requirements of the Bankruptcy Code, River Glider Ave Trust did not
25 admit that any of the deeds of trust were not affected by the separate foreclosure of each HOA’s
26 superpriority lien. Because no court had yet resolved the issue, the debtor was required to list each lender
27 as a creditor even though the debtor believed that each deed of trust had been extinguished by a properly
28

1 conducted HOA foreclosure sale.

2 Similarly, the motion filed with the bankruptcy court on July 5, 2012 (Exhibit C to defendant's
3 motion) was necessary because on that date, the Nevada Supreme Court had not yet entered its decision
4 in SFR Investments Pool 1, LLC v. U.S. Bank, N.A., which adopted plaintiff's understanding that the
5 HOA's foreclosure of its superpriority lien would extinguish a prior recorded deed of trust. The same is
6 true regarding the motion filed on October 8, 2012. (Exhibit D to defendant's motion)

7 The Nevada Supreme Court examined the doctrine of judicial estoppel in Marcuse v. Del Webb
8 Communities, Inc., 123 Nev. 278, 163 P.3d 462, 468-469 (2007), and NOLM, LLC v. County of Clark,
9 120 Nev. 736, 100 P.3d 658 (2004). In NOLM, LLC v. County of Clark, the Court stated:

10 Whether judicial estoppel applies is a question of law subject to de novo review. The
11 primary purpose of judicial estoppel is to protect the judiciary's integrity, and a court may
12 invoke the doctrine at its discretion. However, judicial estoppel should be applied only
13 when "a party's inconsistent position [arises] from intentional wrongdoing or an attempt
14 to obtain an unfair advantage." Judicial estoppel does not preclude changes in position that
15 are not intended to sabotage the judicial process.[21]

16 [T]he doctrine generally applies "when "(1) **the same party has taken**
17 **two positions**; (2) the positions were taken in judicial or quasi-judicial
18 administrative proceedings; (3) **the party was successful in asserting the**
19 **first position** (i.e., the tribunal adopted the position or accepted it as true);
20 (4) the two positions are totally inconsistent; and (5) the first position was
21 not taken as a result of ignorance, fraud, or mistake.""

22 Here, **the judicial estoppel doctrine does not even apply, as the County never asserted**
23 **a contrary position in a prior judicial or quasi-judicial proceeding.** (emphasis added)

24 100 P.3d at 663.

25 Defendant cannot prove the elements of judicial estoppel because all pleadings filed by the debtor
26 consistently took the position that each subordinate deed of trust could not interfere with the debtor's use
27 and enjoyment of the different properties (none of which are the Property involved in the present case).

28 There is also no "risk of inconsistent court determinations" because the relief requested by the
debtor did not require that the Bankruptcy Court make a final determination that each deed of trust was
not extinguished by the HOA foreclosure sale. Furthermore, the bankruptcy case was dismissed before
the court ruled on the motions filed by the debtor.

Regarding the present case, defendant has not alleged or proved that plaintiff asserted a contrary

1 position relating to the Property in any prior judicial or quasi-judicial proceeding. Neither plaintiff nor
2 the Property acquired by plaintiff on January 16, 2013 were identified in any pleading filed in the River
3 Glider Ave Trust bankruptcy case.

4 At the top of page 10 of its motion, defendant states that Exhibit A to its motion proves that
5 “Plaintiff knew it purchased a junior interest in the Property here, when free and clear title to the Property
6 was worth \$105,000.”

7 Exhibit A is a retrospective residential appraisal summary report prepared by Valbridge Property
8 Advisors based on an inspection of the Property on October 19, 2017 (more than four years after the date
9 of the HOA foreclosure sale). At the bottom of the page 1 (LUBAWY000001), the report states:

10 As of the effective date of this appraisal, the subject property is assumed to be in average
11 condition. At the time of inspection, there were no apparent major repairs, renovation,
12 or remodeling evident. The effective age is based on the appraiser’s exterior inspection
13 of the property. **An exterior inspection of the property was performed from the
14 street. An extraordinary assumption is made that the interior is in similar condition
15 as the exterior and that the condition was similar at the effective date of this
16 appraisal. The use of the extraordinary assumption may have affected the
17 assignment results.** (emphasis in original)

18 Defendant’s motion is not supported by any evidence proving that the “extraordinary
19 assumptions” used by defendant’s appraiser are true.

20 The appraisal report also fails to mention the Detrimental Condition that distinguishes the
21 Property in the present case from the three comparable sales (one REO, one traditional, and one short
22 sale) listed at page 2 of the report. Unlike the three comparable sales, plaintiff did not receive insurable
23 clear title to the Property because no title company in Southern Nevada is willing to issue title insurance
24 following an HOA foreclosure sale. The lack of insurable clear title precludes traditional financing
25 options to future buyers and adversely affects plaintiff’s right of disposition of the Property.

26 The Appraisal of Real Estate, 14th Edition, p. 406 (Chicago: Appraisal Institute, 2013) states:
27 “Before a comparable sale property can be used in sales comparison analysis, the appraiser must first
28 ensure that the sale price of the comparable property applies to **property rights that are similar** to those
being appraised.” (emphasis added) Because the appraisal report offered by plaintiff violates this
standard, the value assigned to the Property by plaintiff’s appraiser is merely hypothetical.

1 Furthermore, prior to the date of the foreclosure sale held on January 16, 2013, the Nevada Real
2 Estate Division issued its Advisory Opinion No. 13-01 on December 12, 2012, which provides:

3 The ramifications of the super priority lien are significant in light of the fact that superior
4 liens, when foreclosed, remove all junior liens. An association can foreclose its super
5 priority lien and the first security interest holder will either pay the super priority lien
6 amount or lose its security.

7 Id. at 9.

8 Advisory Opinion No. 13-01 was also issued after River Glider Ave Trust filed each of the
9 pleadings attached as Exhibits B, C, D and E to defendant's motion. Even if the court assumes that
10 plaintiff held the belief that defendant ascribes to River Glider Ave Trust before December 12, 2012,
11 there is no reason to believe that River Glider Ave Trust or plaintiff still held that belief after the issuance
12 of Advisory Opinion No. 13-01.

13 In addition, subjective beliefs by either plaintiff or defendant do not affect the "fundamental
14 principle of mortgage law" that "[a] valid foreclosure os a mortgage terminates all interests in the
15 foreclosed real estate that are junior to the mortgage being foreclosed and whose holders are properly
16 joined of notified under applicable law." Restatement (Third) of Prop.: Mortgages, § 7.1 (1997). This
17 "fundamental principle of mortgage law" applies to the HOA foreclosure sale pursuant to NRS 116.1108.

18 In Shadow Wood Homeowners Association, Inc. v. New York Community Bancorp. Inc., 132
19 Nev. Adv. Op. 5, 366 P.3d 1105, 1115 (2016), the Nevada Supreme Court stated that the consideration
20 paid by a bona fide purchaser need only be "valuable" (quoting Fair v. Howard, 6 Nev. 304, 308 (1871))
21 and "that the fact that the foreclosure sale purchaser purchased the property for a 'low price' did not in
22 itself put the purchaser on notice that anything was amiss with the sale." (quoting Poole v. Watts, 139
23 Wash. App. 1018 (2007) (unpublished disposition)) The \$8,200.00 paid by plaintiff satisfies these
24 standards.

25 Furthermore, as discussed in the supplemental authority in support of motion to dismiss
26 counterclaim, filed on November 28, 2017, the Shadow Canyon decision requires that defendant allege
27 and prove "some element of fraud, unfairness, or oppression as accounts for and brings about" the high
28 bid of \$8,200.00 paid by plaintiff on January 16, 2013. Defendant has not identified any allegations in

1 its counterclaim, that even if assumed to be true, would satisfy this standard.

2 **2. The additional evidence that defendant seeks to discover cannot support granting**
3 **equitable relief in favor of defendant against plaintiff.**

4 At page 11 of its motion, defendant quotes from NRCP 12(b) and states that “U.S. Bank was
5 prevented from completing planned discovery, which included depositions of the HOA and HOA
6 Trustee, and receiving subpoenaed documents from the HOA.”

7 First, defendant states that it needs time to discover “whether the HOA’s rejection of Bank of
8 America’s check was done for a good-faith reason, so as to invalidate the tender.” As set forth at pages
9 7 to 10 of plaintiff’s motion to dismiss counterclaim, even if the HOA and its foreclosure agent
10 wrongfully rejected the non-negotiable offer made by Miles Bauer on December 6, 2012, defendant’s
11 remedy is to recover damages against the HOA and its foreclosure agent and not to obtain equitable relief
12 against plaintiff modifying the effect of the HOA foreclosure sale. Defendant’s motion for reconsideration
13 cites no contrary authority.

14 Second, defendant states that it needs to discover “whether Plaintiff believed it was purchasing
15 a sub-priority interest in the Property at HOA foreclosure sale.” On the other hand, Exhibits C, E and F
16 to defendant’s answer, counterclaims, and cross-claims, filed on October 10, 2017, prove that each notice
17 recorded by the HOA stated “the total amount of the lien” as approved by the Nevada Supreme Court in
18 SFR Investments Pool 1, LLC v. U.S. Bank, N.A., 130 Nev., Adv. Op. 75, 334 P.3d 408, 418 (2014).
19 Because the \$8,200.00 paid by plaintiff exceeds the full amount of the \$4,039.00 claimed in the notice
20 of trustee’s sale (Exhibit F to defendant’s answer, counterclaims, and cross-claims), the HOA necessarily
21 foreclosed the entire amount of its lien, including the superpriority portion of the lien that was not paid
22 prior to the sale. Defendant also admits that the HOA rejected the non-negotiable offer to pay only
23 \$1,494.50 made by Miles Bauer on December 6, 2012, so defendant cannot dispute that the superpriority
24 lien remained unpaid on January 16, 2013.

25 Third, defendant states that it needs to discover “whether Plaintiff’s claim that the Deed of Trust
26 was extinguished constitutes fraud or unfairness in light of the statements in Plaintiff’s other trusts’
27 bankruptcy filings regarding the purchaser of encumbered properties.”

1 The Nevada Supreme Court has recognized that “[t]o prove a fraud claim, the plaintiff must show
2 that the defendant made a false representation that the defendant knew or believed was false, that the
3 defendant intended to persuade the plaintiff to act or not act based on the representation, and that the
4 plaintiff had reason to rely on the representation and suffered damages.” Franchise Tax Board of
5 California v. Hyatt, 133 Nev. Adv. Op. 57, 401 P.3d 1110, 1131 (2017) (citing Bulbman, Inc. v. Nevada
6 Bell, 108 Nev. 105, 111, 825 P.2d 588, 592 (1992)).

7 At the top of page 8 of its motion, defendant states that the pleadings filed by River Glider Ave
8 Trust “suggest that Plaintiff’s manager is acting in bad faith in this present case when he argues that the
9 Deed of Trust is extinguished.” Plaintiff is a separate and independent entity from the River Glider Ave
10 Trust that filed bankruptcy, so statements made by that independent entity cannot be attributed to plaintiff.
11 Furthermore, defendant has not alleged or proved that plaintiff made a false statement that plaintiff knew
12 was false with the intent to persuade defendant to act or not act and that defendant reasonably relied on
13 that false statement to its detriment.

14 As set forth above, judicial estoppel requires that defendant prove that (1) plaintiff has taken two
15 positions; (2) that the positions were taken in judicial or quasi-judicial administrative proceedings; (3)
16 that plaintiff was successful in asserting the first position (i.e., the tribunal adopted the position or
17 accepted it as true); (4) the two positions are totally inconsistent; and (5) the first position was not taken
18 as a result of ignorance, fraud, or mistake. NOLM, LLC v. County of Clark, 120 Nev. 736, 100 P.3d 658,
19 663 (2004). Because plaintiff and the River Glider Ave Trust are separate and independent entities, it is
20 impossible for statements made in bankruptcy pleadings filed by River Glider Ave Trust to prove that
21 plaintiff acted fraudulently in entering the high bid at the public auction held on January 16, 2013.

22 Defendant also states that it needs to discover “whether Plaintiff could show that it lacked all
23 notice of Bank of America’s competing interest in the Property (so as to constitute a bona fide
24 purchaser).” On the other hand, constructive notice of the recorded deed of trust is irrelevant because
25 “NRS 116.3116(2) gives an HOA a true superpriority lien, proper foreclosure of which will extinguish
26 a first deed of trust.” SFR Investments Pool 1, LLC v. U.S. Bank, N.A., 334 P.3d at 419.

27 Plaintiff did not acquire title to the Property “subject to” an extinguished deed of trust.
28

1 With respect to defendant's unrecorded claim that the HOA and its foreclosure agent wrongfully
2 rejected the conditional tender made by Miles Bauer, the law of real property (Restatement (Third) of
3 Prop.: Mortgages, §6.4 (1997)) requires that any claim of tender be recorded. Any evidence proving that
4 defendant made its unrecorded claim of tender known to the bidders at the public auction held on January
5 16, 2013 would necessarily be within defendant's possession or control. Because defendant has not
6 alleged or proved that it provided notice of this unrecorded claim to plaintiff prior to the public auction,
7 that unrecorded claim is void as to plaintiff pursuant to NRS 111.325.

8 DATED this 14th day of March, 2018.

9 LAW OFFICES OF
10 MICHAEL F. BOHN, ESQ., LTD.

11 By: /s/ Michael F. Bohn, Esq. /
12 Michael F. Bohn, Esq.
13 Adam R. Trippiedi, Esq.
14 376 East Warm Springs Road, Ste. 140
15 Las Vegas, Nevada 89119
16 Attorney for plaintiff

17 **CERTIFICATE OF SERVICE**

18 Pursuant to NRCP 5, NEFCR 9 and EDCR 8.05, I hereby certify that I am an employee of Law
19 Offices of Michael F. Bohn., Esq., and on the 14th day of March, 2018, an electronic copy of the
20 PLAINTIFF'S OPPOSITION TO U.S. BANK, N.A., AS TRUSTEE'S MOTION FOR
21 RECONSIDERATION UNDER NRCP 59 was served on opposing counsel via the Court's electronic
22 service system to the following counsel of record:

23 Darren T. Brenner, Esq.
24 Karen A. Whelan, Esq.
25 Rebekkah B. Bodoff, Esq.
26 AKERMAN LLP
27 1635 Village Center Circle, Suite 200
28 Las Vegas, NV 89134

James W. Pengilly, Esq.
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1995 Village Center Cir., Suite 190
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/s/ Marc Sameroff /
An Employee of the LAW OFFICES OF
MICHAEL F. BOHN, ESQ., LTD.

04/03/2018 | **Motion For Reconsideration** (3:00 AM) (Judicial Officer Crockett, Jim)
Defendant U.S. Bank, N.A., as Trustee's Motion for Reconsideration under NRCP 59

Minutes

04/03/2018 3:00 AM

- COURT FINDS arguments regarding reasoning and authorities in Plaintiff's opposition to be persuasive and DENIES the motion for reconsideration. Court directs Plaintiff's Counsel to prepare an order that articulates the analysis in the Plaintiff's opposition, in the form of an appropriate order denying the motion for reconsideration, to be prepared within TEN days per EDCR 7.21; no need to submit to opposing Counsel for approval, to be reviewed solely by the Court. *CLERK'S NOTE: Minute order sent via e-mail to mbohn@bohnlawfirm.com; office@bohnlawfirm.com; blopipero@wrightlegal.net; dnitz@wrightlegal.net./kh 4-4-18

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Attorneys for Country Garden Owners' Association

DISTRICT COURT

CLARK COUNTY, NEVADA

5316 CLOVER BLOSSOM CT TRUST;

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

Defendants.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

CASE NO: A-14-704412-C
DEPT NO: XXIV

**ORDER GRANTING COUNTRY
GARDEN OWNERS'
ASSOCIATION'S MOTION TO
DISMISS THE CROSSCLAIMS OF
U.S. BANK, NATIONAL
ASSOCIATION, FINDINGS OF
FACT, CONCLUSIONS OF LAW,
AND JUDGMENT**

<input type="checkbox"/> Voluntary Dismissal	<input checked="" type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input type="checkbox"/> Judgment of Arbitration



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Counterclaimant,

v.

5316 CLOVER BLOSSOM CT TRUST;

Counter-Defendant.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

Cross-Claimant,

v.

COUNTRY GARDEN OWNERS'
ASSOCIATION;

Cross-Defendant.

**ORDER GRANTING COUNTRY GARDEN OWNERS' ASSOCIATION'S MOTION TO
DISMISS THE CROSSCLAIMS OF U.S. BANK, NATIONAL ASSOCIATION, FINDINGS
OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT**

This matter was heard in Department 24, on December 12, 2017, at 9:00 am, Adam R. Trippiedi, Esq. appearing on behalf of plaintiff; Scott Lachman, Esq. appearing on behalf of defendant U.S. Bank, National Association, Successor Trustee to Bank of America, N.A., Successor by Merger to Lasalle Bank, N.A., as Trustee to the Holders of the Zuni Mortgage Loan Trust 2006-OA1, Mortgage Loan Pass-through Certificates Series 2006-OA1 ("US Bank" or the "Bank"); and Elizabeth B. Lowell, Esq. appearing on behalf of cross-defendant Country Garden Owners'

1 Association (the "HOA"), and the court, having reviewed COUNTRY GARDEN OWNERS'
2 ASSOCIATION'S MOTION TO DISMISS THE CROSSCLAIMS OF U.S. BANK, NATIONAL
3 ASSOCIATION, U.S. Bank's opposition and the HOA's reply in support, the attached exhibits, and
4 having heard the arguments of counsel, makes its findings of fact, conclusion of law and judgment as
5 follows:

6 **FINDINGS OF FACT**

7 1. The subject of this litigation is a certain foreclosure sale of residential real property
8 located at 5316 Clover Blossom Court, North Las Vegas, Nevada 89031, APN 124-31-220-092 (the
9 "Property"). (Compl. at ¶6.)

10 2. On January 16, 2013, the HOA foreclosed its lien for delinquent assessments against
11 the Property ("Foreclosure Sale").

12 3. The Foreclosure Deed ("Foreclosure Deed") was recorded on January 24, 2013.

13 4. On July 25, 2014, the record owner of the Property, 5316 Blossom Ct. Trust (the
14 "Buyer"), filed this action, seeking to quiet title in the Property against the Bank.

15 5. The Bank filed its Answer on September 25, 2014.

16 6. On September 28, 2017, the Bank and the Buyer filed a stipulation and order allowing
17 the Bank to add its cross-claims against the HOA.

18 7. In U.S. Bank, N.A., as Trustee's Answer to 5316 Clover Blossom Trust's Amended
19 Complaint, Counterclaims, and Cross-Claims ("Cross-Claim"), the Bank asserts the following claims
20 against the HOA: Third Cause of Action, Unjust Enrichment, Fourth Cause of Action, Tortious
21 Interference with Contractual Relations; Fifth Cause of Action, Breach of the Duty of Good Faith;
22 and Sixth Cause of Action, Wrongful Defective Foreclosure.

23 8. The Cross-Claim does not contain a sworn statement pursuant to NRS 38.330 stating
24 that the issues addressed in the Cross-Claim have been mediated pursuant to the provisions of NRS
25 38.300 to 38.360, inclusive, but an agreement was not obtained.

CONCLUSIONS OF LAW

1
2 1. If, in a motion under NRCP 12(b)(5), matters outside the pleading are presented to
3 and not excluded by the court, the motion shall be treated as one for summary judgment and
4 disposed of as provided in Rule 56, and all parties shall be given reasonable opportunity to present
5 all material made pertinent to such a motion by Rule 56. *See* NRCP 12(b).

6 2. This Court finds that, by virtue of the arguments presented in the HOA's motion to
7 dismiss, US Bank's opposition, and the HOA's reply, matters outside the cross-claims were
8 presented and, thus, the HOA's motion to dismiss was converted into a motion for summary
9 judgment and this court is treating it as such.

10 3. Summary judgment is appropriate and "shall be rendered forthwith" when the
11 pleadings and other evidence on file demonstrate "no genuine issue as to any material fact [remains]
12 and the moving party is entitled to judgment as a matter of law. *See* NRCP 56(c); *Wood v. Safeway,*
13 *Inc.*, 121 Nev. 724, 729, 121 P.3d 1026 (2005).

14 4. To defeat a motion for summary judgment the non-moving party bears the burden to
15 "do more than simply show there is some metaphysical doubt: as to the operative facts. *Wood*, 121
16 Nev. at 732 (citing *Matsushita Electric Industrial Co. v. Zenith Radio*, 475 U.S. 574, 586 (1983)).
17 Moreover, the non-moving party must come forward with specific facts showing a genuine issue
18 exists for trial. *Matsushita*, 475 U.S. at 587; *Wood* P.3d at 1130. Further, in ruling upon a motion
19 for summary judgment, the Court must view all evidence and inferences in the light most favorable
20 to the non-moving party. *Torrealba v. Kesmetis*, 124 Nev. 95, 178 P.3d 716 (2008).

21 5. When ruling on a motion for summary judgment, the court may take judicial notice of
22 the public records attached to the motion. *Harlow v. MTC Financial Inc.* 865 F. Supp.2d 1095 (D.
23 Nev. 2012). The recorded exhibits to the HOA's motion to dismiss and US Bank's cross-claim are
24 public records of which the Court may, and did take judicial notice. *See* NRS 47.150; *Lemel v.*
25 *Smith*, 64 Nev. 545 (1947) (Judicial Notice takes the place of proof and is of equal force.)

1 “Documents accompanied by a certificate of acknowledgment of a notary public or officer
2 authorized by law to take acknowledgments are presumed to be authentic.” NRS 52.165.

3 **A. The Applicable Statutes of Limitation Bar the Bank's Claims**

4 6. “In determining whether a statute of limitations has run against an action, the time
5 must be computed from the day the cause of action accrued.

6 7. A cause of action ‘accrues’ when a suit may be maintained thereon.” *Clark v.*
7 *Robison*, 944 P.2d 788, 789 (Nev. 1997).

8 8. Pursuant to Nevada Revised Statute 111.320, a recorded document will “impart
9 notice to all persons of the contents thereof” In addition, “[i]f the facts giving rise to the cause
10 of action are matters of public record then ‘[t]he public record gave notice sufficient to start the
11 statute of limitations running.’” *Job’s Peak Ranch Cmty. Ass’n, Inc. v. Douglas Cty.*, No. 55572,
12 2015 WL 5056232, at *3 (Nev. Aug. 25, 2015); *see also U.S. Bank Nat’l Ass’n v. Woodland Village*,
13 3:16-cv-00501-RCJ-WGC at DE #32, page 5, lines 21-23.

14 9. Nevada Revised Statute 11.190 describes the statutes of limitations that are applicable
15 to various causes of action. Pursuant to this statute, a six-year limitations period applies to “[a]n
16 action upon a contract, obligation or liability founded upon an instrument in writing.” A four-year
17 limitations period applies to a claim for unjust enrichment. A three-year limitations period applies to
18 “[a]n action upon a liability created by statute, other than a penalty or forfeiture.” A claim for
19 tortious interference with contract is also “subject to the three-year statute of limitations set forth in
20 NRS 11.190(3)(c).” *Stalk v. Mushkin*, 199 P.3d 838, 842 (Nev. 2009). Finally, pursuant to another
21 catch-all statute that follows NRS 11.190, NRS 11.220, “[a]n action for relief, not hereinbefore
22 provided for [within the Nevada Revised Statutes], must be commenced within 4 years after the
23 cause of action shall have accrued.”

24 10. The Bank's cross-claims for unjust enrichment, tortious interference with contractual
25 relations, breach of the duty of good faith, and wrongful or defective foreclosure are all barred by the

1 statute of limitations because their limitations period is either three or four years and the complaint
2 was filed four years and nine months after the Foreclosure Deed was recorded, giving the Bank
3 notice that its causes of action against the HOA had accrued.

4 *Unjust Enrichment*

5 11. "The statute of limitation for an unjust enrichment claim is four years." *In re Amerco*
6 *Derivative Litig.*, 252 P.3d 681, 703 (Nev. 2011)(citing NRS 11.190(2)(c)). The Bank's claim for
7 unjust enrichment accrued on January 24, 2013; however, the Bank did not file its claim until after
8 the four-year limitations period, in September of 2017.

9 *Tortious Interference with Contractual Relations*

10 12. The Bank's second cross-claim against the HOA is for tortious interference with
11 contractual relations. A claim for tortious interference with contract is also "subject to the three-year
12 statute of limitations set forth in NRS 11.190(3)(c)." *Stalk v. Mushkin*, 199 P.3d 838, 842 (Nev.
13 2009). Because this claim accrued on January 24, 2013, but was not filed until September of 2017 it
14 is barred by NRS 11.190(3)(c).

15 *Breach of the Duty of Good Faith*

16 13. The fifth cause of action in the Complaint is for breach of the duty of good faith that
17 is found within NRS 116.1113. Because this is a claim regarding a violation of a statute it is
18 governed by NRS 11.190(3)(a) which states that "[a]n action upon a liability created by state, other
19 than a penalty or forfeiture" must be brought within 3 years. Because this claim was not brought
20 until September 2017, more than four years after the recording of the foreclosure deed, this cause of
21 action is barred.

22 *Wrongful/Defective Foreclosure*

23 14. The sixth cause of action in the Complaint is for "Wrongful / Defective Foreclosure."
24 The Complaint's allegations center primarily on a discussion of an alleged tender by the Bank to the
25 HOA's collection company.

15. This claim should have a three-year statute of limitations.

A tortious wrongful foreclosure claim ‘challenges the authority behind the foreclosure, not the foreclosure act itself.’ Red Rock’s authority to foreclose on the HOA lien on behalf of the HOA arose from Chapter 116, essentially rendering count three a claim for damages based on liability created by a statute. Therefore, count three is likewise time-barred under NRS 11.190(3)(a) because it was not brought within three years.

HSBC Bank USA v. Park Ave. Homeowners’ Assn., 216CV460JCMNJK, 2016 WL 5842845, at *3 (D. Nev. Oct. 3, 2016) (Citing *McKnight Family, L.L.P. v. Adept Mgmt.*, 310 P.3d 555, 559 (Nev. 2013) (en banc).

16. Even assuming that a claim for wrongful foreclosure did not fall under NRS 11.190(3)(a), it would fall within the catch-all provision in NRS 11.220 and would have a four-year limitations period. Consequently, all of the bank’s claims regarding violation of NRS Chapter 116 are time barred.

B. In Addition, the Bank Lacks Standing to Bring a Claim for Violation of NRS 116.1113

17. Nevada Revised Statute NRS 116.4117 creates a private right of action for violations of NRS 116, but specifically limits standing to bring such a claim to only specific classes of persons.

18. The relevant language of NRS 116.4117 provides as follows:

1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief.

2. Subject to the requirements set forth in NRS 38.310 and except as otherwise provided in NRS 116.3111, a civil action for damages or other appropriate relief for a failure or refusal to comply with any provision of this chapter or the governing documents of an association may be brought:

- (a) By the association against:
 - (1) A declarant;
 - (2) A community manager; or
 - (3) A unit’s owner.

- (b) By a unit’s owner against:



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- (1) The association;
- (2) A declarant; or
- (3) Another unit's owner of the association.

- (c) By a class of units' owners constituting at least 10 percent of the total number of voting members of the association against a community manager.

19. Nevada Revised Statute 116.095 defines "unit's owner" as "a declarant or other person who owns a unit, or a lessee of a unit in a leasehold common-interest community whose lease expires simultaneously with any lease the expiration or termination of which will remove the unit from the common-interest community, but does not include a person having an interest in a unit solely as security for an obligation." (emphasis added).

20. Based on this provision and on other provisions in Chapter 116, for example NRS 116.2119, the legislature knew that secured lenders had potential interests in property that could be subject to NRS Chapter 116, but chose not to include them in the list of entities with standing to bring a claim for violations of Chapter 116. Consequently, Plaintiff's claims for violation of NRS 116.1113 should also be dismissed for lack of standing.

C. To the Extent that the Bank's Claims Concern the CC&Rs, the Claims Should Still Be Dismissed Because the Bank Has Failed to Comply with NRS 38.310

21. Nevada Revised Statute 38.310 provides:

1. No civil action based upon a claim relating to:

(a) The interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; or

(b) The procedures used for increasing, decreasing or imposing additional assessments upon residential property, may be commenced in any court in this State unless the action has been submitted to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, and, if the civil action concerns real estate within a planned community subject to the provisions of chapter 116 of NRS or real estate within a condominium hotel subject to the provisions of chapter 116B of NRS, all administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted.

2. A court shall dismiss any civil action which is commenced in violation of the provisions of subsection 1.



22. Furthermore, Nevada Revised Statute 38.330 states that “[a]ny complaint filed in such an action must contain a sworn statement indicating that the issues addressed in the complaint have been mediated pursuant to the provisions of NRS 38.300 to 38.360, inclusive, but an agreement was not obtained.”

23. Although the Cross-Claim does not contain allegations regarding the CC&Rs, it does contain a claim for wrongful foreclosure. It does not contain an affidavit in compliance with NRS 38.330.

24. To the extent that the wrongful foreclosure claim requires the interpretation, enforcement or application of the CC&Rs, the claim should be dismissed so the Bank can comply with NRS 38.310.

D. The Doctrine of Equitable Tolling Does Not Apply

25. Equitable tolling allows the suspension of the running of a statute of limitations when the claim would have been filed timely but for a procedural technicality. *Copeland v. Desert Inn Hotel*, 99 Nev. 823, 826, 673 P.2d 490, 492 (1983). Even when a procedural technicality is the basis for a claim's untimely filing, the doctrine should only be applied when “the danger of prejudice to the defendant is absent” and “the interests of justice so require.” *Seino v. Employers Ins. Co. of Nevada*, 121 Nev. 146, 152, 111 P.3d 1107, 1112 (2005) (quoting *Azer v. Connell*, 306 F.3d 930, 936 (9th Cir.2002)).

26. When applying the doctrine of equitable tolling, the Nevada Supreme Court has examined the following non-exclusive factors to determine whether it would be just or fair to toll the statute of limitations:

the diligence of the claimant; the claimant's knowledge of the relevant facts; the claimant's reliance on authoritative statements by the administrative agency that misled the claimant about the nature of the claimant's rights; any deception or false assurances on the part of the employer against whom the claim is made; the prejudice to the employer that would actually result from delay during the time that the limitations period is tolled; and any other equitable considerations appropriate in the particular case.



1 *Copeland v. Desert Inn Hotel*, 673 P.2d 490, 492 (Nev. 1983).

2 27. In this case, the Bank claims that it is entitled to equitable tolling of the applicable
3 statutes; however, pursuant to the *Copeland* factors equitable tolling does not apply.

4 *The Delay in Filing Will Prejudice the HOA*

5 28. First, equitable tolling may never be applied if it will prejudice the defendant. *Seino*,
6 121 Nev. at 152. In this case, the Bank has not argued that the HOA will not be prejudiced by the
7 Bank's delay in filing the claims against the HOA.

8 29. Because the Bank has not come forward with specific facts to show there is a genuine
9 issue as to whether the HOA will be prejudiced by the delay in filing with its attendant loss of
10 memory for the potential witnesses to this matter, this factor weighs in favor of the HOA.

11 *The Bank Did ~~Not~~ Show that it Relied on the CC&Rs*

12 30. While the Bank argues that it relied on the mortgagee protection clause, the evidence
13 demonstrates the opposite.

14 31. In Exhibit G-3 to the Bank's Cross-Claim, the Bank's attorney states "a portion of
15 [the] HOA lien is arguably prior to BANA's first deed of trust, specifically the nine months of
16 assessments for common expenses incurred before the date of [the] notice of delinquent assessment."
17 The Bank's attorney then proceeds to take action based upon that statement, that is the Bank's
18 attorney sent a check to the HOA Trustee, as a tender, presumably based on an intention to satisfy
19 the portion of the HOA's lien that was "arguably prior to" the mortgage and protect the mortgage.

20 32. Had the Bank relied on the CC&Rs, it would not have taken that action. If the Bank
21 relied on anything, it appears that the Bank relied on the legal conclusion that its tender, even if
22 rejected, would protect its mortgage from extinguishment and obviate the need for the Bank to attend
23 the HOA foreclosure sale and bid to protect the mortgage. Therefore, this factor weighs against the
24 application of equitable tolling. *Copeland*, 673 P.2d at 492.

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1 *The Bank had knowledge of the relevant facts*

31. Furthermore, as discussed in the previous section, the Bank knew all of the relevant facts that created a claim against the HOA. The only missing element was the decision in the *SFR Case*, which the Nevada Supreme Court has said was merely a declaration of what the statute had always said. *K&P Homes v. Christiana Tr.*, 398 P.3d 292, 295 (Nev. 2017).

32. Neither the SFR Case nor this Court’s potential award is considered a “fact” that the Bank was unaware of back in January of 2013.

8 Instead these two things are an application of the law; and the Bank has failed to show that
9 the Bank's claims should be equitably tolled because the Bank lacked knowledge that it needed to
10 make a claim against the HOA. *Copeland*, 673 P.2d at 492.

11 *The Bank was not diligent*

33. The sale in this case occurred on January 16, 2013. In July of 2014, the Plaintiff filed a complaint against the Bank to quiet title in the property that is the subject of this litigation. In September of 2014, just when the Bank file its response, the *SFR Case* was handed down.

15 34. The delay in filing the Cross-Claim weighs in favor of the HOA, because the Bank
16 has not shown that it was diligent.

ORDER and JUDGMENT

18 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Cross-Defendant, Country
19 Gardens Owners Association's motion to dismiss, converted to a motion for summary judgment, is
20 GRANTED.

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1 IT IS FURTHER ORDERED that judgment is entered on behalf of Cross-Defendant and
 2 against Cross-Claimant US Bank on all of the cross-claims asserted by US Bank against Country
 3 Gardens Owners Association.

4 DATED this 16 day of April, 2018.

8 **APPROVED BY:**

9 AKERMAN, LLP

7 
 DISTRICT COURT JUDGE

6 LAW OFFICES OF
 MICHAEL F. BOHN, ESQ., LTD.

11 By:

NOT SIGNED

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 17 Attorney for defendant U.S. Bank,
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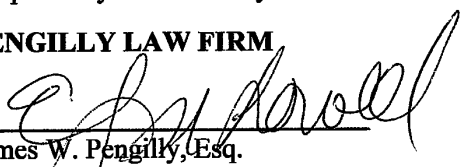
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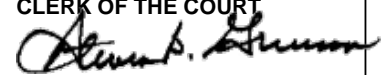
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18 Respectfully Submitted by:

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DISTRICT COURT

CLARK COUNTY, NEVADA

5316 CLOVER BLOSSOM CT TRUST;

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER TO
LASALLE BANK, N.A., AS TRUSTEE TO THE
HOLDERS OF THE ZUNI MORTGAGE LOAN
PASS-THROUGH CERTIFICATES SERIES 2006-
OA1; and CLEAR RECON CORPS,

Defendants.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER TO
LASALLE BANK, N.A., AS TRUSTEE TO THE
HOLDERS OF THE ZUNI MORTGAGE LOAN
PASS-THROUGH CERTIFICATES SERIES 2006-
OA1; and CLEAR RECON CORPS,

Counterclaimant,

v.

5316 CLOVER BLOSSOM CT TRUST;

Counterdefendant.

CASE NO: A-14-704412-C
DEPT NO: XXIV

**NOTICE OF ENTRY OF ORDER
GRANTING COUNTRY GARDEN
OWNERS' ASSOCIATION'S
MOTION TO DISMISS THE
CROSSCLAIMS OF U.S. BANK,
NATIONAL ASSOCIATION,
FINDINGS OF FACT,
CONCLUSIONS OF LAW, AND
JUDGMENT**

1 U.S. BANK, NATIONAL ASSOCIATION,
2 SUCCESSOR TRUSTEE TO BANK OF
3 AMERICA, N.A., SUCCESSOR BY MERGER TO
4 LASALLE BANK, N.A., AS TRUSTEE TO THE
5 HOLDERS OF THE ZUNI MORTGAGE LOAN
6 PASS-THROUGH CERTIFICATES SERIES 2006-
7 OA1; and CLEAR RECON CORPS,

8 Cross-Claimant,

9 v.

10 COUNTRY GARDEN OWNERS ASSOCIATION;

11 Cross-Defendant.

12 **NOTICE OF ENTRY OF ORDER GRANTING COUNTRY GARDEN**
13 **OWNERS' ASSOCIATION'S MOTION TO DISMISS THE**
14 **CROSSCLAIMS OF U.S. BANK, NATIONAL ASSOCIATION,**
15 **FINDINGS OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT**

16 PLEASE TAKE NOTICE that the attached Order Granting Country Garden Owners'
17 Association's Motion To Dismiss The Crossclaims Of U.S. Bank, National Association, Findings Of
18 Fact, Conclusions Of Law, And Judgment was entered in the above entitled action on the 13th day of
19 April, 2018.

20 DATED this 16th day of April, 2018.

21 **PENGILLY LAW FIRM**

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CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), I hereby certify that on the 16th day of April, 2018, a copy of
**NOTICE OF ENTRY OF ORDER GRANTING COUNTRY GARDEN OWNERS’
ASSOCIATION’S MOTION TO DISMISS THE CROSSCLAIMS OF U.S. BANK,
NATIONAL ASSOCIATION, FINDINGS OF FACT, CONCLUSIONS OF LAW, AND
JUDGMENT**, was served upon those persons designated by the parties in the E-Service Master List
for the above-referenced matter in the Eighth Judicial District Court E-Filing System in compliance
with the mandatory electronic service requirements of Administrative Order 14-2 and the Nevada
Electronic Filing and Conversion Rules.

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An Employee of Pengilly Law Firm



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DISTRICT COURT

CLARK COUNTY, NEVADA

5316 CLOVER BLOSSOM CT TRUST;

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

Defendants.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

CASE NO: A-14-704412-C
DEPT NO: XXIV

**ORDER GRANTING COUNTRY
GARDEN OWNERS'
ASSOCIATION'S MOTION TO
DISMISS THE CROSSCLAIMS OF
U.S. BANK, NATIONAL
ASSOCIATION, FINDINGS OF
FACT, CONCLUSIONS OF LAW,
AND JUDGMENT**

<input type="checkbox"/> Voluntary Dismissal	<input checked="" type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input type="checkbox"/> Judgment of Arbitration



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Counterclaimant,

v.

5316 CLOVER BLOSSOM CT TRUST;

Counter-Defendant.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

Cross-Claimant,

v.

COUNTRY GARDEN OWNERS'
ASSOCIATION;

Cross-Defendant.

**ORDER GRANTING COUNTRY GARDEN OWNERS' ASSOCIATION'S MOTION TO
DISMISS THE CROSSCLAIMS OF U.S. BANK, NATIONAL ASSOCIATION, FINDINGS
OF FACT, CONCLUSIONS OF LAW, AND JUDGMENT**

This matter was heard in Department 24, on December 12, 2017, at 9:00 am, Adam R. Trippiedi, Esq. appearing on behalf of plaintiff; Scott Lachman, Esq. appearing on behalf of defendant U.S. Bank, National Association, Successor Trustee to Bank of America, N.A., Successor by Merger to Lasalle Bank, N.A., as Trustee to the Holders of the Zuni Mortgage Loan Trust 2006-OA1, Mortgage Loan Pass-through Certificates Series 2006-OA1 ("US Bank" or the "Bank"); and Elizabeth B. Lowell, Esq. appearing on behalf of cross-defendant Country Garden Owners'

1 Association (the "HOA"), and the court, having reviewed COUNTRY GARDEN OWNERS'
2 ASSOCIATION'S MOTION TO DISMISS THE CROSSCLAIMS OF U.S. BANK, NATIONAL
3 ASSOCIATION, U.S. Bank's opposition and the HOA's reply in support, the attached exhibits, and
4 having heard the arguments of counsel, makes its findings of fact, conclusion of law and judgment as
5 follows:

6 **FINDINGS OF FACT**

7 1. The subject of this litigation is a certain foreclosure sale of residential real property
8 located at 5316 Clover Blossom Court, North Las Vegas, Nevada 89031, APN 124-31-220-092 (the
9 "Property"). (Compl. at ¶6.)

10 2. On January 16, 2013, the HOA foreclosed its lien for delinquent assessments against
11 the Property ("Foreclosure Sale").

12 3. The Foreclosure Deed ("Foreclosure Deed") was recorded on January 24, 2013.

13 4. On July 25, 2014, the record owner of the Property, 5316 Blossom Ct. Trust (the
14 "Buyer"), filed this action, seeking to quiet title in the Property against the Bank.

15 5. The Bank filed its Answer on September 25, 2014.

16 6. On September 28, 2017, the Bank and the Buyer filed a stipulation and order allowing
17 the Bank to add its cross-claims against the HOA.

18 7. In U.S. Bank, N.A., as Trustee's Answer to 5316 Clover Blossom Trust's Amended
19 Complaint, Counterclaims, and Cross-Claims ("Cross-Claim"), the Bank asserts the following claims
20 against the HOA: Third Cause of Action, Unjust Enrichment, Fourth Cause of Action, Tortious
21 Interference with Contractual Relations; Fifth Cause of Action, Breach of the Duty of Good Faith;
22 and Sixth Cause of Action, Wrongful Defective Foreclosure.

23 8. The Cross-Claim does not contain a sworn statement pursuant to NRS 38.330 stating
24 that the issues addressed in the Cross-Claim have been mediated pursuant to the provisions of NRS
25 38.300 to 38.360, inclusive, but an agreement was not obtained.

CONCLUSIONS OF LAW

1
2 1. If, in a motion under NRCP 12(b)(5), matters outside the pleading are presented to
3 and not excluded by the court, the motion shall be treated as one for summary judgment and
4 disposed of as provided in Rule 56, and all parties shall be given reasonable opportunity to present
5 all material made pertinent to such a motion by Rule 56. *See* NRCP 12(b).

6 2. This Court finds that, by virtue of the arguments presented in the HOA's motion to
7 dismiss, US Bank's opposition, and the HOA's reply, matters outside the cross-claims were
8 presented and, thus, the HOA's motion to dismiss was converted into a motion for summary
9 judgment and this court is treating it as such.

10 3. Summary judgment is appropriate and "shall be rendered forthwith" when the
11 pleadings and other evidence on file demonstrate "no genuine issue as to any material fact [remains]
12 and the moving party is entitled to judgment as a matter of law. *See* NRCP 56(c); *Wood v. Safeway,*
13 *Inc.*, 121 Nev. 724, 729, 121 P.3d 1026 (2005).

14 4. To defeat a motion for summary judgment the non-moving party bears the burden to
15 "do more than simply show there is some metaphysical doubt: as to the operative facts. *Wood*, 121
16 Nev. at 732 (citing *Matsushita Electric Industrial Co. v. Zenith Radio*, 475 U.S. 574, 586 (1983)).
17 Moreover, the non-moving party must come forward with specific facts showing a genuine issue
18 exists for trial. *Matsushita*, 475 U.S. at 587; *Wood* P.3d at 1130. Further, in ruling upon a motion
19 for summary judgment, the Court must view all evidence and inferences in the light most favorable
20 to the non-moving party. *Torrealba v. Kesmetis*, 124 Nev. 95, 178 P.3d 716 (2008).

21 5. When ruling on a motion for summary judgment, the court may take judicial notice of
22 the public records attached to the motion. *Harlow v. MTC Financial Inc.* 865 F. Supp.2d 1095 (D.
23 Nev. 2012). The recorded exhibits to the HOA's motion to dismiss and US Bank's cross-claim are
24 public records of which the Court may, and did take judicial notice. *See* NRS 47.150; *Lemel v.*
25 *Smith*, 64 Nev. 545 (1947) (Judicial Notice takes the place of proof and is of equal force.)

1 “Documents accompanied by a certificate of acknowledgment of a notary public or officer
2 authorized by law to take acknowledgments are presumed to be authentic.” NRS 52.165.

3 **A. The Applicable Statutes of Limitation Bar the Bank's Claims**

4 6. “In determining whether a statute of limitations has run against an action, the time
5 must be computed from the day the cause of action accrued.

6 7. A cause of action ‘accrues’ when a suit may be maintained thereon.” *Clark v.*
7 *Robison*, 944 P.2d 788, 789 (Nev. 1997).

8 8. Pursuant to Nevada Revised Statute 111.320, a recorded document will “impart
9 notice to all persons of the contents thereof” In addition, “[i]f the facts giving rise to the cause
10 of action are matters of public record then ‘[t]he public record gave notice sufficient to start the
11 statute of limitations running.’” *Job’s Peak Ranch Cmty. Ass’n, Inc. v. Douglas Cty.*, No. 55572,
12 2015 WL 5056232, at *3 (Nev. Aug. 25, 2015); *see also U.S. Bank Nat’l Ass’n v. Woodland Village*,
13 3:16-cv-00501-RCJ-WGC at DE #32, page 5, lines 21-23.

14 9. Nevada Revised Statute 11.190 describes the statutes of limitations that are applicable
15 to various causes of action. Pursuant to this statute, a six-year limitations period applies to “[a]n
16 action upon a contract, obligation or liability founded upon an instrument in writing.” A four-year
17 limitations period applies to a claim for unjust enrichment. A three-year limitations period applies to
18 “[a]n action upon a liability created by statute, other than a penalty or forfeiture.” A claim for
19 tortious interference with contract is also “subject to the three-year statute of limitations set forth in
20 NRS 11.190(3)(c).” *Stalk v. Mushkin*, 199 P.3d 838, 842 (Nev. 2009). Finally, pursuant to another
21 catch-all statute that follows NRS 11.190, NRS 11.220, “[a]n action for relief, not hereinbefore
22 provided for [within the Nevada Revised Statutes], must be commenced within 4 years after the
23 cause of action shall have accrued.”

24 10. The Bank's cross-claims for unjust enrichment, tortious interference with contractual
25 relations, breach of the duty of good faith, and wrongful or defective foreclosure are all barred by the

1 statute of limitations because their limitations period is either three or four years and the complaint
2 was filed four years and nine months after the Foreclosure Deed was recorded, giving the Bank
3 notice that its causes of action against the HOA had accrued.

4 *Unjust Enrichment*

5 11. "The statute of limitation for an unjust enrichment claim is four years." *In re Amerco*
6 *Derivative Litig.*, 252 P.3d 681, 703 (Nev. 2011)(citing NRS 11.190(2)(c)). The Bank's claim for
7 unjust enrichment accrued on January 24, 2013; however, the Bank did not file its claim until after
8 the four-year limitations period, in September of 2017.

9 *Tortious Interference with Contractual Relations*

10 12. The Bank's second cross-claim against the HOA is for tortious interference with
11 contractual relations. A claim for tortious interference with contract is also "subject to the three-year
12 statute of limitations set forth in NRS 11.190(3)(c)." *Stalk v. Mushkin*, 199 P.3d 838, 842 (Nev.
13 2009). Because this claim accrued on January 24, 2013, but was not filed until September of 2017 it
14 is barred by NRS 11.190(3)(c).

15 *Breach of the Duty of Good Faith*

16 13. The fifth cause of action in the Complaint is for breach of the duty of good faith that
17 is found within NRS 116.1113. Because this is a claim regarding a violation of a statute it is
18 governed by NRS 11.190(3)(a) which states that "[a]n action upon a liability created by state, other
19 than a penalty or forfeiture" must be brought within 3 years. Because this claim was not brought
20 until September 2017, more than four years after the recording of the foreclosure deed, this cause of
21 action is barred.

22 *Wrongful/Defective Foreclosure*

23 14. The sixth cause of action in the Complaint is for "Wrongful / Defective Foreclosure."
24 The Complaint's allegations center primarily on a discussion of an alleged tender by the Bank to the
25 HOA's collection company.

15. This claim should have a three-year statute of limitations.

A tortious wrongful foreclosure claim ‘challenges the authority behind the foreclosure, not the foreclosure act itself.’ Red Rock’s authority to foreclose on the HOA lien on behalf of the HOA arose from Chapter 116, essentially rendering count three a claim for damages based on liability created by a statute. Therefore, count three is likewise time-barred under NRS 11.190(3)(a) because it was not brought within three years.

HSBC Bank USA v. Park Ave. Homeowners’ Assn., 216CV460JCMNJK, 2016 WL 5842845, at *3 (D. Nev. Oct. 3, 2016) (Citing *McKnight Family, L.L.P. v. Adept Mgmt.*, 310 P.3d 555, 559 (Nev. 2013) (en banc).

16. Even assuming that a claim for wrongful foreclosure did not fall under NRS 11.190(3)(a), it would fall within the catch-all provision in NRS 11.220 and would have a four-year limitations period. Consequently, all of the bank’s claims regarding violation of NRS Chapter 116 are time barred.

B. In Addition, the Bank Lacks Standing to Bring a Claim for Violation of NRS 116.1113

17. Nevada Revised Statute NRS 116.4117 creates a private right of action for violations of NRS 116, but specifically limits standing to bring such a claim to only specific classes of persons.

18. The relevant language of NRS 116.4117 provides as follows:

1. Subject to the requirements set forth in subsection 2, if a declarant, community manager or any other person subject to this chapter fails to comply with any of its provisions or any provision of the declaration or bylaws, any person or class of persons suffering actual damages from the failure to comply may bring a civil action for damages or other appropriate relief.

2. Subject to the requirements set forth in NRS 38.310 and except as otherwise provided in NRS 116.3111, a civil action for damages or other appropriate relief for a failure or refusal to comply with any provision of this chapter or the governing documents of an association may be brought:

- (a) By the association against:
 - (1) A declarant;
 - (2) A community manager; or
 - (3) A unit’s owner.

- (b) By a unit’s owner against:



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- (1) The association;
- (2) A declarant; or
- (3) Another unit's owner of the association.

- (c) By a class of units' owners constituting at least 10 percent of the total number of voting members of the association against a community manager.

19. Nevada Revised Statute 116.095 defines "unit's owner" as "a declarant or other person who owns a unit, or a lessee of a unit in a leasehold common-interest community whose lease expires simultaneously with any lease the expiration or termination of which will remove the unit from the common-interest community, but does not include a person having an interest in a unit solely as security for an obligation." (emphasis added).

20. Based on this provision and on other provisions in Chapter 116, for example NRS 116.2119, the legislature knew that secured lenders had potential interests in property that could be subject to NRS Chapter 116, but chose not to include them in the list of entities with standing to bring a claim for violations of Chapter 116. Consequently, Plaintiff's claims for violation of NRS 116.1113 should also be dismissed for lack of standing.

C. To the Extent that the Bank's Claims Concern the CC&Rs, the Claims Should Still Be Dismissed Because the Bank Has Failed to Comply with NRS 38.310

21. Nevada Revised Statute 38.310 provides:

1. No civil action based upon a claim relating to:

(a) The interpretation, application or enforcement of any covenants, conditions or restrictions applicable to residential property or any bylaws, rules or regulations adopted by an association; or

(b) The procedures used for increasing, decreasing or imposing additional assessments upon residential property, may be commenced in any court in this State unless the action has been submitted to mediation or arbitration pursuant to the provisions of NRS 38.300 to 38.360, inclusive, and, if the civil action concerns real estate within a planned community subject to the provisions of chapter 116 of NRS or real estate within a condominium hotel subject to the provisions of chapter 116B of NRS, all administrative procedures specified in any covenants, conditions or restrictions applicable to the property or in any bylaws, rules and regulations of an association have been exhausted.

2. A court shall dismiss any civil action which is commenced in violation of the provisions of subsection 1.



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22. Furthermore, Nevada Revised Statute 38.330 states that “[a]ny complaint filed in such an action must contain a sworn statement indicating that the issues addressed in the complaint have been mediated pursuant to the provisions of NRS 38.300 to 38.360, inclusive, but an agreement was not obtained.”

23. Although the Cross-Claim does not contain allegations regarding the CC&Rs, it does contain a claim for wrongful foreclosure. It does not contain an affidavit in compliance with NRS 38.330.

24. To the extent that the wrongful foreclosure claim requires the interpretation, enforcement or application of the CC&Rs, the claim should be dismissed so the Bank can comply with NRS 38.310.

D. The Doctrine of Equitable Tolling Does Not Apply

25. Equitable tolling allows the suspension of the running of a statute of limitations when the claim would have been filed timely but for a procedural technicality. *Copeland v. Desert Inn Hotel*, 99 Nev. 823, 826, 673 P.2d 490, 492 (1983). Even when a procedural technicality is the basis for a claim's untimely filing, the doctrine should only be applied when “the danger of prejudice to the defendant is absent” and “the interests of justice so require.” *Seino v. Employers Ins. Co. of Nevada*, 121 Nev. 146, 152, 111 P.3d 1107, 1112 (2005) (quoting *Azer v. Connell*, 306 F.3d 930, 936 (9th Cir.2002)).

26. When applying the doctrine of equitable tolling, the Nevada Supreme Court has examined the following non-exclusive factors to determine whether it would be just or fair to toll the statute of limitations:

the diligence of the claimant; the claimant's knowledge of the relevant facts; the claimant's reliance on authoritative statements by the administrative agency that misled the claimant about the nature of the claimant's rights; any deception or false assurances on the part of the employer against whom the claim is made; the prejudice to the employer that would actually result from delay during the time that the limitations period is tolled; and any other equitable considerations appropriate in the particular case.

1 *Copeland v. Desert Inn Hotel*, 673 P.2d 490, 492 (Nev. 1983).

2 27. In this case, the Bank claims that it is entitled to equitable tolling of the applicable
3 statutes; however, pursuant to the *Copeland* factors equitable tolling does not apply.

4 *The Delay in Filing Will Prejudice the HOA*

5 28. First, equitable tolling may never be applied if it will prejudice the defendant. *Seino*,
6 121 Nev. at 152. In this case, the Bank has not argued that the HOA will not be prejudiced by the
7 Bank's delay in filing the claims against the HOA.

8 29. Because the Bank has not come forward with specific facts to show there is a genuine
9 issue as to whether the HOA will be prejudiced by the delay in filing with its attendant loss of
10 memory for the potential witnesses to this matter, this factor weighs in favor of the HOA.

11 *The Bank Did ~~Not~~ Show that it Relied on the CC&Rs*

12 30. While the Bank argues that it relied on the mortgagee protection clause, the evidence
13 demonstrates the opposite.

14 31. In Exhibit G-3 to the Bank's Cross-Claim, the Bank's attorney states "a portion of
15 [the] HOA lien is arguably prior to BANA's first deed of trust, specifically the nine months of
16 assessments for common expenses incurred before the date of [the] notice of delinquent assessment."
17 The Bank's attorney then proceeds to take action based upon that statement, that is the Bank's
18 attorney sent a check to the HOA Trustee, as a tender, presumably based on an intention to satisfy
19 the portion of the HOA's lien that was "arguably prior to" the mortgage and protect the mortgage.

20 32. Had the Bank relied on the CC&Rs, it would not have taken that action. If the Bank
21 relied on anything, it appears that the Bank relied on the legal conclusion that its tender, even if
22 rejected, would protect its mortgage from extinguishment and obviate the need for the Bank to attend
23 the HOA foreclosure sale and bid to protect the mortgage. Therefore, this factor weighs against the
24 application of equitable tolling. *Copeland*, 673 P.2d at 492.

25 //

1 *The Bank had knowledge of the relevant facts*

2 31. Furthermore, as discussed in the previous section, the Bank knew all of the relevant
3 facts that created a claim against the HOA. The only missing element was the decision in the *SFR*
4 *Case*, which the Nevada Supreme Court has said was merely a declaration of what the statute had
5 always said. *K&P Homes v. Christiana Tr.*, 398 P.3d 292, 295 (Nev. 2017).

6 32. Neither the SFR Case nor this Court's potential award is considered a "fact" that the
7 Bank was unaware of back in January of 2013.

8 Instead these two things are an application of the law; and the Bank has failed to show that
9 the Bank's claims should be equitably tolled because the Bank lacked knowledge that it needed to
10 make a claim against the HOA. *Copeland*, 673 P.2d at 492.

11 *The Bank was not diligent*

12 33. The sale in this case occurred on January 16, 2013. In July of 2014, the Plaintiff filed
13 a complaint against the Bank to quiet title in the property that is the subject of this litigation. In
14 September of 2014, just when the Bank file its response, the *SFR Case* was handed down.

15 34. The delay in filing the Cross-Claim weighs in favor of the HOA, because the Bank
16 has not shown that it was diligent.

17 **ORDER and JUDGMENT**

18 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that Cross-Defendant, Country
19 Gardens Owners Association's motion to dismiss, converted to a motion for summary judgment, is
20 GRANTED.

21 //

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1 IT IS FURTHER ORDERED that judgment is entered on behalf of Cross-Defendant and
 2 against Cross-Claimant US Bank on all of the cross-claims asserted by US Bank against Country
 3 Gardens Owners Association.

4 DATED this 16 day of April, 2018.

8 **APPROVED BY:**

9 AKERMAN, LLP

7 
 DISTRICT COURT JUDGE

(MS)
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11 By:

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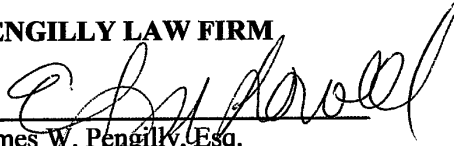
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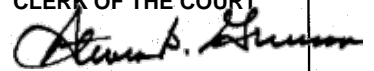
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7 Attorney for plaintiff 5316 Clover Blossom Ct Trust

8 DISTRICT COURT

9 CLARK COUNTY, NEVADA

10 5316 CLOVER BLOSSOM CT TRUST

11 Plaintiff,

12 vs.

13 U.S. BANK, NATIONAL ASSOCIATION,
14 SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
15 TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
16 LOAN TRUST 2006-OA1, MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
17 SERIES 2006-OA1; and CLEAR RECON
CORPS

18 Defendants.

CASE NO.: A-14-704412-C

DEPT NO.: XXIV

**ORDER DENYING U.S. BANK, N.A., AS
TRUSTEE'S MOTION FOR
RECONSIDERATION UNDER NRCP 59**

Date of Hearing: April 3, 2018

Time of Hearing: Chambers

1 U.S. BANK, NATIONAL ASSOCIATION,
2 SUCCESSOR TRUSTEE TO BANK OF
3 AMERICA, N.A., SUCCESSOR BY MERGER
4 TO LASALLE BANK, N.A., AS TRUSTEE TO
5 THE HOLDERS OF THE ZUNI MORTGAGE
6 LOAN TRUST 2006-OA1, MORTGAGE
7 LOAN PASS-THROUGH CERTIFICATES
8 SERIES 2006-OA1,

9 Counterclaimant,

10 vs.

11 5316 CLOVER BLOSSOM CT TRUST

12 Counterdefendant.

13 U.S. BANK, NATIONAL ASSOCIATION,
14 SUCCESSOR TRUSTEE TO BANK OF
15 AMERICA, N.A., SUCCESSOR BY MERGER
16 TO LASALLE BANK, N.A., AS TRUSTEE TO
17 THE HOLDERS OF THE ZUNI MORTGAGE
18 LOAN TRUST 2006-OA1, MORTGAGE
19 LOAN PASS-THROUGH CERTIFICATES
20 SERIES 2006-OA1,

21 Cross-claimant,

22 vs.

23 5316 CLOVER BLOSSOM CT TRUST

24 Cross-defendant.

25 The hearing on the defendant's U.S. Bank's motion for reconsideration under NRCP 59 having
26 been heard in chambers and the court having reviewed the motion and plaintiff's opposition, the court
27 finds as follows.

28 1. The information listed in the bankruptcy schedules and other pleadings filed by River Glider
Avenue Trust after the foreclosure sale does not affect the rights obtained by plaintiff by entering the high
bid at the public auction held on January 16, 2013.

2. By complying with the requirements of the Bankruptcy Code, River Glider Ave Trust did not
admit that any of the deeds of trust were not affected by the separate foreclosure of each HOA's

1 superpriority lien.

2 3. The defendant has not proved fraud, oppression or unfairness regarding the foreclosure sale.

3 4. Inadequacy of sale price is not itself sufficient grounds to set aside the HOA foreclosure sale.

4 5. The additional evidence that defendant seeks to discover cannot support granting equitable
5 relief in favor of defendant against plaintiff because the defendant's remedy is to recover damages against
6 the HOA and its foreclosure agent if defendant's offer was wrongfully rejected.

7 6. Defendant has not alleged or proved that it provided notice of its rejected tender claim to
8 plaintiff prior to the public auction. Pursuant to NRS 111.325, an unrecorded claim is void as to all
9 subsequent bona fide purchasers.

10 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the
11 defendant's motion for reconsideration under NRCP 59 is denied.

12 DATED the 23 day of April, 2018

13

14

15

16 Respectfully submitted by:

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DISTRICT COURT JUDGE

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Holders of the Zuni Mortgage Loan Trust 2006-OA1,

Mortgage Loan Pass-Through Certificates, Series

2006-OA1

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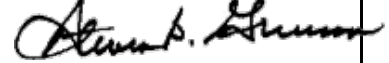
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16 DISTRICT COURT
17 CLARK COUNTY NEVADA

18 5316 CLOVER BLOSSOM CT TRUST

19 Plaintiff,

20 vs.

21 U.S. BANK, NATIONAL ASSOCIATION,
22 SUCCESSOR TRUSTEE TO BANK OF AMERICA,
23 N.A., SUCCESSOR BY MERGER TO LASALLE
24 BANK, N.A., AS TRUSTEE TO THE HOLDERS OF
25 THE ZUNI MORTGAGE LOAN TRUST 2006-OA1,
26 MORTGAGE LOAN PASS-THROUGH
27 CERTIFICATES SERIES 2006-OA1; and CLEAR
28 RECON CORPS

Defendants.

CASE NO.: A-14-704412-C
DEPT NO.: XXIV

NOTICE OF ENTRY OF ORDER

TO: Parties above-named; and

TO: Their Attorney of Record

YOU, AND EACH OF YOU, WILL PLEASE TAKE NOTICE that an **ORDER DENYING U.S. BANK, N.A., AS TRUSTEE'S MOTION FOR RECONSIDERATION UNDER NRCP 59** has been

///

///

1 entered on the 1st day of May 1, 2018, in the above captioned matter, a copy of which is attached hereto.

2 Dated this 1st day of May, 2018.

3 LAW OFFICES OF
4 MICHAEL F. BOHN, ESQ., LTD.

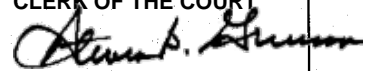
5 By: /s/ /Michael F. Bohn, Esq./
6 MICHAEL F. BOHN, ESQ.
7 2260 Corporate Circle, Suite 480
8 Henderson, Nevada 89074
9 Attorney for plaintiff

10 **CERTIFICATE OF SERVICE**

11 Pursuant to NRCP 5, NEFCR 9 and EDCR 8.05, I hereby certify that I am an employee of LAW
12 OFFICES OF MICHAEL F. BOHN., ESQ., and on the 1st day of May, 2018, an electronic copy of
13 the **NOTICE OF ENTRY OF ORDER** was served on opposing counsel via the Court's electronic
14 service system to the following counsel of record:

15 Darren T. Brenner, Esq.
16 Rebekkah B. Bodoff, Esq.
17 **AKERMAN LLP**
18 1635 Village Center Circle, Suite 200
19 Las Vegas, Nevada 89134

20 /s/ /Marc Sameroff/
21 An Employee of the LAW OFFICES OF
22 MICHAEL F. BOHN, ESQ., LTD.



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8 DISTRICT COURT

9 CLARK COUNTY, NEVADA

10 5316 CLOVER BLOSSOM CT TRUST

11 Plaintiff,

12 vs.

13 U.S. BANK, NATIONAL ASSOCIATION,
14 SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
15 TO LASALLE BANK, N.A., AS TRUSTEE TO
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CASE NO.: A-14-704412-C

DEPT NO.: XXIV

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TRUSTEE'S MOTION FOR
RECONSIDERATION UNDER NRCP 59**

Date of Hearing: April 3, 2018

Time of Hearing: Chambers

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2 SUCCESSOR TRUSTEE TO BANK OF
3 AMERICA, N.A., SUCCESSOR BY MERGER
4 TO LASALLE BANK, N.A., AS TRUSTEE TO
5 THE HOLDERS OF THE ZUNI MORTGAGE
6 LOAN TRUST 2006-OA1, MORTGAGE
7 LOAN PASS-THROUGH CERTIFICATES
8 SERIES 2006-OA1,

9 Counterclaimant,

10 vs.

11 5316 CLOVER BLOSSOM CT TRUST

12 Counterdefendant.

13 U.S. BANK, NATIONAL ASSOCIATION,
14 SUCCESSOR TRUSTEE TO BANK OF
15 AMERICA, N.A., SUCCESSOR BY MERGER
16 TO LASALLE BANK, N.A., AS TRUSTEE TO
17 THE HOLDERS OF THE ZUNI MORTGAGE
18 LOAN TRUST 2006-OA1, MORTGAGE
19 LOAN PASS-THROUGH CERTIFICATES
20 SERIES 2006-OA1,

21 Cross-claimant,

22 vs.

23 5316 CLOVER BLOSSOM CT TRUST

24 Cross-defendant.

25 The hearing on the defendant's U.S. Bank's motion for reconsideration under NRCP 59 having
26 been heard in chambers and the court having reviewed the motion and plaintiff's opposition, the court
27 finds as follows.

28 1. The information listed in the bankruptcy schedules and other pleadings filed by River Glider
Avenue Trust after the foreclosure sale does not affect the rights obtained by plaintiff by entering the high
bid at the public auction held on January 16, 2013.

2. By complying with the requirements of the Bankruptcy Code, River Glider Ave Trust did not
admit that any of the deeds of trust were not affected by the separate foreclosure of each HOA's

1 superpriority lien.

2 3. The defendant has not proved fraud, oppression or unfairness regarding the foreclosure sale.

3 4. Inadequacy of sale price is not itself sufficient grounds to set aside the HOA foreclosure sale.

4 5. The additional evidence that defendant seeks to discover cannot support granting equitable
5 relief in favor of defendant against plaintiff because the defendant's remedy is to recover damages against
6 the HOA and its foreclosure agent if defendant's offer was wrongfully rejected.

7 6. Defendant has not alleged or proved that it provided notice of its rejected tender claim to
8 plaintiff prior to the public auction. Pursuant to NRS 111.325, an unrecorded claim is void as to all
9 subsequent bona fide purchasers.

10 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that the
11 defendant's motion for reconsideration under NRCP 59 is denied.

12 DATED the 23 day of April, 2018

13

14

15

16 Respectfully submitted by:

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2 AKERMAN LLP

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Trustee to Bank of America, N.A., successor by

merger to LaSalle Bank, N.A., as Trustee to the

Holders of the Zuni Mortgage Loan Trust 2006-OA1,

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2006-OA1

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IN THE SUPREME COURT OF THE STATE OF NEVADA

U.S. BANK, N.A.,

Appellant,

vs.

5316 CLOVER BLOSSOM CT.
TRUST and COUNTRY GARDEN
OWNERS ASSOCIATION,

Respondents.

Case No. 75861

Electronically Filed
Oct 25 2018 10:02 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPEAL

from the Eighth Judicial District Court, Department XXIV
The Honorable Jim Crockett, District Judge
District Court Case No. A-14-704412-C

**APPELLANT'S APPENDIX
VOLUME IV**

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ALPHABETICAL INDEX TO APPELLANT'S APPENDIX

Name	Volume	Page
Amended Complaint	1	001
Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association	3	485
Country Garden Owners Association's Reply in Support of Motion to Dismiss the Crossclaims of U.S. Bank, National Association	3	643
Defendant U.S. Bank, N.A., as Trustee's Case Appeal Statement	5	949
Defendant U.S. Bank, N.A., as Trustee's Notice of Appeal	5	946
Findings of Fact, Conclusions of Law, and Judgment Granting Quiet Title	1	198
Findings of Fact, Conclusions of Law, and Judgment	3	661
Minutes from April 3, 2018 Hearing on Motion for Reconsideration	4	908
Minutes from December 12, 2017 Hearing on All Pending Motions	3	660
Minutes from October 3, 2017 Hearing on Order Vacating Judgment and Setting Further Proceedings Re: The Court of Appeals Court Order Vacating Judgment and Remanding	1	240
Motion for Summary Judgment	1	016
Motion to Dismiss Counterclaim	2	324
Notice of Completion of NRED Mediation	3	675
Notice of Entry of Findings of Fact, Conclusions of Law	3	680

Notice of Entry of Order Denying U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	4	940
Notice of Entry of Order Granting Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association, Findings of Fact, Conclusions of Law, and Judgment	4	921
Notice of Entry of Stipulation and Order Extending Discovery (First Request)	1	210
Order Denying U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	4	936
Order Granting Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association, Findings of Fact, Conclusions of Law, and Judgment	4	909
Order Vacating Judgment and Setting Further Proceedings Re: The Court of Appeals Court Order Vacating Judgment and Remanding	1	205
Plaintiff's Opposition to U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	4	898
Plaintiff's Reply in Support of Motion to Dismiss Counterclaim	3	496
Reply in Support of Plaintiff's Motion for Summary Judgment and Opposition to Countermotion for Summary Judgment, or Alternatively, for Rule 56(F) Relief	1	163
Stipulation and Order Extending Discovery (First Request)	1	206
Stipulation and Order to Amend Pleading and Add Parties	1	218
Supplemental Authority in Support of Motion to Dismiss Counterclaim	3	616

U.S. Bank, N.A., as Trustee's Answer to 5316 Clover Blossom Trust's Amended Complaint, Counterclaims, and Cross-Claims	2	241
U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	4	696
U.S. Bank, N.A., as Trustee's Opposition To 5316 Clover Blossom Ct Trust's Motion to Dismiss Counterclaim	2	380
U.S. Bank, N.A., as Trustee's Opposition to Country Garden Owners Association's Motion to Dismiss	3	508
U.S. Bank, N.A.'s Opposition to Plaintiff's Motion for Summary Judgment and Countermotion for Summary Judgment Based on the Due Process Clause and Tender, or Alternatively, for Rule 56(F) Relief	1	075
U.S. Bank, N.A.'s Supplemental Briefing in Support of its Countermotion for Summary Judgment and Opposition to Plaintiff's Motion for Summary Judgment	1	184

CHRONOLOGICAL INDEX TO APPELLANT'S APPENDIX

Volume 1

Amended Complaint	001
Motion for Summary Judgment	016
U.S. Bank, N.A.'s Opposition to Plaintiff's Motion for Summary Judgment and Countermotion for Summary Judgment Based on the Due Process Clause and Tender, or Alternatively, for Rule 56(F) Relief	075
Reply in Support of Plaintiff's Motion for Summary Judgment and Opposition to Countermotion for Summary Judgment, or Alternatively, for Rule 56(F) Relief	163

U.S. Bank, N.A.'s Supplemental Briefing in Support of its Countermotion for Summary Judgment and Opposition to Plaintiff's Motion for Summary Judgment	184
Findings of Fact, Conclusions of Law, and Judgment Granting Quiet Title.....	198
Order Vacating Judgment and Setting Further Proceedings Re: The Court of Appeals Court Order Vacating Judgment and Remanding	205
Stipulation and Order Extending Discovery (First Request).....	206
Notice of Entry of Stipulation and Order Extending Discovery (First Request).....	210
Stipulation and Order to Amend Pleading and Add Parties	218
Minutes from October 3, 2017 Hearing on Order Vacating Judgment and Setting Further Proceedings Re: The Court of Appeals Court Order Vacating Judgment and Remanding.....	240

Volume 2

U.S. Bank, N.A., as Trustee's Answer to 5316 Clover Blossom Trust's Amended Complaint, Counterclaims, and Cross-Claims	241
Motion to Dismiss Counterclaim.....	324
U.S. Bank, N.A., as Trustee's Opposition to 5316 Clover Blossom Ct Trust's Motion to Dismiss Counterclaim	380

Volume 3

Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association	485
Plaintiff's Reply in Support of Motion to Dismiss.....	496
U.S. Bank, N.A., as Trustee's Opposition to Country Garden Owners Association's Motion to Dismiss.....	508
Supplemental Authority in Support of Motion to Dismiss Counterclaim.....	616
Country Garden Owners Association's Reply in Support of Motion to Dismiss the Crossclaims of U.S. Bank, National Association	643

Minutes from December 12, 2017 Hearing on All Pending Motions	660
Findings of Fact, Conclusions of Law, and Judgment.....	661
Notice of Completion of NRED Mediation.....	675
Notice of Entry of Findings of Fact, Conclusions of Law.....	680

Volume 4

U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	696
Plaintiff's Opposition to U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	898
Minutes from April 3, 2018 Hearing on Motion for Reconsideration.....	908
Order Granting Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association, Findings of Fact, Conclusions of Law, and Judgment	909
Notice of Entry of Order Granting Country Garden Owners' Association's Motion to Dismiss the Crossclaims of U.S. Bank, National Association, Findings of Fact, Conclusions of Law, and Judgment.....	921
Order Denying U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	936
Notice of Entry of Order Denying U.S. Bank, N.A., as Trustee's Motion for Reconsideration Under NRCP 59	940

Volume 5

Defendant U.S. Bank, N.A., as Trustee's Notice of Appeal	946
Defendant U.S. Bank, N.A., as Trustee's Case Appeal Statement	949

CERTIFICATE OF SERVICE

I certify that I electronically filed on October 24, 2018, the foregoing **APPELLANT'S APPENDIX VOLUME IV** with the Clerk of the Court for the Nevada Supreme Court by using the CM/ECF system. I further certify that all parties of record to this appeal either are registered with the CM/ECF or have consented to electronic service.

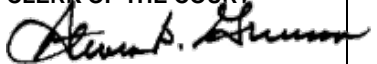
☐ By placing a true copy enclosed in sealed envelope(s) addressed as follows:

☒ (By Electronic Service) Pursuant to CM/ECF System, registration as a CM/ECF user constitutes consent to electronic service through the Court's transmission facilities. The Court's CM/ECF systems sends an e-mail notification of the filing to the parties and counsel of record listed above who are registered with the Court's CM/ECF system.

☒ (Nevada) I declare that I am employed in the office of a member of the bar of this Court at whose discretion the service was made.

/s/ Patricia Larsen

An employee of AKERMAN LLP



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Trustee to Bank of America, N.A., successor by
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Holders of the Zuni Mortgage Loan Trust 2006-OA1,
Mortgage Loan Pass-Through Certificates, Series
2006-OA1*

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

5316 CLOVER BLOSSOM CT TRUST;

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN TRUST 2006-OA1, MORTGAGE
LOAN PASS-THROUGH CERTIFICATES
SERIES 2006-OA1; and CLEAR RECON
CORPS,

Defendants.

Case No.: A-14-704412-C

Dept. No.: XXIV

**U.S. BANK, N.A., AS TRUSTEE'S
MOTION FOR RECONSIDERATION
UNDER NRCP 59**

U.S. Bank, N.A., solely as Successor Trustee to Bank of America, N.A., successor by merger to LaSalle Bank, N.A., as Trustee to the holders of the Zuni Mortgage Loan Trust 2006-OA1, Mortgage Loan Pass-Through Certificates, Series 2006-OA1 (**U.S. Bank**), by and through its attorneys at the law firm AKERMAN LLP, hereby files its Motion for Reconsideration Under NRCP 59. This motion is based upon the Memorandum of Points and Authorities attached hereto, all exhibits attached

AKERMAN LLP

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1 hereto, and such oral argument as may be entertained by the Court at the time and place of the hearing
2 of this matter.

3 **MEMORANDUM OF POINTS AND AUTHORITIES**

4 **I. INTRODUCTION**

5 This Court should reconsider its decision to grant summary judgment in favor of Plaintiff 5316
6 Clover Blossom Ct Trust (“Plaintiff”) and instead grant summary judgment in U.S. Bank’s favor. The
7 Court converted Plaintiff’s motion to dismiss into a motion for summary judgment without providing
8 notice of its intent to do so. This violated NRCP 12(b)’s requirement that “all parties shall be given
9 reasonable opportunity to present all material” relevant to a motion for summary judgment.
10 Furthermore, this decision was premature in light of the fact that the discovery period was still open,
11 and U.S. Bank had not yet finished discovery on relevant parties. Along with this motion, U.S. Bank
12 includes additional evidence that Plaintiff knew it was purchasing this Property subject to the Deed of
13 Trust. This evidence bears on the equities in two ways. First, it disproves Plaintiff’s claim to bona fide
14 purchaser status. Second, it is additional evidence that a super-priority foreclosure in this case would
15 be fraud, unfairness, and oppression, to justify setting the sale aside. In light of this evidence, this
16 Court should vacate its summary judgment order and grant judgment in favor of U.S. Bank on its quiet
17 title claims against Plaintiff. Alternatively, the summary judgment order should be vacated, and the
18 parties allowed to conduct further discovery.

19 **II. STATEMENT OF RELEVANT FACTS**

20 **A. The Johnsons borrow \$147,456.00 to purchase a home.**

21 On June 24, 2004, borrowers, Dennis Johnson and Geraldine Johnson executed a promissory
22 note in the amount of \$147,456.00 to finance the purchase of real property located at 5316 Clover
23 Blossom Court, North Las Vegas, Nevada 89031. The Note was secured by a senior deed of trust
24 encumbering the Property executed in favor of Countrywide Home Loans, Inc. U.S. Bank, N.A. as
25 Trustee’s Answer to 5316 Clover Blossom CT Trust’s Amended Complaint, Counterclaims, and
26 Cross-claims (hereinafter “U.S. Bank’s Am. Pldg.”), **Ex. A**. This Deed of Trust was assigned to U.S.
27 Bank via an Assignment of Deed of Trust, which was recorded on June 20, 2011. U.S Bank’s Am.
28 Pldg., **Ex. B**.

1 **B. The HOA Trustee rejects Bank of America’s super-priority-plus payment and forecloses.**

2 The Property is governed by the HOA’s Declaration of Covenants, Conditions, and
3 Restrictions, which requires the Property’s owner to pay certain assessments to the HOA. U.S. Bank’s
4 Opposition to Plaintiff’s Motion to Dismiss (hereinafter “U.S. Bank’s Opp’n”), **Ex. A.** The borrowers
5 defaulted on their obligations to the HOA. As a result, Alessi & Koenig, LLC (**HOA Trustee**), acting
6 on behalf of the HOA, recorded two Notices of Delinquent Assessment Liens on February 22, 2012,
7 at 9:17 AM, both ostensibly encumbering the Property. One Notice stated the Borrowers owed
8 \$1,095.50 to the HOA and that the Lien was instituted “[i]n accordance with Nevada Revised Statutes
9 and the Association’s” CC&Rs. U.S Bank’s Am. Pldg., **Ex. C.** The other Notice, which also stated
10 that it was instituted “[i]n accordance with Nevada Revised Statutes and the Association’s” CC&Rs,
11 stated the Borrowers owed \$1,150.50 to the HOA. U.S. Bank’s Am. Pldg., **Ex. D.**

12 On April 20, 2012, the HOA Trustee recorded a Notice of Default and Election to Sell Under
13 Homeowners Association Lien, particularly the Lien attached to U.S. Bank’s Amended Pleading as
14 Exhibit C, which stated the total amount due to the HOA was \$3,396.00. U.S. Bank’s Am. Pldg., **Ex.**
15 **E.** The HOA Trustee then recorded a Notice of Trustee’s Sale on October 31, 2012, which stated the
16 total amount due to the HOA was \$4,039.00, and set the sale for November 28, 2012. U.S. Bank’s
17 Am. Pldg., **Ex. F.**

18 In response to the Notice of Sale, Bank of America, N.A., who serviced the loan secured by
19 the Deed of Trust at the time, retained Miles, Bauer, Bergstrom & Winters LLP to determine the super-
20 priority amount of the HOA’s lien and pay that amount to protect the Deed of Trust. U.S Bank’s Am.
21 Pldg., **Ex. G**, at ¶ 4. On November 21, 2012, Miles Bauer sent a letter to the HOA Trustee requesting
22 information regarding the super-priority amount and “offer[ing] to pay that sum upon adequate proof
23 of the same by the HOA.” U.S Bank’s Am. Pldg., **Ex. G-1.** The HOA Trustee refused to provide the
24 super-priority amount, instead demanding that Bank of America pay off the HOA’s entire lien even
25 though the majority of the lien was junior to the Deed of Trust. U.S Bank’s Am. Pldg., **Ex. G-2.**
26 However, the payoff ledger the HOA Trustee provided showed the HOA’s monthly assessments were
27 \$55.00 each, meaning the statutory super-priority amount of the HOA’s lien was \$495.00. *Id.*

1 Bank of America nonetheless sent the HOA Trustee a check in the amount of \$1,494.50 –
2 which included \$999.50 in “reasonable collection costs” in addition to the \$495.00 statutory super-
3 priority amount. U.S Bank’s Am. Pldg., **Ex. G-3**. The letter enclosing the check made clear that the
4 payment was meant to extinguish only the super-priority portion of the HOA’s lien, stating specifically
5 that the check was to “satisfy [Bank of America]’s obligations as a holder of the first deed of trust
6 against the property.” *Id.* The HOA Trustee unjustifiably rejected this super-priority-plus payment.
7 *Id.*, at ¶ 9.

8 Instead of accepting this payment, the HOA Trustee foreclosed on the HOA’s lien on January
9 26, 2013, selling an interest in the Property to Plaintiff for \$8,200.00. U.S Bank’s Am. Pldg., **Ex. H**.
10 The Lien foreclosed stated that it was instituted “[i]n accordance with Nevada Revised Statutes and
11 the Association’s” CC&Rs. U.S Bank’s Am. Pldg., **Ex. C**. Those CC&Rs stated that no “enforcement
12 of any lien provision [in the CC&Rs] shall defeat or render invalid” a senior deed of trust. *See* U.S.
13 Bank’s Opp’n, **Ex. A**, at § 9.1. According to the only fair market value estimate in the record, the
14 Property was worth \$105,000.00. **Ex A**.

15 **C. Procedural History**

16 Plaintiff filed its Complaint on July 25, 2014, seeking to quiet title to the Property. Plaintiff
17 moved for summary judgment on May 18, 2015, arguing that the recitals contained in the HOA’s
18 Trustee’s Deed Upon Sale were sufficient standing alone to show that it obtained title to the Property
19 free and clear at the HOA’s foreclosure sale. In its opposition, U.S. Bank argued that Bank of
20 America’s super-priority-plus payment extinguished the HOA’s super-priority lien before the sale,
21 meaning Plaintiff took title subject to the Deed of Trust, and that Plaintiff was not a bona fide
22 purchaser. On September 10, 2015, this Court granted Plaintiff’s motion for summary judgment and
23 quieted title in Plaintiff’s favor.

24 U.S. Bank appealed, and the Nevada Court of Appeals vacated the judgment in Plaintiff’s favor
25 and remanded the case to this Court. *See U.S. Bank, N.A., as Trustee v. 5316 Clover Blossom CT*
26 *Trust*, Case No. 68915 (Nev. Ct. App. June 30, 2017). The Court of Appeals explained that the recitals
27 in the Trustee’s Deed Upon Sale were not conclusive, and that this Court should resolve the legal and
28 factual issues surrounding the super-priority-plus tender, commercial reasonableness of the HOA’s

1 foreclosure sale,¹ and Plaintiff's bona fide purchaser status before determining the effect of the HOA's
2 foreclosure sale. *See id.*, at 2.

3 Just a few months later, on October 23, 2017, the Plaintiff filed a "Motion To Dismiss
4 Counterclaim" that ignored the Court of Appeals' directive to develop the factual record on several
5 issues. The motion asserted that all of U.S. Bank's arguments failed as a matter of law.

6 U.S. Bank opposed the motion on November 9, 2017, arguing that the Court of Appeals' order
7 required additional fact-finding, and that there was sufficient evidence to rule in favor of U.S. Bank's
8 counterclaim on the separate grounds of tender, inequity of the sale, and a sub-priority foreclosure.
9 U.S. Bank also pointed out that the bona fide purchaser defense is irrelevant to the doctrine of tender,
10 and that the evidence did not show Plaintiff could qualify for bona fide purchaser status.

11 A hearing was held on the motion on December 12, 2017. This Court entered a Findings of
12 Fact, Conclusions of Law, and Judgment, on February 7, 2018. In the decision, the Court cited NRCP
13 12(b) and ruled that the motion to dismiss would be treated as a motion for summary judgment. Order
14 at 4-5. This Court ruled that Bank of America's tender of the super-priority amount and reasonable
15 collection costs did not discharge the super-priority lien because Bank of America did not also pay the
16 sub-priority lien or seek to enjoin the HOA's foreclosure sale. This Court also ruled that Plaintiff was
17 a bona fide purchaser because of a purported lack of evidence to the contrary, and that there was no
18 evidence of fraud, unfairness, or oppression to set aside the sale.

19 III. LEGAL STANDARDS

20 NRCP 59(e) permits a party to move for reconsideration within ten days of the notice of entry
21 of judgment. A district court also has the inherent authority to reconsider its prior orders. *Trail v.*
22 *Faretto*, 91 Nev. 401, 403, 536 P.2d 1026, 1027 (1975). "A court may for sufficient cause shown,
23 amend, correct, resettle, modify or vacate, as the case may be, an order previously made and entered
24 on the motion and the progress of the cause of proceeding." *Id.* A district court retains jurisdiction to
25 reconsider a matter unless the order at issue is appealed. *Gibbs v. Giles*, 96 Nev. 243, 607 P.2d 118

26
27 ¹ The Supreme Court of Nevada recently held that the doctrine of commercial reasonableness technically does not apply
28 to NRS 116, but that "evidence relevant to a commercial reasonableness inquiry may sometimes be relevant to a
fraud/unfairness/oppression inquiry." *Nationstar Mortg., LLC v. Saticoy Bay LLC Series 2227 Shadow Canyon*, 405 P.3d
641, 650 n.7 (Nev. 2017), *reh'g denied* (Dec. 13, 2017).

1 (1980). When a decision is clearly erroneous, or a party introduces materially different evidence,
2 rehearing is appropriate. *Masonry & Tile Contractors v. Jolley, Urga & Wirth*, 113 Nev. 737, 941
3 P.2d 486 (1997); *Moore v. City of Las Vegas*, 92 Nev. 402, 405, 551 P.2d 244, 246 (1976).

4 The purpose of discovery as allowed by the Nevada Rules of Civil Procedure is to provide the
5 parties with an opportunity to “ascertain[] the facts, or information as to the existence or whereabouts
6 of facts, relative to those issues.” *Hickman v. Taylor*, 329 U.S. 495, 501 (1947); *see Washoe Cnty.*
7 *Bd. of Sch. Trustees v. Pirhala*, 84 Nev. 1, 5, 435 P.2d 756, 758 (1968) (stating that “[t]he purpose of
8 discovery is . . . so that all relevant facts and information pertaining to the action may be
9 ascertained.”). U.S. Bank was unable to ascertain all of the facts necessary to defend its action at the
10 dispositive pleading stage. These facts would necessarily include information contained within the
11 HOA’s file, material gleaned from depositions of the HOA and its collection agent's 30(b)(6)
12 witnesses. These are all things U.S. Bank intended to pursue in discovery, and was opursuing at the
13 time this Court made its decision.

14 IV. ARGUMENT

15 This Court should reconsider its Order granting summary judgment to Plaintiff. As stated in
16 U.S. Bank’s opposition to Plaintiff’s motion, U.S. Bank’s predecessor-in-interest Bank of America
17 adequately tendered the super-priority portion of the HOA’s lien, which is all that Nevada law requires
18 in order to preserve the priority of the Deed of Trust. Furthermore, the HOA elected to foreclose on
19 only the sub-priority portion of its lien, which could not extinguish the Deed of Trust.

20 These arguments receive additional support from statements made by Plaintiff’s Manager,
21 Eddie Haddad. Haddad purchased the Property at the HOA’s foreclosure sale here. Just before that
22 purchase, another Haddad-trust filed for bankruptcy. In that bankruptcy petition – which Haddad
23 himself signed under penalty of perjury – Haddad declared that all eleven properties he had purchased
24 at association foreclosure sales were purchased subject to the senior deeds of trust encumbering them.
25 **Ex. B.** Later in that bankruptcy, and just after he purchased the Property in this case, Haddad described
26 his business model as follows: “Mr. Haddad funds the Trust, which then purchases **junior liens**
27 through [homeowners association] sales held at Nevada Legal News, and **thus acquires ownership**
28

1 **of the properties, subject to the first mortgage lien on the properties.” Ex. C, at 2** (emphasis
2 added).

3 Plaintiff’s manager’s own words show that it knew it purchased the Property subject to the
4 Deed of Trust. In light of this newly presented evidence, this Court should reconsider its order
5 awarding summary judgment to Plaintiff.

6 Separately, this Court should reconsider its order in light of NRCP 12(b)’s requirement that a
7 court planning to convert a motion to dismiss into a motion for summary judgment give all parties
8 “reasonable opportunity to present all material” relevant to the motion. This Court hastily converted
9 the motion into one for summary judgment without giving U.S. Bank the opportunity to present
10 evidence. U.S. Bank not only was deprived of the opportunity to present Haddad’s bankruptcy filings,
11 but also was unable to take discovery on relevant parties that had been scheduled for after the hearing
12 on Plaintiff’s motion. On this procedural basis, the order should be set aside so that discovery can run
13 its course. In furtherance of this motion, U.S. Bank is attaching an NRCP 56(f) affidavit describing
14 the additional discovery that is required.

15 **A. Haddad’s filings require a reweighing of the equities.**

16 One of the arguments raised by U.S. Bank is an equitable one: that the foreclosure sale should
17 be set aside based on the inadequacy of its price along with fraud, unfairness, or oppression.² As this
18 Court is well aware, the Nevada Supreme Court has indicated that in an action to **set aside** a sale, a
19 trial court “must consider the entirety of the circumstances that bear upon the equities.” *Shadow Wood*
20 *Homeowners Ass’n v. New York Cmty. Bancorp, Inc.*, 132 Nev. Adv. Op. 5, 366 P.3d 1105, 1114
21 (2016). U.S. Bank is now submitting evidence that weighs upon the equities in several ways. The 2012
22 bankruptcy filings for Haddad’s River Glider Trust explicitly state that it purchased properties “subject
23 to the first mortgage lien” at HOA lien auctions. Since Plaintiff is owned by an experienced real estate
24 investor who knew that deeds of trust survived HOA foreclosures, this Court’s determination of bona

25 ² U.S. Bank’s other arguments—that Bank of America extinguished the super-priority lien prior to the foreclosure, and
26 that the HOA only foreclosed on the sub-priority lien—are based on NRS 116, not equitable reasoning, and so, as the
27 Supreme Court of Nevada has indicated, they are not affected by the bona fide purchaser defense and other equitable
28 considerations. *See Saticoy Bay LLC Series 2141 Golden Hill v. JPMorgan Chase Bank, National Association*, No. 71246,
2017 WL 6597154, at *1 n.1 (Nev. Dec. 22, 2017) (disagreeing with argument that “putative BFP status could have revived
the already-satisfied super-priority component of the HOA’s lien.”).

1 fide purchaser is due to be reconsidered. Furthermore, these filings raise an inference of “fraud,
2 unfairness, or oppression” on Plaintiff’s part, as they suggest that Plaintiff’s manager is acting in bad
3 faith in this present case when he argues that the Deed of Trust is extinguished. Thus, this evidence
4 raises new questions that weigh on the equities, requiring this Court’s summary judgment order to be
5 vacated.

6 **1. Haddad’s sworn bankruptcy statements reveal Plaintiff is not a bona fide**
7 **purchaser.**

8 This Court’s finding that Plaintiff is a bona fide purchaser must be revisited in light of the
9 bankruptcy filings attached to this motion. The burden of establishing bona fide purchaser status rests
10 with the party claiming such status – here, Plaintiff. *Berge v. Fredericks*, 95 Nev. 183, 185, 591 P.2d
11 246, 248 (1979) (explaining that the putative bona fide purchaser “was required to show that legal title
12 had been transferred to her before she had notice of the prior conveyance to appellant”). Plaintiff
13 cannot meet this burden because its Manager, Eddie Haddad, admitted that senior deeds of trust
14 survive association foreclosure sales in a bankruptcy filing for another trust he managed.

15 Roughly six months before the HOA’s foreclosure sale here, another trust managed by Haddad
16 filed for Chapter 11 bankruptcy. **Ex. B.** In that bankruptcy filing, Haddad listed as assets eleven
17 properties that he purchased at association foreclosure sales. *Id.* For each property, Haddad declared
18 that the senior deed of trust remained fully enforceable after the respective association’s foreclosure.
19 *Id.* Later in the bankruptcy, and a month before he purchased the Property at issue here, the Haddad-
20 trust filed a motion in which it described its business model as follows: “Mr. Haddad funds the Trust,
21 which then purchases **junior liens** through [homeowners association] sales held at Nevada Legal
22 News, and **thus acquires ownership of the properties, subject to the first mortgage lien on the**
23 **properties.” Ex. C**, at 2 (emphasis added). Subsequently in the bankruptcy – and approximately two
24 months after Plaintiff purchased the Property in the present case – the Haddad-trust moved to strip the
25 amount of the loan secured by the senior deed of trust encumbering one of those association-
26 foreclosure properties. **Ex. D.** In that lien-stripping motion, the Haddad-trust stated that it owned the
27 subject property “subject to the following liens” *Id.*, at 2.

1 These bankruptcy filings, which occurred during the months leading up to and the months after
2 Haddad's purchase of the Property in this case, show that Haddad knew that the interests he purchased
3 at association foreclosure sales were subject to the senior deeds of trust encumbering those properties.
4 Given the bankruptcy petition of the Haddad-trust, which Haddad himself signed "under penalty of
5 perjury," and the motions the Haddad-trust filed in that bankruptcy, in which Haddad claimed he
6 "acquires ownership of [] properties" at association foreclosure sales "subject to the first mortgage
7 lien on the properties," there is no question that Haddad believed he purchased the Property here on
8 behalf of Plaintiff subject to the Deed of Trust. Consequently, Plaintiff cannot claim to be a bona fide
9 purchaser with free and clear title to the Property.

10 **2. Plaintiff's intent to buy properties with senior liens renders it inequitable to rule that**
11 **it took this Property free and clear of the Deed of Trust.**

12 Plaintiff contends in this litigation that the HOA's foreclosure sale extinguished the Deed of
13 Trust. However, in direct contrast with the position it takes in this litigation, Plaintiff knew at the time
14 of the HOA's foreclosure sale that it was purchasing an interest in the Property encumbered by the
15 Deed of Trust. As explained above, another Haddad-trust filed for bankruptcy just six months before
16 Plaintiff purchased the Property in this case. **Ex. B.** In that bankruptcy petition – which Haddad
17 signed under penalty of perjury – Haddad declared that all eleven properties that he had purchased at
18 association foreclosure sales were purchased subject to the senior deeds of trust encumbering them.
19 *See id.*

20 Just a few months before Plaintiff purchased the Property in this case, four Haddad trusts
21 (Bourne Valley Court Trust, Oliver Sagebrush Dr Trust, Paradadise Harbor Place Trust, and River
22 Gilder Ave Trust) filed a response to a bankruptcy court order wherein they stated, "[b]y virtue of
23 holding title to various properties, **which all have liens or mortgages or deeds of trust on them**, the
24 Trusts owes *[sic]* secured creditors." **Ex. E.** Ironically, the Trusts went on to label it "disingenuous"
25 "to argue that ... [each trust] **does not have encumbered properties**" and that the HOA foreclosures
26 "can result in an auction **transferring title while leaving the property with the first lien intact.**" *Id.*
27 That "disingenuous" argument, however, is now what Plaintiff is making.

28 Haddad also described his business model as follows: "Mr. Haddad funds the Trust, which
then purchases **junior liens** through [homeowners association] sales held at Nevada Legal News, and

1 **thus acquires ownership of the properties, subject to the first mortgage lien on the properties.”**

2 **Ex. C**, at 2 (emphasis added). This filing indicates that Plaintiff knew it purchased a junior interest in
3 the Property here, when free and clear title to the Property was worth \$105,000. **Ex. A**.

4 Plaintiff purchased the Property at a 92% discount knowing that it was purchasing an
5 encumbered interest. To the extent equitable balancing is necessary to resolve the quiet title and
6 declaratory relief claims in this case, the undisputed facts show that equitable balance weighs heavily
7 in U.S. Bank’s favor. U.S. Bank is entitled to summary judgment.

8 **3. Plaintiff’s model of buying properties with deeds of trust alleviates any concern**
9 **that it could be harmed by ruling that the deed of trust survived.**

10 Finally, since Plaintiff expected and understood that it was taking the Property subject to the
11 Deed of Trust, there is no possibility that Plaintiff “may be harmed by granting the desired relief.” *See*
12 *Shadow Wood Homeowners Ass’n v. New York Cmty. Bancorp, Inc.*, 132 Nev. Adv. Op. 5, 366 P.3d
13 1105, 1115 (2016) (instructing trial courts to “consider[] the status and actions of all parties involved”
14 when deciding whether to set a sale aside on equitable grounds). Thus, separately from the bona fide
15 purchaser question, a ruling that the deed of trust survived the sale would merely place Plaintiff in the
16 position that it believed it would be in: owner of a property subject to a senior deed of trust.

17 **B. Granting Summary Judgment To Plaintiff Was Premature.**

18 **1. Summary judgment prevented the parties from completing the discovery dictated**
19 **by the Nevada Court of Appeals.**

20 The Nevada Court of Appeals remanded this case for further fact-finding regarding Bank of
21 America’s super-priority-plus tender, the inequity of the HOA’s foreclosure sale, and Plaintiff’s bona
22 fide purchaser status. *See U.S. Bank*, Case No. 68915, at 2. However, this Court granted summary
23 judgment to the Plaintiff only a few months after the reversal and remand decision. Significantly, the
24 discovery period was still open. U.S. Bank had further depositions scheduled, which it was unable to
25 complete before its opposition to the Plaintiff’s motion to dismiss was due. At the time of the hearing,
26 U.S. Bank had also not yet received the written production of the HOA. This information was
27 obviously relevant to the questions of tender, inequity of the sale, and bona fide purchaser status.

28 ...

...

1 **2. U.S. Bank lacked the reasonable opportunity to present evidence that NRCP 12(b)**
2 **requires.**

3 NRCP 12(b) provides a path for district courts to grant summary judgment upon a motion to
4 dismiss:

5 If, on a [motion to dismiss] for failure of the pleading to state a claim upon which relief
6 can be granted, matters outside the pleading are presented to and not excluded by the
7 court, the motion shall be treated as one for summary judgment and disposed of as
8 provided in Rule 56, and **all parties shall be given reasonable opportunity to present**
9 **all material made pertinent to such a motion by Rule 56.**

10 Converting Plaintiff's motion to dismiss into a motion for summary judgment meant that the following
11 factual issues, among others, became pertinent:

- 12 • whether the HOA's rejection of Bank of America's check was done for a good-
13 faith reason, so as to invalidate the tender;
- 14 • whether Plaintiff believed it was purchasing a sub-priority interest in the Property
15 at HOA foreclosure sale;
- 16 • whether Plaintiff's claim that the Deed of Trust was extinguished constitutes fraud
17 or unfairness in light of the statements in Plaintiff's other trusts' bankruptcy filings
18 regarding the purchaser of encumbered properties; and
- 19 • whether Plaintiff could show that it lacked all notice of Bank of America's
20 competing interest in the Property (so as to constitute a bona fide purchaser).

21 Any argument that such questions are not pertinent is precluded by the Court of Appeals' ruling that
22 directed further fact-finding on tender, the inequity of the HOA's foreclosure sale, and Plaintiff's bona
23 fide purchaser status. U.S. Bank was prevented from completing planned discovery, which included
24 depositions of the HOA and HOA Trustee, and receiving subpoenaed documents from the HOA.

25 If U.S. Bank could not even conduct scheduled discovery on parties with relevant information,
26 it certainly did not have the "reasonable opportunity to present all material made pertinent" by a motion
27 for summary judgment. As such, NRCP 12(b) mandates that this Court vacate its order and forego any
28 summary judgment decision until U.S. Bank has had the chance to complete discovery and present all
29 relevant materials.

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For the foregoing reasons, this Court should reconsider its order granting summary judgment to Plaintiff and instead grant judgment to U.S. Bank. Alternatively, this Court should vacate the order and allow the parties to complete discovery before hearing any further dispositive motions on the claims between U.S. Bank and Plaintiff.

DATED this 26th day of February, 2018

AKERMAN LLP

/s/ Karen Whelan

DARREN T. BRENNER, ESQ.

Nevada Bar No. 8386

KAREN A. WHELAN, ESQ.

Nevada Bar No. 10466

REBEKKAH B. BODOFF, ESQ.

Nevada Bar No. 12703

1160 Town Center Drive, Suite 330

Las Vegas, Nevada 89144

Attorneys for U.S. Bank, N.A., solely as Successor Trustee to Bank of America, N.A., successor by merger to LaSalle Bank, N.A., as Trustee to the Holders of the Zuni Mortgage Loan Trust 2006-OA1, Mortgage Loan Pass-Through Certificates Series 2006-OA1

DECLARATION OF KAREN A. WHELAN, ESQ. IN SUPPORT OF 56(f) CONTINUANCE

1. I, Karen A. Whelan, make this declaration based on my personal knowledge of the events and circumstances surrounding the litigation of this case.

2. I am an associate with Akerman LLP and legal counsel for Defendant U.S. Bank in this action.

3. This Court should vacate its grant of summary judgment in favor of Plaintiff based on NEV. R. CIV. P. 56(f). Further discovery is necessary to evaluate: 1) why the HOA unjustifiably rejected the tender of the superpriority amount paid by Defendant; 2) which portion of the HOA's lien the HOA/HOA Trustee foreclosed upon; and 3) to the extent the super-priority lien was foreclosed, whether that foreclosure was equitable.

4. Declarant states that they were in the midst of discovery and had scheduled depositions of the 30(b)(6) witnesses for the HOA and the HOA Trustee to be held on January 19, 2018.

5. Discovery is also necessary to evaluate Plaintiff's contention that it was a bona fide purchaser for value, despite statements in its related entities' bankruptcy filings indicating that they believed the properties they purchased at HOA foreclosure sales were still encumbered by lender's deeds of trust.

6. Defendant also plans to seek production of additional documents showing how the proceeds from the foreclosure sale were distributed, which are relevant to show whether the HOA and HOA Trustee believed the super-priority lien was foreclosed at the foreclosure sale.

7. This Court should vacate its order granting summary judgment to Plaintiff pursuant to NEV. R. CIV. P. 56(f), and reopen discovery.

I declare under penalty of perjury that the foregoing is true and correct.

DATED this 26th day of February, 2018.

/s/ Karen Whelan
KAREN A. WHELAN, ESQ.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of Akerman LLP, and that on the 26th day of February, 2018, I caused to be served a true and correct copy of the foregoing **U.S. BANK, N.A., AS TRUSTEE'S MOTION FOR RECONSIDERATION UNDER NRCP 59**, in the following manner:

(ELECTRONIC SERVICE) Pursuant to FRCP 5(b), the above referenced document was electronically filed on the date hereof with the Clerk of the Court for the United States District Court by using the Court's CM/ECF system and served through the Court's Notice of electronic filing system automatically generated to those parties registered on the Court's Master E-Service List as follows:

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/s/ Carla Llarena

An employee of AKERMAN LLP

Exhibit A

AKERMAN LLP

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*Attorneys for U.S. Bank, N.A., solely as Successor
Trustee to Bank of America, N.A., successor by
merger to LaSalle Bank, N.A., as Trustee to the
Holders of the Zuni Mortgage Loan Trust 2006-OA1,
Mortgage Loan Pass-Through Certificates Series
2006-OA1*

EIGHTH JUDICIAL DISTRICT COURT

CLARK COUNTY, NEVADA

5316 CLOVER BLOSSOM CT TRUST;

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION,
SUCCESSOR TRUSTEE TO BANK OF
AMERICA, N.A., SUCCESSOR BY MERGER
TO LASALLE BANK, N.A., AS TRUSTEE TO
THE HOLDERS OF THE ZUNI MORTGAGE
LOAN TRUST 2006-OA1, MORTGAGE LOAN
PASS-THROUGH CERTIFICATES SERIES
2006-OA1; and CLEAR RECON CORPS,

Defendants.

Case No.: A-14-704412-C

Dept. No.: XXIV

**U.S. BANK, N.A., AS TRUSTEE'S INITIAL
EXPERT DISCLOSURE**

1 U.S. Bank, N.A., solely as Successor Trustee to Bank of America, N.A., successor by merger
2 to LaSalle Bank, N.A., as Trustee to the holders of the Zuni Mortgage Loan Trust 2006-OA1,
3 Mortgage Loan Pass-Through Certificates Series 2006-OA1 (**U.S. Bank**), by and through its attorneys
4 at the law firm AKERMAN LLP, hereby designates the following expert witness pursuant to NEV. R.
5 Civ. P. 16.1(a)(2):

- 6 1. Valbridge Property Advisors
7 3034 S. Durango Dr. #100
8 Las Vegas, NV 89117
By: Tammy L. Howard and (co-appraiser) Matthew Lubawy, MAI

9 Mr. Lubawy will provide his expert opinion concerning the market value at the time of the
10 HOA's foreclosure sale. Mr. Lubawy's initial expert report, as well as a curriculum vitae for Ms.
11 Howard and Mr. Lubawy, are attached as **Exhibit A, LUBAWY000001 – LUBAWY000027**.

12 DATED this 26th day of October, 2017.

13 **AKERMAN LLP**

14 /s/ Karen A. Whelan

15 DARREN T. BRENNER, ESQ.

16 Nevada Bar No. 8386

17 REBEKKAH B. BODOFF, ESQ.

18 Nevada Bar No. 12703

19 KAREN A. WHELAN, ESQ.

20 Nevada Bar No. 10466

21 1160 Town Center Drive, Suite 330

22 Las Vegas, Nevada 89144

23 *Attorneys for U.S. Bank, N.A., solely as Successor*

24 *Trustee to Bank of America, N.A., successor by*

25 *merger to LaSalle Bank, N.A., as Trustee to the*

26 *Holders of the Zuni Mortgage Loan Trust 2006-OA1,*

27 *Mortgage Loan Pass-Through Certificates Series*
28 *2006-OA1*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 26th day of October, 2017 and pursuant to NRCP 5(b), I served via the Clark County electronic filing system a true and correct copy of the foregoing **U.S. BANK, N.A., AS TRUSTEE’S INITIAL EXPERT DISCLOSURE**, addressed to:

Law Office of Michael F. Bohn

Michael F Bohn Esq. mbohn@bohnlawfirm.com
Eserve Contact office@bohnlawfirm.com

Wright Finlay & Zak LLP

Brandon Lopipero blopipero@wrightlegal.net
Dana J. Nitz dnitz@wrightlegal.net

/s/ Doug J. Layne

An employee of AKERMAN LLP

EXHIBIT A

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 17-0498

SUBJECT	Property Address: 5316 Clover Blossom Ct		City: North Las Vegas		State: NV		Zip Code: 89031							
	County: Clark		Legal Description: Arbor Gate, Plat Book 91 Page 71, Lot 92											
	Assessor's Parcel #: 124-31-220-092		Tax Year: 2013-14		R.E. Taxes: \$ 900 +/-		Special Assessments: \$ 0.00							
	Current Owner of Record: Dennis L. & Geraldine J. Johnson *		Occupant: <input checked="" type="checkbox"/> Owner		<input type="checkbox"/> Tenant		<input type="checkbox"/> Vacant		<input type="checkbox"/> Manufactured Housing					
ASSIGNMENT	Project Type: <input type="checkbox"/> PUD		<input type="checkbox"/> Condominium		<input type="checkbox"/> Cooperative		<input type="checkbox"/> Other (describe)		HOA: \$ 55		<input type="checkbox"/> per year		<input checked="" type="checkbox"/> per month	
	Market Area Name: Central/North Las Vegas		Map Reference: 24-A5 Metro Maps		Census Tract: 0036.30									
	The purpose of this appraisal is to develop an opinion of: <input type="checkbox"/> Market Value (as defined), or <input checked="" type="checkbox"/> other type of value (describe) Fair Market Value													
	This report reflects the following value (if not Current, see comments): <input type="checkbox"/> Current (the Inspection Date is the Effective Date) <input checked="" type="checkbox"/> Retrospective <input type="checkbox"/> Prospective													
MARKET AREA DESCRIPTION	Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)													
	Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)													
	Intended Use: Litigation * as of January 16, 2013													
	Intended User(s) (by name or type): Akerman, LLP													
SITE DESCRIPTION	Client: Akerman, LLP		Address: 1160 Town Center Dr, Ste. 330, Las Vegas, NV 89144											
	Appraiser: Tammy L. Howard		Address: 3034 S. Durango Drive, Suite 100, Las Vegas, NV 89117											
	Location: <input type="checkbox"/> Urban		<input checked="" type="checkbox"/> Suburban		<input type="checkbox"/> Rural		Built up: <input checked="" type="checkbox"/> Over 75%		<input type="checkbox"/> 25-75%		<input type="checkbox"/> Under 25%			
	Growth rate: <input type="checkbox"/> Rapid		<input checked="" type="checkbox"/> Stable		<input type="checkbox"/> Slow		Property values: <input checked="" type="checkbox"/> Increasing		<input type="checkbox"/> Stable		<input type="checkbox"/> Declining			
DESCRIPTION OF THE IMPROVEMENTS	Demand/supply: <input type="checkbox"/> Shortage		<input checked="" type="checkbox"/> In Balance		<input type="checkbox"/> Over Supply		Marketing time: <input checked="" type="checkbox"/> Under 3 Mos.		<input type="checkbox"/> 3-6 Mos.		<input type="checkbox"/> Over 6 Mos.			
	Predominant Occupancy		<input checked="" type="checkbox"/> Owner		<input type="checkbox"/> Tenant		<input checked="" type="checkbox"/> Vacant (0-5%)		<input type="checkbox"/> Vacant (>5%)					
	One-Unit Housing		PRICE \$ (000)		AGE (yrs)		One-Unit 40 Low New		75 %		<input checked="" type="checkbox"/> Not Likely			
	Present Land Use		2-4 Unit		%		Multi-Unit		5 %		<input type="checkbox"/> Likely * <input type="checkbox"/> In Process *			
Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends): The nbhd. is located in the north ptn. of Las Vegas, +/- 8-10 miles from the Las Vegas Strip & downtown areas. It is bound on the north by I-215, the east by N. 5th Street, the south by Craig Road, the west by Decatur Blvd. The nbhd. has a compatible mix of tract & custom SFR's with most new development occurring in the northern ptn of the nbhd. Pardee Homes began their 1,050 acre Eldorado community in this area in the 1990's (tract SFR's). The Rancho Del Norte and golf course community of Aliante followed along with Park Highlands (which is not yet complete). The area has an adequate mix of public schools, parks, shops, & general conveniences. Access is good via I-215 & local streets. Prices over the past 12 months show an upward trend. GLVAR data indicates a median price of \$120,000 in this nbhd in Jan. 2013, up from \$94,950 in Jan. 2012. The average list price to sale price ratio during the prior year within the neighborhood is 100%. The reasonable exposure time for the subject property at the opinion of market value stated in this report is 30-60 days. Average overall appeal and marketability. Prices reported above are based on actual sales; the value range could potentially be higher.														
GENERAL DESCRIPTION	Dimensions: Irregular, see plat map		Site Area: 4,385 sf		<input type="checkbox"/> Corner Lot		<input checked="" type="checkbox"/> Cul de Sac							
	Zoning Classification: PUD		Description: Planned Unit Development, North Las Vegas		Topography: Level		Size: Typical for neighborhood							
	Zoning Compliance: <input checked="" type="checkbox"/> Legal		<input type="checkbox"/> Legal nonconforming (grandfathered)		<input type="checkbox"/> Illegal		<input type="checkbox"/> No zoning							
	Utilities: Public <input checked="" type="checkbox"/> Other <input type="checkbox"/> Description		Off-site Improvements: Type		Public <input type="checkbox"/> Private <input checked="" type="checkbox"/>		Shape: Sl. irregular							
EXTERIOR DESCRIPTION	Electricity: <input checked="" type="checkbox"/>		Street: Asphalt		<input type="checkbox"/>		<input checked="" type="checkbox"/>		Drainage: Assume adequate					
	Gas: <input checked="" type="checkbox"/>		Curb/Gutter: Concrete		<input type="checkbox"/>		<input checked="" type="checkbox"/>		View: Park					
	Water: <input checked="" type="checkbox"/>		Sidewalk: Concrete		<input type="checkbox"/>		<input checked="" type="checkbox"/>		Landscaping: Front/rear, drought tolerant					
	Sanitary Sewer: <input checked="" type="checkbox"/>		Street Lights: Electric		<input type="checkbox"/>		<input checked="" type="checkbox"/>							
FOUNDATION	Storm Sewer: <input type="checkbox"/>		Alley: None		<input type="checkbox"/>		<input type="checkbox"/>							
	FEMA Spec'l Flood Hazard Area: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		FEMA Flood Zone: X		FEMA Map #: 32003C 1765F		FEMA Map Date: 11/16/2011							
	Highest & Best Use as improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)													
	Actual Use as of Effective Date: Single family residential		Use as appraised in this report: Single family residential											
BASEMENT	Summary of Highest & Best Use: The highest and best use is as it exists, a single family residence.													
HEATING	Site Comments: No apparent adverse easements, encroachment, environmental conditions, illegal or legal nonconforming zoning uses noted at the time of the inspection; however, inspection was made without the benefit of a title report or survey. The subject is a typical cul-de-sac lot in a gated subdivision. It backs to a small park in an adjacent subdivision; no negative or positive effect is noted.													
COOLING	General Description		Exterior Description		Foundation		Basement		Heating					
	# of Units: 1 <input type="checkbox"/> Acc.Unit		Foundation: Concrete		Slab: Concrete		Area Sq. Ft. N/A		Type: FAU					
	# of Stories: 1		Exterior Walls: Stucco		Crawl Space: None		% Finished: N/A		Fuel: Gas					
	Type: <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>		Roof Surface: Concrete tiles		Basement: None		Ceiling:		Cooling					
CAR STORAGE	Design (Style): Standard/1 story		Gutters & Dwnspts.: None		Sump Pump: <input type="checkbox"/> N/A		Walls:		Central: Air					
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und.Cons.		Window Type: Fixed/Sliding		Dampness: <input type="checkbox"/> NoneNoted		Floor:		Other:					
	Actual Age (Yrs.): 13		Storm/Screens: WovenMesh		Settlement: NoneNoted		Outside Entry:							
	Effective Age (Yrs.): 5				Infestation: NoneNoted									
APPLIANCES	Interior Description		Appliances		Attic		Amenities		Car Storage					
	Floors: Tile/carpet or similar		Refrigerator: <input type="checkbox"/> None		<input type="checkbox"/> Fireplaces(s) # None		Woodstove(s) #		Garage: # of cars (2 Tot.)					
	Walls: Drywall/paint		Range/Oven: <input checked="" type="checkbox"/> Stairs: <input type="checkbox"/> Patio: Open		Deck: None				Attach.: 2					
	Trim/Finish: Wood/paint		Disposal: <input checked="" type="checkbox"/> Drop Stair: <input type="checkbox"/> Scuttle: <input checked="" type="checkbox"/> Porch: Covered		Fence: Masonry Block				Detach.:					
FINISHED AREA	Bath Floor: Tile or vinyl		Dishwasher: <input checked="" type="checkbox"/>		Floor: <input type="checkbox"/>		Pool: None		Blt.-In:					
	Bath Wainscot: Tile/fiberglass		Fan/Hood: <input checked="" type="checkbox"/>		Heated: <input type="checkbox"/>				Carport:					
	Doors: Raised panel/hollow		Microwave: <input checked="" type="checkbox"/>						Driveway:					
	Countertops: Tile/sim. marble		Washer/Dryer: <input type="checkbox"/> Finished: <input type="checkbox"/>						Surface: Concrete					
ADDITIONAL FEATURES	Finished area above grade contains: 5 Rooms		3 Bedrooms		2 Bath(s)		1,370 Square Feet of Gross Living Area Above Grade							
	Additional features: Assume tile/carpet flooring, standard cabinets with ceramic tile countertops in kitchen, cultured marble in bathrooms, overhead lights/fans, front and rear drought tolerant landscaping, masonry block enclosed rear yard													
DESCRIBE THE CONDITION OF THE PROPERTY	Describe the condition of the property (including physical, functional and external obsolescence): As of the effective date of this appraisal, the subject property is assumed to be in average condition. At the time of inspection, there were no apparent major repairs, renovation, or remodeling evident. The effective age is based on the appraiser's exterior inspection of the property. An exterior inspection of the property was performed from the street. An extraordinary assumption is made that the interior is in similar condition as the exterior and that the condition was similar at the effective date of this appraisal. The use of the extraordinary assumption may have affected the assignment results.													
	*Personal property items are not included herein. The interior description has been based on public records and MLS records.													

RESIDENTIAL APPRAISAL SUMMARY REPORT

File No.: 17-0498

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/MLS

1st Prior Subject Sale/Transfer

Analysis of Sale/Transfer History: County Records indicate the property was originally acquired by Dennis L. & Geraldine J. Johnson in June 2004. It was transferred to a trust in May 2005 and to an LLC in March 2006 back to a trust in November 2011 and to Dennis L. & Geraldine J. Johnson November 2, 2011. All transfers were reported to have been between related parties with no consideration. We are not aware of any other transfer, listing or sale of the subject in the three years preceding the effective date of value, January 16, 2013.

Date: 11/2/2011

Price: N/A, transfer from trust

Source(s): County Records

2nd Prior Subject Sale/Transfer

Date:

Price:

Source(s):

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	5316 Clover Blossom Court North Las Vegas, NV 89031	5354 Greenhaven Ct North Las Vegas, NV 89031			5259 Cedar Bridge Ct North Las Vegas, NV 89031			5351 Reardon Ct North Las Vegas, NV 89031		
Proximity to Subject		0.09 miles NE			0.08 miles SE			0.07 miles N		
Sale Price	\$ 0.00	\$ 108,000			\$ 110,000			\$ 95,000		
Sale Price/GLA	\$ /sq.ft.	\$ 78.83 /sq.ft.			\$ 68.49 /sq.ft.			\$ 69.34 /sq.ft.		
Data Source(s)	Exterior Inspection	MLS#1264597			MLS#1300961			MLS#1309171		
Verification Source(s)	County Rcrds	Clark County Records			Clark County Records			Clark County Records		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION + (-) \$ Adjust.			DESCRIPTION + (-) \$ Adjust.			DESCRIPTION + (-) \$ Adjust.		
Sales or Financing Concessions	N/A 0.00	Conv., sellers contrib REO Sale -1,380			Cash Traditional sale			Cash Short sale +10,000		
Rights Appraised	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Date of Sale/Time	N/A	9/19/2012 COE			12/18/2012 COE			3/11/2013 COE *		
Location	Average/gated	Average/gated			Average/gated			Average/gated		
Site	4,385 sf/CDS	4,792 sf/CDS			2,940 sf/CDS +1,500			4,356 sf/CDS		
View	Park	Street			None			Street		
Design (Style)	Standard/1 story	Standard/1 story			Standard/2 story +7,500			Standard/1 story		
Quality of Construction	Average, typical	Average			Average			Average		
Actual Age	13	12 years			11 years			12 years		
Condition	Assm. average	Average			Average			Average		
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths			Total Bdrms. Baths			Total Bdrms. Baths		
Room Count	5 3 2	5 3 2			5 3 2.5 -2,000			5 3 2		
Gross Living Area	1,370 sq.ft.	1,370 sq.ft.			1,606 sq.ft. -7,100			1,370 sq.ft.		
Basement & Finished Rooms Below Grade	0 N/A	0 N/A			0 N/A			0 N/A		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FAU/Central	FAU/Central			FAU/Central			FAU/Central		
Energy Efficient Items	Standard	Standard			Standard			Standard		
Garage/Carport	2 car garage	2 car garage			2 car garage			2 car garage		
Porch/Patio/Deck	Open patio	Patio			Cov. patio -1,000			Patio		
Fireplace/Upgrades	No FP/standard	No FP/similar			1 FP/superior -5,000			No FP/similar		
Pool	None	None			None			None		
Site Improvements	L/S, block walls	Sim. site imp.			Sim. site imp.			Sim. site imp.		
Contract Date	N/A	8/16/2012			11/16/2012			12/24/2012		
Day on Market	N/A	44			2			6		
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -1,380			<input type="checkbox"/> + <input checked="" type="checkbox"/> - \$ -6,100			<input checked="" type="checkbox"/> + <input type="checkbox"/> - \$ 10,000		
Adjusted Sale Price of Comparables		Net 1.3 % Gross 1.3 % \$ 106,620			Net 5.5 % Gross 21.9 % \$ 103,900			Net 10.5 % Gross 10.5 % \$ 105,000		
Summary of Sales Comparison Approach The COE date indicates close of escrow date/recorded date. The contract date is the date the contract for sale was signed. Information for the COE and contract sales dates were derived from MLS and county records and were provided to give the Client additional understanding of the market conditions as of the effective date of this appraisal.										
For the purpose of this appraisal, when conflict between County Records and appraiser inspection were noted, appraiser inspection was used. For the purpose of this appraisal, when conflict between MLS and county records were noted, MLS was used.										
The sales comparables were inspected from the exterior on October 19, 2017, however, GLVAR MLS photos were used from the time of the sale as they are more reflective of the condition at the time of sale and the retrospective effective date of this appraisal.										
All of the sales are typical tract residences from the subject or directly competing subdivision. * Although Sale 3 closed escrow after our effective date of value, the sale was consummated prior to the date of value.										
Sale 1 involves a model match with similar finish and upgrades. It was on the market for 44 days before selling \$1,900 below list as an REO sale; the buyer obtained Conventional financing. The seller contribute \$3,000 towards the buyers closing costs where up to \$1,620 would have been typical; we have adjusted for the additional contribution of \$1,380. This property was acquired by FNMA via trustees deed in April 2012 for \$216,840.87.										
Sale 2 is from a competing subdivision in the immediate area. This property was on the market for 2 days before selling \$2,000 below list as an all cash, traditional sale. Adjustments were made for smaller lot, two story design versus the subject's one story, bathrooms, living area, covered patio and superior upgrades. One story residences typically sell at higher prices than two story residences with all other features being similar. After all other differences are accounted for, an adjustment for two- versus one-story design is indicated. Prior to this sale, the property had been under variations of the sellers name since January 2009.										
Sale 3 involves a model match; this property was on the market for 6 days before selling \$9,900 below list as an all cash short sale. It had been owned by the seller since March 2005. An upward adjustment is made for the short sale status as indicated by comparing this sale to 1 and 2 after all other differences are taken into consideration.										
Indicated Value by Sales Comparison Approach \$ 105,000										

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1/2007

716

File No.: 17-0498

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Supplemental Addendum

File No. 17-0498

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				

Purpose: The purpose of this appraisal is to form an opinion of the fair market value for the subject property as of the effective date which is a retrospective date of January 16, 2013.

Intended User: Akerman, LLP. No other users are intended by the Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the Appraisal Report.

Intended Use: Litigation. No other use is intended by the Appraiser. The intended use as stated shall be used by the Appraiser in determining the appropriate Scope of Work for the assignment.

Scope of Appraisal:

Upon receiving this assignment from the client we identified the intended users of the report, confirmed that the effective date of the appraisal is to be consistent with a retrospective date provided by the client. Next the real property being appraised was identified and available property-specific data was collected through public records, various data services and or MLS database.

An exterior inspection of the property was completed as described herein; a visual observation of the unobstructed, exposed surfaces of accessible areas from standing height was performed on the exterior areas of the subject property for valuation purposes only. The appraiser is NOT a "home inspector" and can only report conditions based on the visual observation noted above. The appraiser DOES NOT warrant any part/whole of the subject property environmental conditions or other conditions that would require a licensed professional such as; identifying the existence of Lead Based paint, Mold, Soil Slippage, Hazardous Waste, Radon Gas etc. We did not test the subject's mechanical systems; the appraiser is not an expert with regard to mechanical issues or electrical, plumbing, roof, foundation systems, or State, City, County, Building Code compliance etc.

The appraiser's inspection included noting the apparent condition, quality, utility, amenities and architectural style. Measurements and room counts used in this report came from county records. Zoning data was obtained from public records, office files, and or city/county planning offices. The collected data was then used to develop a profile of the subject property and analyze the highest and best use of the subject property.

The appraiser performed a search of the local market area for the most similar closed comparable sales, pending/contingent sales and active listings. The accessible sales were viewed from the street; MLS photos may be used when there is; obstruction, people are outside, when there is no access to the property, or when the MLS photo is considered a more accurate depiction of the properties condition at the time of sale. The sales were confirmed and verified from public records, various data services, MLS and when necessary with an agent, the owner, or the title company. Interior/exterior upgrade adjustments may be made to one or more of the comparables due to information obtained from the appraiser's exterior inspection of the property and/or information obtained from the multiple listing service (MLS). Where available, the appraiser has reviewed interior photographs provided by listing agents on the comparables to obtain a better understanding of these properties. The sales data was then analyzed and a value opinion derived.

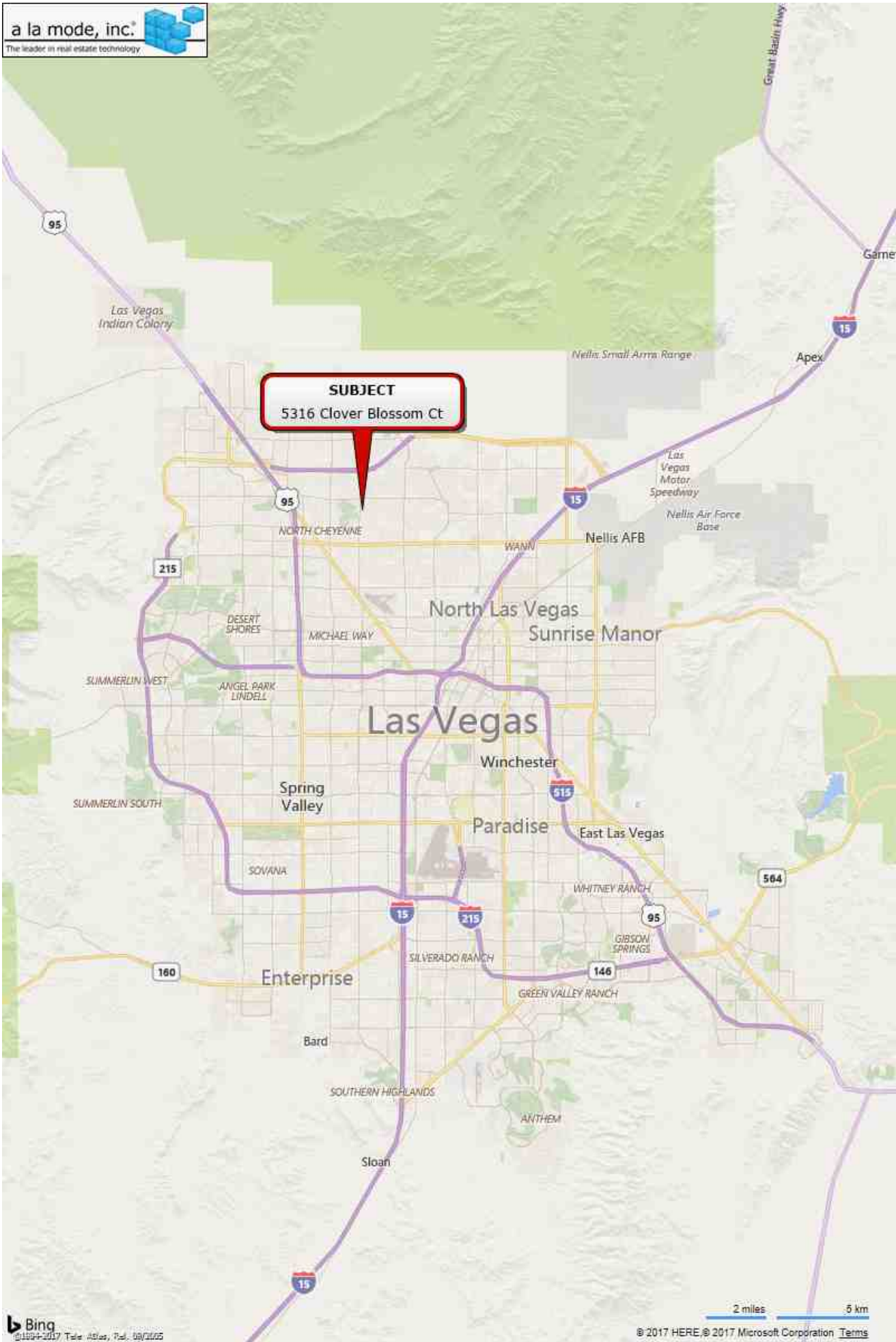
In the preparation of this report, we have relied on data from county records, multiple listing service, title companies, etc. We believe this report to be complete and accurate, however, should any error or omission be subsequently discovered, we reserve the right to correct it.

Sales Comparison Analysis:

For the purpose of this appraisal, when conflict between County Records and appraiser inspection were noted, appraiser inspection was used. For the purpose of this appraisal, when conflict between MLS and county records were noted, MLS was used.

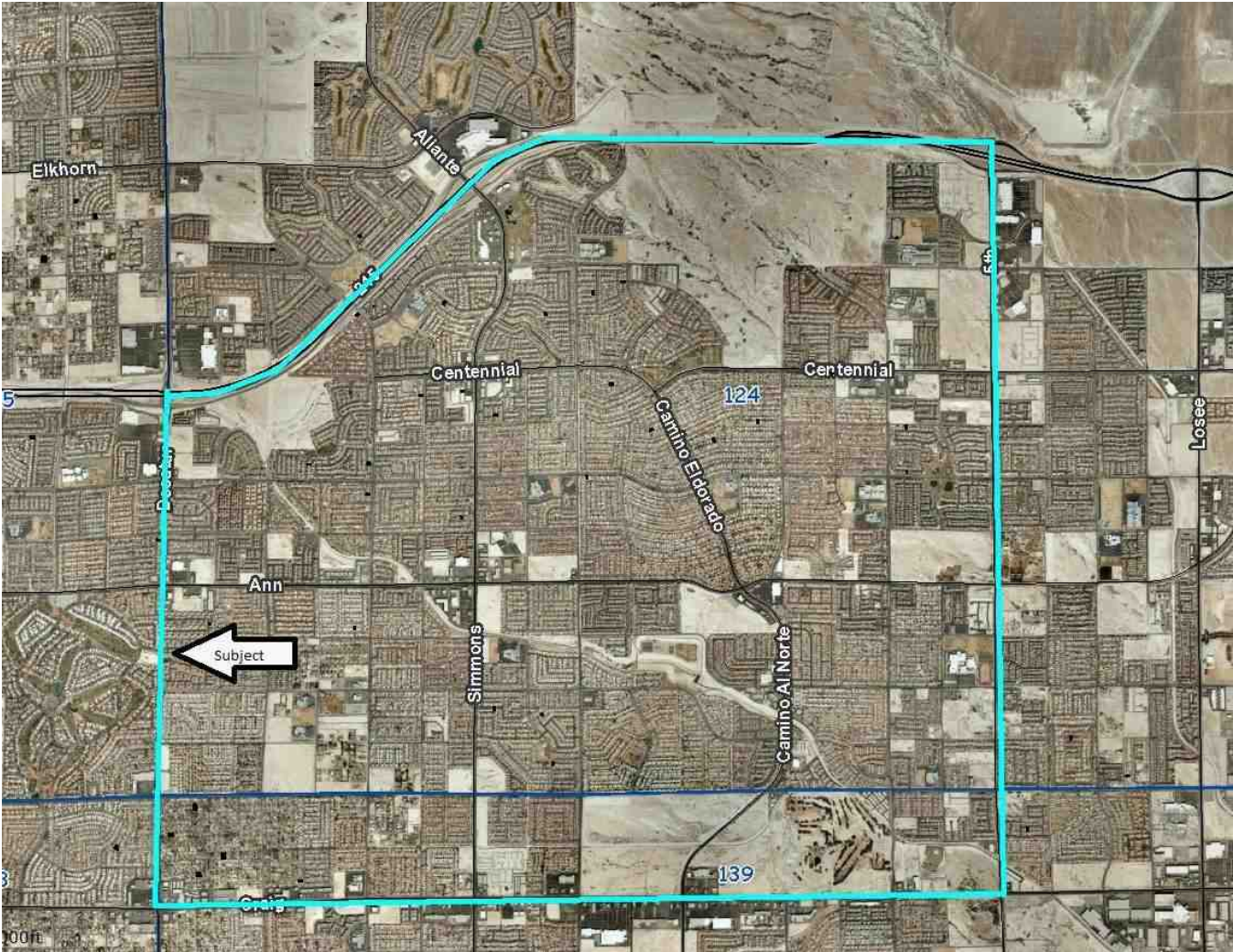
Location Map

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



Neighborhood Map

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



Aerial View

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



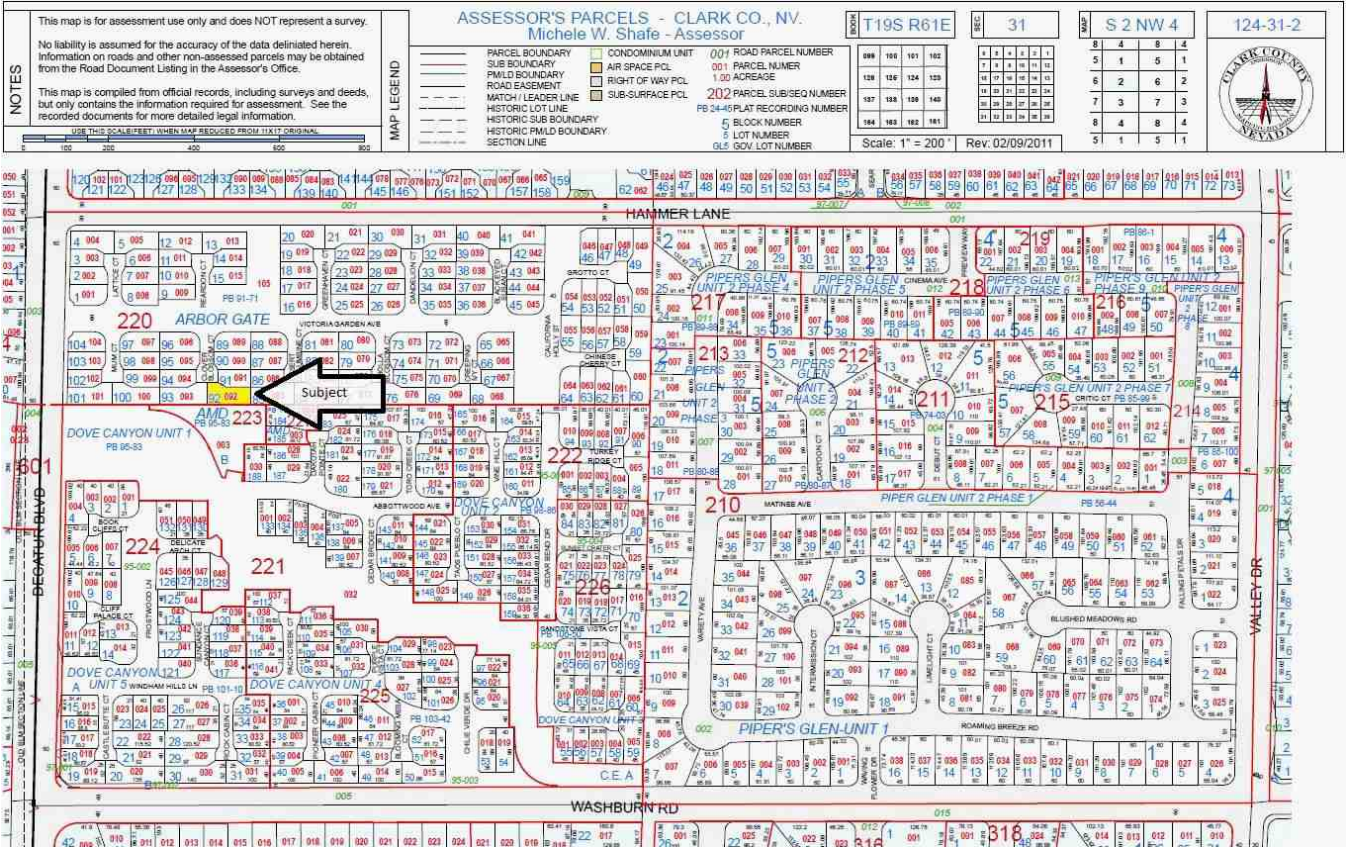
Aerial View Close Up

Owner	Dennis L. & Geraldine J. Johnson *						
Property Address	5316 Clover Blossom Ct						
City	North Las Vegas	County	Clark	State	NV	Zip Code	89031
Client	Akerman, LLP						



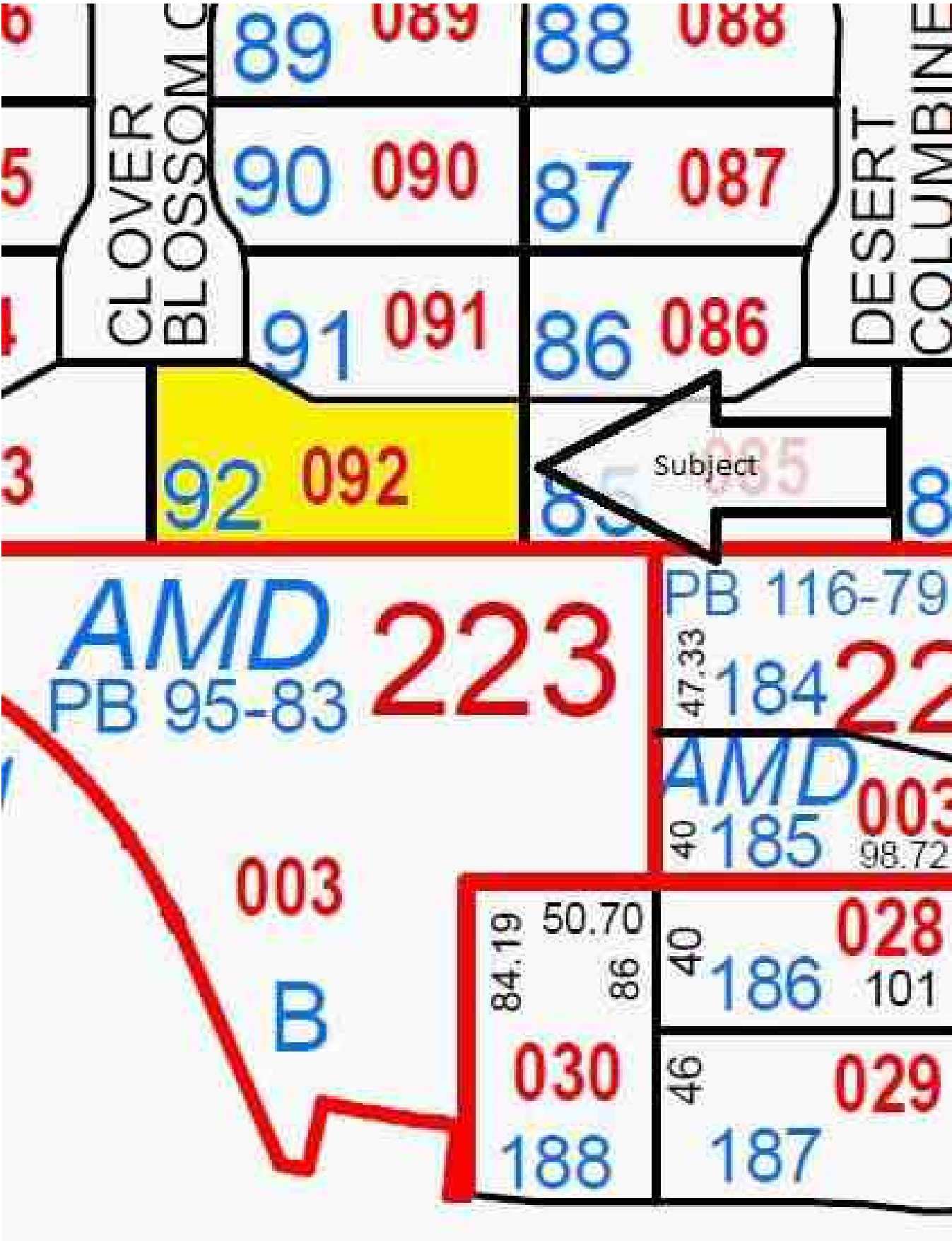
Assessor's Parcel Map

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV
Client	Akerman, LLP	Zip Code	89031		



Assessor's Parcel Map Close Up

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



Subject Photo Page

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



Subject Front

5316 Clover Blossom Court	
Sales Price	0.00
Gross Living Area	1,370
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average/gated
View	Park
Site	4,385 sf/CDS
Quality	Average, typical
Age	13

Photo from MLS
1324995



Additional front

Photo taken 10/19/17
by Tammy Howard

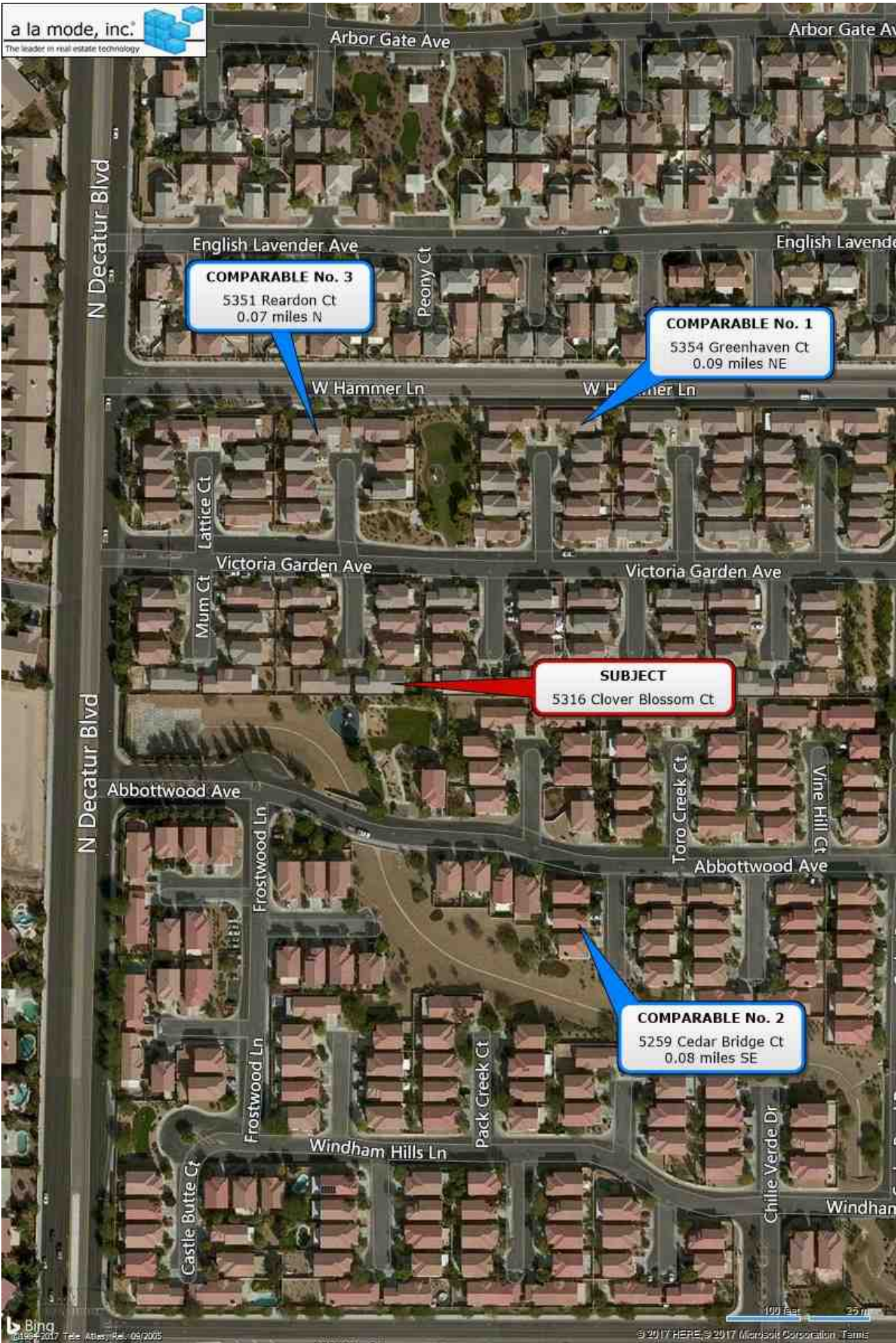


Street scene

Looking south along
Clover Blossom Ct,
subject is at rear of
photo on left

Comparable Sale Location Map

Owner	Dennis L. & Geraldine J. Johnson *				
Property Address	5316 Clover Blossom Ct				
City	North Las Vegas	County	Clark	State	NV Zip Code 89031
Client	Akerman, LLP				



Comparable Photo Page

Owner	Dennis L. & Geraldine J. Johnson *					
Property Address	5316 Clover Blossom Ct					
City	North Las Vegas	County	Clark	State	NV	Zip Code 89031
Client	Akerman, LLP					



Comparable 1

5354 Greenhaven Ct	
Prox. to Subject	0.09 miles NE
Sales Price	108,000
Gross Living Area	1,370
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average/gated
View	Street
Site	4,792 sf/CDS
Quality	Average
Age	12 years

Photo from MLS



Comparable 2

5259 Cedar Bridge Ct	
Prox. to Subject	0.08 miles SE
Sales Price	110,000
Gross Living Area	1,606
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2.5
Location	Average/gated
View	None
Site	2,940 sf/CDS
Quality	Average
Age	11 years

Photo from MLS



Comparable 3

5351 Reardon Ct	
Prox. to Subject	0.07 miles N
Sales Price	95,000
Gross Living Area	1,370
Total Rooms	5
Total Bedrooms	3
Total Bathrooms	2
Location	Average/gated
View	Street
Site	4,356 sf/CDS
Quality	Average
Age	12 years

Photo from MLS

Assumptions, Limiting Conditions & Scope of Work

File No.: 17-0498

Property Address: 5316 Clover Blossom Ct	City: North Las Vegas	State: NV	Zip Code: 89031
Client: Akerman, LLP	Address: 1160 Town Center Dr, Ste. 330, Las Vegas, NV 89144		
Appraiser: Tammy L. Howard	Address: 3034 S. Durango Drive, Suite 100, Las Vegas, NV 89117		

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.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- 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.

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.):
An exterior inspection of the property was performed from the street. An extraordinary assumption is made the interior is in similar condition as the exterior and that these conditions were similar on the retrospective date of value. The use of the extraordinary assumption may have affected the assignment results.

The purpose of this appraisal is for a "non lender" appraisal. It should be noted that the appraisers's data and comparables utilized were retrieved as of the inspection date noted within the body of the report. This report is intended for use by the Client that is named on page 1 of this report.

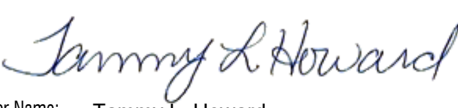
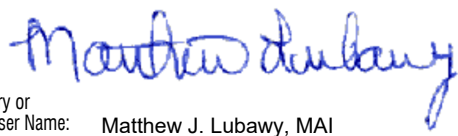
Measurements and room counts used in this report come from the appraisers interior/exterior inspection of the subject property, previous appraisal files and/or builder floor plans. These numbers may differ slightly with those recorded with Clark County records due to differences in measuring techniques.

The sales were confirmed and verified from public records, various data services, MLS and when necessary with an agent, the owner or the title company.

In the preparation of this report, we have relied on data from county records, multiple listing service, title companies, etc. We believe this report to be complete and accurate, however, should any error or omission be subsequently discovered, we reserve the right to correct it.

Certifications

File No.: 17-0498

Property Address: 5316 Clover Blossom Ct		City: North Las Vegas		State: NV		Zip Code: 89031	
Client: Akerman, LLP		Address: 1160 Town Center Dr, Ste. 330, Las Vegas, NV 89144					
Appraiser: Tammy L. Howard		Address: 3034 S. Durango Drive, Suite 100, Las Vegas, NV 89117					
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. - 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 a personal 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. Additional Certifications: The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute. -The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. -As of the date of this report, Matthew Lubawy, MAI has completed the continuing education program of the Appraisal Institute. -The appraisers' state registration/certification has not been revoked, suspended, canceled or restricted. Disclosure of Prior Appraisal and/or Other Services: I certify that, to the best of my knowledge and belief: I have not performed a prior appraisal or other service regarding the subject property within the 3 year period immediately preceding acceptance of this appraisal assignment. DEFINITION OF FAIR MARKET VALUE *: "The price which a purchaser, willing but not obliged to buy, would pay an owner willing but not obliged to sell, taking into consideration all the uses to which the property is adapted and might in reason be applied." Source: Unruh v. Streight, 96 Nev. 684, 686, 615 P.2d 247 (1980) This definition of market value was obtained from the 1980 Nevada Supreme Court decision of Unruh v. Streight. In this case, the court required the determination of market value in order to ascertain the amount of the deficiency judgment as of the foreclosure date. Although components of the fair market value definition were not specifically stated, existing debt, liens, duress and distress were not included in appraising the property. Therefore, our conclusion of fair market value is based on the subject property being free and clear of liens, encumbrances and debt. Furthermore, it is based on sales that were purchased with cash or terms equivalent to cash, without any duress or distress of any parties to the transaction. Since the subject property involves the foreclosure of real estate, this definition was agreed to by the appraiser and the client as being reasonable and appropriate for their intended use.							
Client Contact: Brienne Siriwan		Client Name: Akerman, LLP					
E-Mail: brienne.siriwan@akerman.com		Address: 1160 Town Center Dr, Ste. 330, Las Vegas, NV 89144					
APPRAISER  Appraiser Name: Tammy L. Howard Company: Valbridge Property Advisors Phone: (702) 242-9369 Fax: (702) 242-6391 E-Mail: tlhoward@valbridge.com Date Report Signed: 10/19/2017 License or Certification #: A.0000253-CG State: NV Designation: Expiration Date of License or Certification: 06/30/2019 Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input checked="" type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: October 19, 2017				SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable)  Supervisory or Co-Appraiser Name: Matthew J. Lubawy, MAI Company: Valbridge Property Advisors Phone: (702) 242-9369 Fax: (702) 242-6391 E-Mail: mlubawy@valbridge.com Date Report Signed: 10/19/2017 License or Certification #: A.0000044-CG State: NV Designation: Expiration Date of License or Certification: 04/30/2019 Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input checked="" type="checkbox"/> None Date of Inspection:			



Qualifications of Tammy L. Howard

Senior Appraiser

Valbridge Property Advisors | Lubawy & Associates, Inc.

Independent Valuations for a Variable World

State Certifications

State of Nevada
License #A.0000253-CG

Education

Attended University of Nevada, Las Vegas, 1988-89
Graduated Plainwell High School, MI, 1980

Contact Details

702-242-9369 (p)
702-242-6391 (f)

Valbridge Property Advisors |
Lubawy & Associates
3034 S. Durango Drive
Suite 100
Las Vegas, NV 89117

www.valbridge.com
torourke@valbridge.com

Related Courses/Seminars:

Real Estate Appraisal Principles
Residential Valuation
Uniform Standards of Professional Appraisal Practice
Basic Valuation Procedures
Residential Case Studies
Case Studies in Law & Ethics
Forensic Real Property Appraising
FHA Appraisal Inspections from the Ground Up
Litigation Appraisal & Expert Testimony
Real Estate Law I and II
Income Property Analysis
Market Extraction
Factory Built Housing
Income Capitalization

Experience:

Senior Appraiser

ValbridgePropertyAdvisors|Lubawy & Associates (2013-Present)

Senior Appraiser

Lubawy & Associates(June 2012-2013)

Senior Appraiser

Grubb & Ellis-Landauer Valuation (Oct 2010-May 2012)

Associate Appraiser

Integra Realty Resources| Shelli Lowe & Associates (1985-2010)

Appraisal/valuation and consulting assignments include: apartment buildings; retail buildings; and shopping centers; office buildings; industrial buildings; religious and special purpose properties including schools and houses of worship; residential subdivisions; and vacant industrial, commercial and residential land. Assignments have been concentrated in Nevada.

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : TAMMY L HOWARD

Certificate Number: A.0000253-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: June 29, 2017

Expire Date: June 30, 2019

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 Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: VALBRIDGE PROPERTY ADVISORS
3034 S DURANGO DR #100
LAS VEGAS, NV 89117

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



Qualifications of Matthew Lubawy, MAI, CVA, CMEA
Senior Managing Director
Valbridge Property Advisors | Lubawy & Associates, Inc.



Independent Valuations for a Variable World

State Certifications

Nevada License
A.0000044-CG

Arizona License
#31821

Education

Bachelor of Science
Business Administration
University of Nevada, Las Vegas

Contact Details

702-242-9369 (p)
702-242-6391 (f)

Valbridge Property Advisors |
Lubawy & Associates, Inc.
3034 S. Durango Dr. #100
Las Vegas, NV 89117
www.valbridge.com
mlubawy@valbridge.com

Membership/Affiliations:

Member: Appraisal Institute - MAI Designation #10653
Director - (2008 – 2011)
President of Las Vegas Chapter (1998 - 1999)
1st V.P. of Las Vegas Chapter (1997 – 1998)
2nd V.P. of Las Vegas Chapter (1996 – 1997)
Member: NACVA – CVA Designation (Certified Valuation
Analyst for business valuation)
Member: NEBB Institute – CMEA Designation for Machinery
and Equipment
Board Member: Valbridge Property Advisors -
Vice-Chairman of the Board of Directors
(2011 – Present)
Member: International Right of Way Association
Member: National Association of Realtors
Member: GLVAR
Board Member: Nevada State Development Corporation
Chairman of the Board (2008-Present)

Experience:

Senior Managing Director
ValbridgePropertyAdvisors|Lubawy & Associates (2013 to Present)

Principal
Lubawy & Associates (1994-2013)

Independent Fee Appraiser and Real Estate Consultant
Timothy R. Morse and Associates (1992 – 1994)

Staff Appraiser/Assistant Vice President
First Interstate Bank (1988 - 1992)

Independent Fee Appraiser and Real Estate Consultant
The Clark Companies (1987 - 1988)

APPRAISER CERTIFICATE

STATE OF NEVADA DEPARTMENT OF BUSINESS AND INDUSTRY

NOT TRANSFERABLE

REAL ESTATE DIVISION

NOT TRANSFERABLE

This is to Certify That : MATTHEW J LUBAWY

Certificate Number: A.0000044-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: March 7, 2017

Expire Date: April 30, 2019

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 Statutes, has caused this Certificate to be issued with its Seal printed thereon. This certificate must be conspicuously displayed in place of business.

FOR: VALBRIDGE PROPERTY ADVISORS
3034 S DURANGO DR #100
LAS VEGAS, NV 89117

REAL ESTATE DIVISION

SHARATH CHANDRA
Administrator



MATTHEW LUBAWY, MAI DEPOSITIONS/TRIAL TESTIMONY

DEPOSITIONS

NEVADA STATE DISTRICT COURT

- **Branch Banking and Trust Company, et al., vs. Joe D. Thomas, et al.,** (Case #A-12-670622-B)
Date: August 9, 2013
Attorneys: Gabriel Blumberg, Gordon Silver- Attorneys for Defendant; Allison Noto, Sylvester & Polednak, Attorneys for Plaintiff
Our File No: 13-0108-000
- **Richard & Bie-Shia K. Chu, et al. vs. Alan Schachtman, et al.,** (Case #A572474)
Date: November 19, 2014
Attorneys: Scott Coston, Burdman & Coston - Attorneys for Plaintiff; Jeff Garofalo, Lee, Hernandez, Landrum & Garofalo, Attorneys for Defendant
Our File No: 14-0195-001
- **SFR Investment Pool 1, LLC. vs. Nationstar Mortgage, LLC., Sandra Salas, Does 1 through X and ROE Corporations I through X** (Case #A-13-684596-C)
Date: July 1, 2015
Attorneys: Karen L. Hanks, Howard Kim & Associates - Attorneys for Plaintiff; Melanie D. Morgan, Akerman, LLP - Attorneys for Defendant
Our File No: 15-1013
- **Ignacio Gutierrez vs. SFR Investments Pool 1, LLC; Nevada Association Services, Inc., Horizon Heights Homeowners Association; KB Home Mortgage Company, , DOE Individuals I through X, ROE Corporations and Organization I through X.**

SFR Investments Pool 1, LLC. vs. Ignacio Gutierrez; Nationstar Mortgage, LLC, Countrywide Home Loans, Inc., Does I-X; and Roes 1-10, inclusive (Case #A-13-684715-C)
Date: August 5, 2015
Attorneys: Karen L. Hanks, Howard Kim & Associates - Attorneys for Plaintiff; Akerman, LLP, Attorneys for Defendant
Our File No: 15-1021

**MATTHEW LUBAWY, MAI
DEPOSITIONS (continued)**

Hodgepodge, LLC. vs. Blood Family Trust U/A/D 10/25/90, by and through its Trustees, John R. Blood and Paula Blood, Does I-X; and ROE Entities I-X, inclusive (Case #A-15-719153-B)

Date: November 10, 2015

Attorneys: Erika Pike Turner with Garman, Turner, Gordon - Attorneys for Plaintiff;
Jeff Sylvester with Sylvester & Polednak, LTD, Attorneys for Defendant

Our File No: 15-0131-001 & 002

Federal Deposit Insurance Corporation as Receiver for Washington Mutual Bank. vs. Nevada Title Company (Case #2:14-cv-01567-GMN-GWF)

Date: December 21, 2015

Attorneys: Emilia P.E. Morris, Mortgage Recovery Law Group LLP. - Attorneys for Plaintiff;

Scott Burris with Wilson Elser Moskowitz Edelman & Dicker, LLP, Attorneys for Defendant

Our File No: 15-1070

Carrington Mortgage Services, LLC vs Saticoy Bay LLC Series 6709 Brick House; Cactus Springs at Fairfax Village Homeowners Association; Hampton & Hampton Collections, LLC (Case #2:15-cv-01852 APG-PAL)

Date: June 3, 2016

Attorneys: Maximiliano D. Couvillier, III, Black & Lobello - Attorneys for Plaintiff;

Robert S. Larsen and David T. Gluth, Gordon & Rees LLP - Attorneys for Defendant

Our File No: 16-0057

U.S. DISTRICT COURT

- **George F. Tibsherany, Inc. vs. The Midby Companies, LLC** (Case #CV-S-05-0613-LDG-GWF)

Date: December 11, 2006

Attorneys: Nicholas M. Wieczorek (Morris, Polich, and Purdy, LLPO),
William L. Coulthard (Harrison, Kemp & Jones), John Wendland (Weil & Drage, APC), Scott R. Cook (Gordon & Rees), Aviva Gordon (Ellis & Gordon)

Judge: Lloyd D. George

Our File No: 06-301

FEDERAL BANKRUPTCY COURT

- **Whitton Corporation** (Case #BK-S-10-32680-BAM)
Date: April 13, 2011
Attorneys: Rodney M. Jean and Mohamed A. Iqbal, Jr., (Lionel Sawyer Collins)
- **Marion Manor, LLC** (Case No. BK-S-11-28020-BAM)
Date: February 24, 2012
Attorneys: Chris Kaup and Lars Evensen with Holland & Hart; David J. Winterton & Associates, Ltd.
- **Desert Inn Management Company, LTD.** (Case No. BK-S-12-16719-LBR)
Date: January 29, 2013
Attorneys: Eric T. Gjerdingen, Gordon Silver & Jeffrey Willis, Snell & Wilmer

TRIAL TESTIMONY

NEVADA STATE DISTRICT COURT

- **Bank of Nevada vs. Monterey Industrial, LLC; and Maria Guadalupe De Tostado,** (Case #A-10-623435-C)
Date: March 15, 2011
Attorney: Michael D. Mazur, ESQ
Judge: Jessie Walsh
- **Alliance Homes LLC (Bank of NV) vs. N. Las Vegas II, LLC; Frank T. Ferraro, Jr.; Christopher Paskvan; Tom Fehrman,** (Case #A-10-610698-C)
Date: April 15, 2011
Attorneys: H. Stanley Johnson, CJD Law Group LLC; James B. Ball, Poli and Ball, PLC
Judge: Nancy L. Allf
- **Bank of Nevada vs. Pebble Pines, LLC and Quiet Moon, LLC,** (Case #A-11-637410-C)
Date: June 3, 2011
Attorney: Stephanie Hardie Allen - Kaempfer Crowell Penshaw Gronauer & Fiorentino
Judge: Jerry A. Wiese
Our File No: 10-468

- **NV Energy v. Copperfield Investment & Development Co.**
(Case # A-09-604760-C) testified on behalf of Plaintiff
Date: October 27, 2011
Attorneys: Plaintiff attorney: Kirby Gruchow (Leach, Johnson, Song & Gruchow)
Defendant attorney: John M. Netzorg
Judge: Susan Johnson
- **Bank of Nevada v. Classic Productions, LLC**
(Case # A-10-626894-C) testified on behalf of Plaintiff
Date: August 27, 2012
Attorneys: Plaintiff attorney: Michael D. Mazur
Defendant attorney: Lucas M. Gjovig
Judge: Jerry A. Wiese

- **Taylor Emanuel v. Richard Jones, et al.**
 (Case # A-10-611339-B) testified on behalf Defendant/Counter Claimant –
 Bank of Las Vegas
 Date: August 28, 2012
 Attorneys: Defendant/Counter Claimant attorney: Nicole Lovelock
 (Holland & Hart, LLP)
 Plaintiff attorney: David J. Winterton
 Judge: Elizabeth Gonzalez

- **November 2005 Land Investors, LLC, et al. vs. Nevada Power Co.**
 (Case # A-10-611150-C – testified on behalf of Defendant – Nevada Power Company
 Date: June 28 & July 1, 2013
 Attorneys: Defendant: William E. Peterson & Janine C. Prupas, Snell & Wilmer (Snell &
 Wilmer, LLP)
 Plaintiff attorney: J. Randall Jones & Eric M. Pepperman (Kemp, Jones & Coulthard,
 LLP) & Mark E. Ferrario (Greenberg Traurig)
 Judge: Gloria Sturman

- **Branch Banking and Trust Company, et al., vs. Joe D. Thomas, et al.,** (Case #A-12-
 670622-B)
 Date: September 9, 2013
 Attorneys: Gabriel Blumberg, Gordon Silver– Attorneys for Defendant; Allison Noto,
 Sylvester & Polednak, Attorneys for Plaintiff
 Our File No: 13-0108-000
 Judge: Elizabeth Gonzalez

- **Branch Banking and Trust Company, et al., vs. Joe D. Thomas, et al.,** (Case #A-12-
 670622-B)
 Date: September 9, 2013
 Attorneys: Gabriel Blumberg, Gordon Silver– Attorneys for Defendant; Allison Noto,
 Sylvester & Polednak, Attorneys for Plaintiff
 Our File No: 13-0108-000
 Judge: Elizabeth Gonzalez

- **Nevada State Bank vs. David Fandel,** (Case #A-14-697643-B)
 Date: August 24, 2015
 Attorneys: Erika Pike Turner, Garman Turner Gordon, LLP– Attorney for Plaintiff, John
 Gutke, Attorney for Defendants;
 Our File No: 134-0254-000 and 13-0255-000
 Judge: Mark Denton

- **2010-1 CRE Venture LLC vs. OHDB, LLC., Lawrence Doyle, Joseph Lamarca, Stan Wasserkrug, John Hessling, Keith Lyon and Bonnie Chu** (Case #A-13-680017-B)
Date: November 30, 2015
Attorneys: Alina Shell, McLetchie Shell, LLC– Attorney for Defendant, Leslie S. Godfrey, Greenberg Traurig, LLP, Attorney for Plaintiff;
Our File No: 15-0004-001
Judge: Susan W. Scann

U.S. DISTRICT COURT

- **FDIC as receiver for Community Bank of Nevada vs. Glen Smith & Glen Development Company LLC** (Case #A575592)
Date: January 10, 2011
Attorneys: Spencer H. Gunnerson, Kemp, Jones & Coulthard; Aaron Shipley, McDonald Carano Wilson
Judge: Elizabeth Gonzales
Our File No: 09-251

FEDERAL BANKRUPTCY COURT

- **Francis K. Poirier vs. Sean R. Harron and Elise M. Harron** (Bankruptcy Case #09-22463-mkn)
Date: November 9, 2010
Attorneys: Michael Stein and Erica J. Stutman of Snell & Wilmer
Chief Judge: Mike K. Nakagawa
Our File No: 1007-001C (Residential)
- **Francis K. Poirier vs. Sean R. Harron and Elise M. Harron** (Bankruptcy Case #09-22463-mkn)
Date: January 13, 2011
Attorneys: Michael Stein and Erica J. Stutman of Snell & Wilmer
Chief Judge: Mike K. Nakagawa
Our File No: 1007-001C (Residential)
- **Whitton Corporation** (Case #BK-S-10-32680-BAM)
Date: June 3, 2011
Attorneys: Rodney M. Jean and Mohamed A. Iqbal, Jr., (Lionel Sawyer Collins); David Snyder and Brett Axelrod (Fox Rothschild)
Judge: Bruce A. Markell

- **Marion Manor, LLC** (Bankruptcy Case No. BK-S-11-28020-BAM)
Date: February 28-29, 2011 and March 9, 2011
Attorneys: Tenille Pereira, (David J. Winterton & Associates, Ltd.) Debtor's
Attorneys; Lars K. Evensen, (Holland & Hart, LLP) Creditor's Attorney
Judge: Bruce A. Markell
Our File No: 11-272



3034 S. Durango Drive
Suite 100
Las Vegas, NV 89117
702-242-9369 phone
702-242-6391 fax
valbridge.com

Fee Schedule

Expert Witness Testimony	\$400/hr.
Deposition and Court Testimony	\$400/hr.
Supplemental Work, Research, Trial Preparation	\$400/hr.

Three-hour minimum for deposition and testimony.

If deposition or Court Testimony is cancelled within 24 hours of scheduled appearance, client will be billed for 50% of the three-hour minimum, in addition to any preparation time.

Exhibit B

B1 (Official Form 1)(12/11)

United States Bankruptcy Court District of Nevada				Voluntary Petition	
Name of Debtor (if individual, enter Last, First, Middle): River Glider Trust			Name of Joint Debtor (Spouse) (Last, First, Middle):		
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):			All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):		
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all) 45-5572604			Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all)		
Street Address of Debtor (No. and Street, City, and State): C/O Resources Group LLC 900 Las Vegas Blvd S. #810 Las Vegas, NV			Street Address of Joint Debtor (No. and Street, City, and State):		
ZIP Code 89107			ZIP Code		
County of Residence or of the Principal Place of Business: Clark			County of Residence or of the Principal Place of Business:		
Mailing Address of Debtor (if different from street address):			Mailing Address of Joint Debtor (if different from street address):		
ZIP Code			ZIP Code		
Location of Principal Assets of Business Debtor (if different from street address above):					
Type of Debtor (Form of Organization) (Check one box) <input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i> <input checked="" type="checkbox"/> Corporation (includes LLC and LLP) <input type="checkbox"/> Partnership <input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)		Nature of Business (Check one box) <input type="checkbox"/> Health Care Business <input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101 (51B) <input type="checkbox"/> Railroad <input type="checkbox"/> Stockbroker <input type="checkbox"/> Commodity Broker <input type="checkbox"/> Clearing Bank <input checked="" type="checkbox"/> Other		Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box) <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 9 <input checked="" type="checkbox"/> Chapter 11 <input type="checkbox"/> Chapter 12 <input type="checkbox"/> Chapter 13 <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding <input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding	
Chapter 15 Debtors Country of debtor's center of main interests: Each country in which a foreign proceeding by, regarding, or against debtor is pending:		Tax-Exempt Entity (Check box, if applicable) <input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).		Nature of Debts (Check one box) <input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose." <input checked="" type="checkbox"/> Debts are primarily business debts.	
Filing Fee (Check one box) <input checked="" type="checkbox"/> Full Filing Fee attached <input type="checkbox"/> Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A. <input type="checkbox"/> Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.			Chapter 11 Debtors Check one box: <input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). <input type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D). Check if: <input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,343,300 (amount subject to adjustment on 4/01/13 and every three years thereafter). Check all applicable boxes: <input type="checkbox"/> A plan is being filed with this petition. <input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).		
Statistical/Administrative Information <input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors. <input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.				THIS SPACE IS FOR COURT USE ONLY	
Estimated Number of Creditors <input checked="" type="checkbox"/> 1-49 <input type="checkbox"/> 50-99 <input type="checkbox"/> 100-199 <input type="checkbox"/> 200-999 <input type="checkbox"/> 1,000-5,000 <input type="checkbox"/> 5,001-10,000 <input type="checkbox"/> 10,001-25,000 <input type="checkbox"/> 25,001-50,000 <input type="checkbox"/> 50,001-100,000 <input type="checkbox"/> OVER 100,000					
Estimated Assets <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion					
Estimated Liabilities <input type="checkbox"/> \$0 to \$50,000 <input type="checkbox"/> \$50,001 to \$100,000 <input type="checkbox"/> \$100,001 to \$500,000 <input type="checkbox"/> \$500,001 to \$1 million <input checked="" type="checkbox"/> \$1,000,001 to \$10 million <input type="checkbox"/> \$10,000,001 to \$50 million <input type="checkbox"/> \$50,000,001 to \$100 million <input type="checkbox"/> \$100,000,001 to \$500 million <input type="checkbox"/> \$500,000,001 to \$1 billion <input type="checkbox"/> More than \$1 billion					

B1 (Official Form 1)(12/11)

Page 2

Voluntary Petition <i>(This page must be completed and filed in every case)</i>		Name of Debtor(s): River Glider Trust	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet)			
Location Where Filed: - None -	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet)			
Name of Debtor: See Attachment	Case Number:	Date Filed:	
District:	Relationship:	Judge:	
Exhibit A (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.) <input type="checkbox"/> Exhibit A is attached and made a part of this petition.	Exhibit B (To be completed if debtor is an individual whose debts are primarily consumer debts.) I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by 11 U.S.C. §342(b). X _____ Signature of Attorney for Debtor(s) (Date)		
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety? <input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition. <input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.) <input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition. If this is a joint petition: <input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District. <input checked="" type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District. <input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.) <div style="margin-left: 40px;"> _____ (Name of landlord that obtained judgment) </div> <div style="margin-left: 40px;"> _____ (Address of landlord) </div>			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and <input type="checkbox"/> Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition. <input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).			

B1 (Official Form 1)(12/11)

Page 3

Voluntary Petition <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): River Glider Trust
Signatures	
<p style="text-align: center;">Signature(s) of Debtor(s) (Individual/Joint)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct. [If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7. [If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. §342(b).</p> <p>I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X _____ Signature of Debtor</p> <p>X _____ Signature of Joint Debtor</p> <p>_____ Telephone Number (If not represented by attorney)</p> <p>_____ Date</p>	<p style="text-align: center;">Signature of a Foreign Representative</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.</p> <p>(Check only one box.)</p> <p><input type="checkbox"/> I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. §1515 are attached.</p> <p><input type="checkbox"/> Pursuant to 11 U.S.C. §1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.</p> <p>X _____ Signature of Foreign Representative</p> <p>_____ Printed Name of Foreign Representative</p> <p>_____ Date</p>
<p style="text-align: center;">Signature of Attorney*</p> <p>X <u>/s/ Ryan Alexander</u> Signature of Attorney for Debtor(s)</p> <p>Ryan Alexander 10845 Printed Name of Attorney for Debtor(s)</p> <p>The Firm, PC Firm Name</p> <p>200 E Charleston Blvd Las Vegas, NV 89104</p> <p>_____ Address</p> <p style="text-align: right;">Email: ryan@thefirm-lv.com</p> <p>(702) 222-3476 Fax: (702) 252-3476 Telephone Number</p> <p>July 3, 2012 Date</p> <p><small>*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.</small></p>	<p style="text-align: center;">Signature of Non-Attorney Bankruptcy Petition Preparer</p> <p>I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.</p> <p>_____ Printed Name and title, if any, of Bankruptcy Petition Preparer</p> <p>_____ Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)</p> <p>_____ Address</p> <p>X _____ Date</p> <p>Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.</p> <p>Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:</p> <p>If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.</p> <p><i>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. §110; 18 U.S.C. §156.</i></p>
<p style="text-align: center;">Signature of Debtor (Corporation/Partnership)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.</p> <p>The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.</p> <p>X <u>/s/ Eddie Haddad</u> Signature of Authorized Individual</p> <p>Eddie Haddad Printed Name of Authorized Individual</p> <p>Registered Agent Title of Authorized Individual</p> <p>July 3, 2012 Date</p>	

In re River Glider Trust, Case No. _____
Debtor

FORM 1. VOLUNTARY PETITION
Pending Bankruptcy Cases Filed Attachment

<u>Name of Debtor / District</u>	<u>Case No. / Relationship</u>	<u>Date Filed / Judge</u>
4208 Rollingstone Dr Trust District of Nevada	12-12363 Affiliate	03/01/12 Bruce T. Beesley
Bourne Valley Court Trust District of Nevada	12-16387 Affiliate	05/31/12 Beesely
Cape Jasmine Court Trust District of Nevada	12-17498 Affiliate	06/26/12 Bruce T. Beesely
Villa Vecchio Court Trust District of Nevada	12-15254 Affiliate	05/02/12 Beesely

B4 (Official Form 4) (12/07)

United States Bankruptcy Court
District of Nevada

In re **River Glider Trust**

Debtor(s)

Case No.

Chapter

11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

(1) <i>Name of creditor and complete mailing address including zip code</i>	(2) <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	(3) <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	(4) <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	(5) <i>Amount of claim [if secured, also state value of security]</i>
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	HOA Riverwalk HOA for 6513 Duck Hill Springs		Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	HOA Lien Lamplight Gardens HOA for 10428 Amber Night St		Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Elkhorn HOA for 7304 Roamer Place		Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Absolute Collection Services PO Box 12117 Las Vegas, NV 89112	Mountain Gate HOA for 5982 Spinnaker Point Ave		Unknown
Accredited Home Lenders 15030 Avenue of Science #100 San Diego, CA 92128	Accredited Home Lenders 15030 Avenue of Science #100 San Diego, CA 92128	7304 Roamer Place Las Vegas NV 89131		230,000.00 (60,000.00 secured)
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Sahara Sunrise HOA for 2670 Early Vista		Unknown
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Madison Colony HOA for 10225 Headrick Dr		Unknown
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	Ryal Highlands HOA for 10993 Ladyburn		Unknown
Allied Trustee Services 701 North Green Valley Pkwy #200 Henderson, NV 89014	Allied Trustee Services 701 North Green Valley Pkwy #200 Henderson, NV 89014	Lamplight Gardens HOA for 10428 Amber Night		Unknown
Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	Elkhorn HOA for 7919 Horn Tail Ct		Unknown
Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	Elkhorn HOA for 7304 Roamer Place		Unknown

B4 (Official Form 4) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor(s) _____

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

(1) <i>Name of creditor and complete mailing address including zip code</i>	(2) <i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted</i>	(3) <i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	(4) <i>Indicate if claim is contingent, unliquidated, disputed, or subject to setoff</i>	(5) <i>Amount of claim [if secured, also state value of security]</i>
Argent Mortgage Company PO Box 5047 Rolling Meadows, IL 60008	Argent Mortgage Company PO Box 5047 Rolling Meadows, IL 60008	6119 Cozy Creek St. North Las Vegas NV 89031		224,000.00 (60,000.00 secured)
CMG Mortgage 3160 Crow Canyon Rd #240 San Ramon, CA 94583	CMG Mortgage 3160 Crow Canyon Rd #240 San Ramon, CA 94583	2670 Early Vista St Las Vegas NV 89142		208,000.00 (65,000.00 secured)
Evofi One 2460 Paseo Verde Parkway 125 Henderson, NV 89074	Evofi One 2460 Paseo Verde Parkway 125 Henderson, NV 89074	5982 Spinnaker Point Ave Las Vegas NV 89110		176,739.00 (80,000.00 secured)
Home Loan Center 18191 Von Karmen Ave #300 Irvine, CA 92612	Home Loan Center 18191 Von Karmen Ave #300 Irvine, CA 92612	336 River Glider Ave North Las Vegas NV 89084		149,700.00 (58,000.00 secured)
Metlife Home Loans 1555 W Walnut Hill Lane #200 Irving, TX 75038	Metlife Home Loans 1555 W Walnut Hill Lane #200 Irving, TX 75038	10225 Headrick Dr Las Vegas NV 89166		216,689.00 (80,000.00 secured)
Mortgage Loan Specialists 4695 MacArthur Court 11th Floor Newport Beach, CA 92660	Mortgage Loan Specialists 4695 MacArthur Court 11th Floor Newport Beach, CA 92660	7919 Horn Tail Court Las Vegas NV 89131		219,200.00 (90,000.00 secured)
Universal American Mortgage Company 1725 W. Green Tree Dr #104 Tempe, AZ 85284	Universal American Mortgage Company 1725 W. Green Tree Dr #104 Tempe, AZ 85284	10428 Amber Night St Las Vegas NV 89183		217,636.00 (73,000.00 secured)
US trust Mortgage Service Co 280 E Palmetto Park Rd Boca Raton, FL 33432	US trust Mortgage Service Co 280 E Palmetto Park Rd Boca Raton, FL 33432	8112 Lake Hills Las Vegas NV 89103		631,000.00 (235,000.00 secured)
Wells Fargo Bank 12550 SE 93rd Ave #400 Clackamas, OR 97015	Wells Fargo Bank 12550 SE 93rd Ave #400 Clackamas, OR 97015	6513 Duck Hill Springs Drive Las Vegas NV 89122		88,271.00 (64,000.00 secured)

B4 (Official Form 4) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor(s)

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(Continuation Sheet)

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, the Registered Agent of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date **July 3, 2012**

Signature **/s/ Eddie Haddad**

Eddie Haddad

Registered Agent

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

B6 Summary (Official Form 6 - Summary) (12/07)

United States Bankruptcy Court
District of Nevada

In re **River Glider Trust**

Debtor

Case No. _____

Chapter **11**

SUMMARY OF SCHEDULES

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors must also complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

NAME OF SCHEDULE	ATTACHED (YES/NO)	NO. OF SHEETS	ASSETS	LIABILITIES	OTHER
A - Real Property	Yes	1	1,015,000.00		
B - Personal Property	Yes	3	0.00		
C - Property Claimed as Exempt	No	0			
D - Creditors Holding Secured Claims	Yes	3		2,361,235.00	
E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E)	Yes	1		0.00	
F - Creditors Holding Unsecured Nonpriority Claims	Yes	5		0.00	
G - Executory Contracts and Unexpired Leases	Yes	1			
H - Codebtors	Yes	1			
I - Current Income of Individual Debtor(s)	No	0			N/A
J - Current Expenditures of Individual Debtor(s)	No	0			N/A
Total Number of Sheets of ALL Schedules		15			
Total Assets			1,015,000.00		
Total Liabilities				2,361,235.00	

Form 6 - Statistical Summary (12/07)

**United States Bankruptcy Court
District of Nevada**

In re **River Glider Trust**,
Debtor

Case No. _____

Chapter **11**

STATISTICAL SUMMARY OF CERTAIN LIABILITIES AND RELATED DATA (28 U.S.C. § 159)

If you are an individual debtor whose debts are primarily consumer debts, as defined in § 101(8) of the Bankruptcy Code (11 U.S.C. § 101(8)), filing a case under chapter 7, 11 or 13, you must report all information requested below.

☐ Check this box if you are an individual debtor whose debts are NOT primarily consumer debts. You are not required to report any information here.

This information is for statistical purposes only under 28 U.S.C. § 159.

Summarize the following types of liabilities, as reported in the Schedules, and total them.

Type of Liability	Amount
Domestic Support Obligations (from Schedule E)	
Taxes and Certain Other Debts Owed to Governmental Units (from Schedule E)	
Claims for Death or Personal Injury While Debtor Was Intoxicated (from Schedule E) (whether disputed or undisputed)	
Student Loan Obligations (from Schedule F)	
Domestic Support, Separation Agreement, and Divorce Decree Obligations Not Reported on Schedule E	
Obligations to Pension or Profit-Sharing, and Other Similar Obligations (from Schedule F)	
TOTAL	

State the following:

Average Income (from Schedule I, Line 16)	
Average Expenses (from Schedule J, Line 18)	
Current Monthly Income (from Form 22A Line 12; OR, Form 22B Line 11; OR, Form 22C Line 20)	

State the following:

1. Total from Schedule D, "UNSECURED PORTION, IF ANY" column		
2. Total from Schedule E, "AMOUNT ENTITLED TO PRIORITY" column		
3. Total from Schedule E, "AMOUNT NOT ENTITLED TO PRIORITY, IF ANY" column		
4. Total from Schedule F		
5. Total of non-priority unsecured debt (sum of 1, 3, and 4)		

B6A (Official Form 6A) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE A - REAL PROPERTY

Except as directed below, list all real property in which the debtor has any legal, equitable, or future interest, including all property owned as a cotenant, community property, or in which the debtor has a life estate. Include any property in which the debtor holds rights and powers exercisable for the debtor's own benefit. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor holds no interest in real property, write "None" under "Description and Location of Property."

Do not include interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If an entity claims to have a lien or hold a secured interest in any property, state the amount of the secured claim. See Schedule D. If no entity claims to hold a secured interest in the property, write "None" in the column labeled "Amount of Secured Claim." If the debtor is an individual or if a joint petition is filed, state the amount of any exemption claimed in the property only in Schedule C - Property Claimed as Exempt.

Description and Location of Property	Nature of Debtor's Interest in Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption	Amount of Secured Claim
6513 Duck Hill Springs Drive Las Vegas NV 89122		-	64,000.00	88,271.00
10428 Amber Night St Las Vegas NV 89183		-	73,000.00	217,636.00
6119 Cozy Creek St. North Las Vegas NV 89031		-	60,000.00	224,000.00
2670 Early Vista St Las Vegas NV 89142		-	65,000.00	208,000.00
10225 Headrick Dr Las Vegas NV 89166		-	80,000.00	216,689.00
7919 Horn Tail Court Las Vegas NV 89131		-	90,000.00	219,200.00
8112 Lake Hills Las Vegas NV 89103		-	235,000.00	631,000.00
336 River Glider Ave North Las Vegas NV 89084		-	58,000.00	149,700.00
7304 Roamer Place Las Vegas NV 89131		-	60,000.00	230,000.00
5982 Spinnaker Point Ave Las Vegas NV 89110		-	80,000.00	176,739.00
10993 Ladyburn Court Las Vegas NV 89141		-	150,000.00	Unknown

Sub-Total > **1,015,000.00** (Total of this page)

Total > **1,015,000.00**

(Report also on Summary of Schedules)

0 continuation sheets attached to the Schedule of Real Property

B6B (Official Form 6B) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY

Except as directed below, list all personal property of the debtor of whatever kind. If the debtor has no property in one or more of the categories, place an "x" in the appropriate position in the column labeled "None." If additional space is needed in any category, attach a separate sheet properly identified with the case name, case number, and the number of the category. If the debtor is married, state whether husband, wife, both, or the marital community own the property by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the debtor is an individual or a joint petition is filed, state the amount of any exemptions claimed only in Schedule C - Property Claimed as Exempt.

Do not list interests in executory contracts and unexpired leases on this schedule. List them in Schedule G - Executory Contracts and Unexpired Leases.

If the property is being held for the debtor by someone else, state that person's name and address under "Description and Location of Property."

If the property is being held for a minor child, simply state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
1. Cash on hand	X			
2. Checking, savings or other financial accounts, certificates of deposit, or shares in banks, savings and loan, thrift, building and loan, and homestead associations, or credit unions, brokerage houses, or cooperatives.		Wells Fargo #4482	-	0.00
3. Security deposits with public utilities, telephone companies, landlords, and others.	X			
4. Household goods and furnishings, including audio, video, and computer equipment.	X			
5. Books, pictures and other art objects, antiques, stamp, coin, record, tape, compact disc, and other collections or collectibles.	X			
6. Wearing apparel.	X			
7. Furs and jewelry.	X			
8. Firearms and sports, photographic, and other hobby equipment.	X			
9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each.	X			
10. Annuities. Itemize and name each issuer.	X			

Sub-Total > **0.00**
(Total of this page)

2 continuation sheets attached to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).)	X			
12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars.	X			
13. Stock and interests in incorporated and unincorporated businesses. Itemize.	X			
14. Interests in partnerships or joint ventures. Itemize.	X			
15. Government and corporate bonds and other negotiable and nonnegotiable instruments.	X			
16. Accounts receivable.	X			
17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars.	X			
18. Other liquidated debts owed to debtor including tax refunds. Give particulars.	X			
19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property.	X			
20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust.	X			
21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each.	X			

Sub-Total > **0.00**
(Total of this page)

Sheet 1 of 2 continuation sheets attached
to the Schedule of Personal Property

B6B (Official Form 6B) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE B - PERSONAL PROPERTY
(Continuation Sheet)

Type of Property	N O N E	Description and Location of Property	Husband, Wife, Joint, or Community	Current Value of Debtor's Interest in Property, without Deducting any Secured Claim or Exemption
22. Patents, copyrights, and other intellectual property. Give particulars.	X			
23. Licenses, franchises, and other general intangibles. Give particulars.	X			
24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes.	X			
25. Automobiles, trucks, trailers, and other vehicles and accessories.	X			
26. Boats, motors, and accessories.	X			
27. Aircraft and accessories.	X			
28. Office equipment, furnishings, and supplies.	X			
29. Machinery, fixtures, equipment, and supplies used in business.	X			
30. Inventory.	X			
31. Animals.	X			
32. Crops - growing or harvested. Give particulars.	X			
33. Farming equipment and implements.	X			
34. Farm supplies, chemicals, and feed.	X			
35. Other personal property of any kind not already listed. Itemize.	X			

Sub-Total >	0.00
(Total of this page)	
Total >	0.00

Sheet 2 of 2 continuation sheets attached
to the Schedule of Personal Property

(Report also on Summary of Schedules)

B6D (Official Form 6D) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number of all entities holding claims secured by property of the debtor as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. List creditors holding all types of secured interests such as judgment liens, garnishments, statutory liens, mortgages, deeds of trust, and other security interests.

List creditors in alphabetical order to the extent practicable. If a minor child is a creditor, the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). If all secured creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor", include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H", "W", "J", or "C" in the column labeled "Husband, Wife, Joint, or Community".

If the claim is contingent, place an "X" in the column labeled "Contingent". If the claim is unliquidated, place an "X" in the column labeled "Unliquidated". If the claim is disputed, place an "X" in the column labeled "Disputed". (You may need to place an "X" in more than one of these three columns.)

Total the columns labeled "Amount of Claim Without Deducting Value of Collateral" and "Unsecured Portion, if Any" in the boxes labeled "Total(s)" on the last sheet of the completed schedule. Report the total from the column labeled "Amount of Claim" also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report the total from the column labeled "Unsecured Portion" on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R H W J C	Husband, Wife, Joint, or Community	D A T E C L A I M W A S I N C U R R E D, N A T U R E O F L I E N, A N D D E S C R I P T I O N A N D V A L U E O F P R O P E R T Y S U B J E C T T O L I E N	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No.			First Mortgage					
Accredited Home Lenders 15030 Avenue of Science #100 San Diego, CA 92128	-		7304 Roamer Place Las Vegas NV 89131					
			Value \$ 60,000.00				230,000.00	170,000.00
Account No.			First Mortgage					
Argent Mortgage Company PO Box 5047 Rolling Meadows, IL 60008	-		6119 Cozy Creek St. North Las Vegas NV 89031					
			Value \$ 60,000.00				224,000.00	164,000.00
Account No.			First Mortgage					
CMG Mortgage 3160 Crow Canyon Rd #240 San Ramon, CA 94583	-		2670 Early Vista St Las Vegas NV 89142					
			Value \$ 65,000.00				208,000.00	143,000.00
Account No.			First Mortgage					
Evofi One 2460 Paseo Verde Parkway 125 Henderson, NV 89074	-		5982 Spinnaker Point Ave Las Vegas NV 89110					
			Value \$ 80,000.00				176,739.00	96,739.00
Subtotal (Total of this page)							838,739.00	573,739.00

2 continuation sheets attached

B6D (Official Form 6D) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No.			First Mortgage					
Home Loan Center 18191 Von Karmen Ave #300 Irvine, CA 92612	-		336 River Glider Ave North Las Vegas NV 89084					
			Value \$ 58,000.00				149,700.00	91,700.00
Account No.			First Mortgage					
Meridas Capital 990 W Atherton Dr Salt Lake City, UT 84123	-		10993 Ladyburn Court Las Vegas NV 89141					
			Value \$ 150,000.00				Unknown	Unknown
Account No.			First Mortgage					
Metlife Home Loans 1555 W Walnut Hill Lane #200 Irving, TX 75038	-		10225 Headrick Dr Las Vegas NV 89166					
			Value \$ 80,000.00				216,689.00	136,689.00
Account No.			First Mortgage					
Mortgage Loan Specialists 4695 MacArthur Court 11th Floor Newport Beach, CA 92660	-		7919 Horn Tail Court Las Vegas NV 89131					
			Value \$ 90,000.00				219,200.00	129,200.00
Account No.			First Mortgage					
Universal American Mortgage Company 1725 W. Green Tree Dr #104 Tempe, AZ 85284	-		10428 Amber Night St Las Vegas NV 89183					
			Value \$ 73,000.00				217,636.00	144,636.00
Subtotal							803,225.00	502,225.00
(Total of this page)								

Sheet 1 of 2 continuation sheets attached to
Schedule of Creditors Holding Secured Claims

B6D (Official Form 6D) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS
(Continuation Sheet)

CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions.)	C O D E B O R R	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL	UNSECURED PORTION, IF ANY
Account No.			First Mortgage					
US trust Mortgage Service Co 280 E Palmetto Park Rd Boca Raton, FL 33432		-	8112 Lake Hills Las Vegas NV 89103					
			Value \$ 235,000.00				631,000.00	396,000.00
Account No.			First Mortgage					
Wells Fargo Bank 12550 SE 93rd Ave #400 Clackamas, OR 97015		-	6513 Duck Hill Springs Drive Las Vegas NV 89122					
			Value \$ 64,000.00				88,271.00	24,271.00
Account No.								
			Value \$					
Account No.								
			Value \$					
Account No.								
			Value \$					
Subtotal (Total of this page)							719,271.00	420,271.00
Total (Report on Summary of Schedules)							2,361,235.00	1,496,235.00

Sheet **2** of **2** continuation sheets attached to
Schedule of Creditors Holding Secured Claims

B6E (Official Form 6E) (4/10)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

A complete list of claims entitled to priority, listed separately by type of priority, is to be set forth on the sheets provided. Only holders of unsecured claims entitled to priority should be listed in this schedule. In the boxes provided on the attached sheets, state the name, mailing address, including zip code, and last four digits of the account number, if any, of all entities holding priority claims against the debtor or the property of the debtor, as of the date of the filing of the petition. Use a separate continuation sheet for each type of priority and label each with the type of priority.

The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H-Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community." If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of claims listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all claims listed on this Schedule E in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules.

Report the total of amounts entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

Report the total of amounts not entitled to priority listed on each sheet in the box labeled "Subtotals" on each sheet. Report the total of all amounts not entitled to priority listed on this Schedule E in the box labeled "Totals" on the last sheet of the completed schedule. Individual debtors with primarily consumer debts report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☒ Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets)

☐ **Domestic support obligations**

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

☐ **Extensions of credit in an involuntary case**

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

☐ **Wages, salaries, and commissions**

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

☐ **Contributions to employee benefit plans**

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

☐ **Certain farmers and fishermen**

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

☐ **Deposits by individuals**

Claims of individuals up to \$2,600* for deposits for the purchase, lease, or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

☐ **Taxes and certain other debts owed to governmental units**

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

☐ **Commitments to maintain the capital of an insured depository institution**

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

☐ **Claims for death or personal injury while debtor was intoxicated**

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

B6F (Official Form 6F) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

State the name, mailing address, including zip code, and last four digits of any account number, of all entities holding unsecured claims without priority against the debtor or the property of the debtor, as of the date of filing of the petition. The complete account number of any account the debtor has with the creditor is useful to the trustee and the creditor and may be provided if the debtor chooses to do so. If a minor child is a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m). Do not include claims listed in Schedules D and E. If all creditors will not fit on this page, use the continuation sheet provided.

If any entity other than a spouse in a joint case may be jointly liable on a claim, place an "X" in the column labeled "Codebtor," include the entity on the appropriate schedule of creditors, and complete Schedule H - Codebtors. If a joint petition is filed, state whether the husband, wife, both of them, or the marital community may be liable on each claim by placing an "H," "W," "J," or "C" in the column labeled "Husband, Wife, Joint, or Community."

If the claim is contingent, place an "X" in the column labeled "Contingent." If the claim is unliquidated, place an "X" in the column labeled "Unliquidated." If the claim is disputed, place an "X" in the column labeled "Disputed." (You may need to place an "X" in more than one of these three columns.)

Report the total of all claims listed on this schedule in the box labeled "Total" on the last sheet of the completed schedule. Report this total also on the Summary of Schedules and, if the debtor is an individual with primarily consumer debts, report this total also on the Statistical Summary of Certain Liabilities and Related Data.

☐ Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E B T O R	H U S B A N D , W I F E , J O I N T , O R C O M M U N I T Y	D A T E C L A I M W A S I N C U R R E D A N D C O N S I D E R A T I O N F O R C L A I M I F C L A I M I S S U B J E C T T O S E T O F F S O S T A T E	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	A M O U N T O F C L A I M
Account No.			HOA Riverwalk HOA for 6513 Duck Hill Springs				Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112		-					
Account No.			HOA Lien Lamplight Gardens HOA for 10428 Amber Night St				Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112		-					
Account No.			Elkhorn HOA for 7304 Roamer Place				Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112		-					
Account No.			Mountain Gate HOA for 5982 Spinnaker Point Ave				Unknown
Absolute Collection Services PO Box 12117 Las Vegas, NV 89112		-					
Subtotal (Total of this page)							0.00

4 continuation sheets attached

B6F (Official Form 6F) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O N T I N G E N T	H U S B A N D, W I F E, J O I N T, O R C O M M U N I T Y	D A T E C L A I M W A S I N C U R R E D A N D C O N S I D E R A T I O N F O R C L A I M. I F C L A I M I S S U B J E C T T O S E T O F F, S O S T A T E.	U N L I Q U I D A T E D	D I S P U T E D	A M O U N T O F C L A I M
Account No.			Sahara Sunrise HOA for 2670 Early Vista			
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	-					Unknown
Account No.			Madison Colony HOA for 10225 Headrick Dr			
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	-					Unknown
Account No.			Ryal Highlands HOA for 10993 Ladyburn			
Alessi & Koenig LLC 9500 W Flamingo #205 Las Vegas, NV 89147	-					Unknown
Account No.			Lamplight Gardens HOA for 10428 Amber Night			
Allied Trustee Services 701 North Green Valley Pkwy #200 Henderson, NV 89014	-					Unknown
Account No.			Elkhorn HOA for 7919 Horn Tail Ct			
Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	-					Unknown
Subtotal (Total of this page)						0.00

Sheet no. 1 of 4 sheets attached to Schedule of
Creditors Holding Unsecured Nonpriority Claims

Subtotal
(Total of this page)

0.00

B6F (Official Form 6F) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O N T I N G E N T	H U S B A N D W I F E J O I N T O R	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	U N L I Q U I T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No.			Elkhorn HOA for 7304 Roamer Place			
Angius & Terry Collections 1120 N Town Center Dr #260 Las Vegas, NV 89144	-					Unknown
Account No.			Default Judgement on 10428 Amber Night St			
Callister & Reynolds 823 Las Vegas Blvd S. Las Vegas, NV 89101	-					Unknown
Account No.			Default Judgement for 2670 Early Vista			
Callister & Reynolds 823 Las Vegas Blvd S. #280 Las Vegas, NV 89101	-					Unknown
Account No.			Paloma HOA for 7919 Horn Tail Ct			
Homeowner Association Services 3513 E Russell Rd Las Vegas, NV 89120	-					Unknown
Account No.			Azure HOA for 6119 Cozy Creek			
Nevada Association Services TS #N67297 6224 W Desert Inn Rd #A Las Vegas, NV 89146	-					Unknown
<div style="display: flex; justify-content: space-between;"> Sheet no. <u>2</u> of <u>4</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims Subtotal (Total of this page) </div>						0.00

B6F (Official Form 6F) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E F O R	H W J C	Husband, Wife, Joint, or Community	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
			DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.				
Account No.			Harbor Cove HOA for 8112 Lake Hills				Unknown
Nevada Association Services TS #N67297 6224 W Desert Inn Rd #A Las Vegas, NV 89146		-					
Account No.			Trash Lien for 10225 Headdrick Dr				Unknown
Republic Services 7 E. Sahara Ave Las Vegas, NV 89104		-					
Account No.			Trash Lien for 7919 Horn Tail Ct				Unknown
Republic Services 7 E. Sahara Ave Las Vegas, NV 89104		-					
Account No.			Trash Lien for 8112 Lake Hills				Unknown
Republic Services 7 E. Sahara Ave Las Vegas, NV 89104		-					
Account No.			Default Judgement on 10428 Amber Night				Unknown
Shea & Carlyon 701 Bridger Ave #850 Las Vegas, NV 89101		-					
Sheet no. <u>3</u> of <u>4</u> sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims							Subtotal (Total of this page)
							0.00

B6F (Official Form 6F) (12/07) - Cont.

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS
(Continuation Sheet)

CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.)	C O D E D E D F O R	H W J C	DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE.	C O N T I N G E N T	U N L I Q U I D A T E D	D I S P U T E D	AMOUNT OF CLAIM
Account No.			Parks HOA for 336 River Glider				Unknown
The Parks HOA 2300 W Sahara Ave #1130 Box #33 Las Vegas, NV 89102		-					
Account No.							
Account No.							
Account No.							
Account No.							
Account No.							
Sheet no. 4 of 4 sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims							0.00
Subtotal (Total of this page)							0.00
Total (Report on Summary of Schedules)							0.00

B6G (Official Form 6G) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 6513 Duck Hill Springs
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 10428 Amber Night
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Maangement Agreement for 6119 Cozy Creek
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement 2670 Early Vista
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement 10225 Headdrick Dr
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 7919 Horn Tail Ct
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 8112 Lake Hills Dr
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 336 River Glider
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 7304 Roamer Place
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 5982 Spinnaker Point Ave
Great Bridge Properties 900 S Las Vegas Blvd #810 Las Vegas, NV 89101	Property Management Agreement for 10993 Ladyburn

0

continuation sheets attached to Schedule of Executory Contracts and Unexpired Leases

B6H (Official Form 6H) (12/07)

In re **River Glider Trust**

Case No. _____

Debtor

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
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0

_____ continuation sheets attached to Schedule of Codebtors

B6 Declaration (Official Form 6 - Declaration). (12/07)

**United States Bankruptcy Court
District of Nevada**

In re **River Glider Trust**

Debtor(s)

Case No.
Chapter

11

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Registered Agent of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 17 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date **July 3, 2012**

Signature /s/ Eddie Haddad
Eddie Haddad
Registered Agent

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C. §§ 152 and 3571.

B7 (Official Form 7) (04/10)

**United States Bankruptcy Court
District of Nevada**

In re **River Glider Trust**

Debtor(s)

Case No.

Chapter

11

STATEMENT OF FINANCIAL AFFAIRS

This statement is to be completed by every debtor. Spouses filing a joint petition may file a single statement on which the information for both spouses is combined. If the case is filed under chapter 12 or chapter 13, a married debtor must furnish information for both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed. An individual debtor engaged in business as a sole proprietor, partner, family farmer, or self-employed professional, should provide the information requested on this statement concerning all such activities as well as the individual's personal affairs. To indicate payments, transfers and the like to minor children, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. § 112; Fed. R. Bankr. P. 1007(m).

Questions 1 - 18 are to be completed by all debtors. Debtors that are or have been in business, as defined below, also must complete Questions 19 - 25. **If the answer to an applicable question is "None," mark the box labeled "None."** If additional space is needed for the answer to any question, use and attach a separate sheet properly identified with the case name, case number (if known), and the number of the question.

DEFINITIONS

"In business." A debtor is "in business" for the purpose of this form if the debtor is a corporation or partnership. An individual debtor is "in business" for the purpose of this form if the debtor is or has been, within six years immediately preceding the filing of this bankruptcy case, any of the following: an officer, director, managing executive, or owner of 5 percent or more of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership; a sole proprietor or self-employed full-time or part-time. An individual debtor also may be "in business" for the purpose of this form if the debtor engages in a trade, business, or other activity, other than as an employee, to supplement income from the debtor's primary employment.

"Insider." The term "insider" includes but is not limited to: relatives of the debtor; general partners of the debtor and their relatives; corporations of which the debtor is an officer, director, or person in control; officers, directors, and any owner of 5 percent or more of the voting or equity securities of a corporate debtor and their relatives; affiliates of the debtor and insiders of such affiliates; any managing agent of the debtor. 11 U.S.C. § 101.

1. Income from employment or operation of business

None



State the gross amount of income the debtor has received from employment, trade, or profession, or from operation of the debtor's business, including part-time activities either as an employee or in independent trade or business, from the beginning of this calendar year to the date this case was commenced. State also the gross amounts received during the **two years** immediately preceding this calendar year. (A debtor that maintains, or has maintained, financial records on the basis of a fiscal rather than a calendar year may report fiscal year income. Identify the beginning and ending dates of the debtor's fiscal year.) If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income of both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE

2. Income other than from employment or operation of business

None



State the amount of income received by the debtor other than from employment, trade, profession, or operation of the debtor's business during the **two years** immediately preceding the commencement of this case. Give particulars. If a joint petition is filed, state income for each spouse separately. (Married debtors filing under chapter 12 or chapter 13 must state income for each spouse whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

AMOUNT

SOURCE

3. Payments to creditors

None ☐ *Complete a. or b., as appropriate, and c.*

a. *Individual or joint debtor(s) with primarily consumer debts.* List all payments on loans, installment purchases of goods or services, and other debts to any creditor made within **90 days** immediately preceding the commencement of this case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$600. Indicate with an (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS	AMOUNT PAID	AMOUNT STILL OWING
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None ☐ b. *Debtor whose debts are not primarily consumer debts:* List each payment or other transfer to any creditor made within **90 days** immediately preceding the commencement of the case unless the aggregate value of all property that constitutes or is affected by such transfer is less than \$5,850*. If the debtor is an individual, indicate with an asterisk (*) any payments that were made to a creditor on account of a domestic support obligation or as part of an alternative repayment schedule under a plan by an approved nonprofit budgeting and credit counseling agency. (Married debtors filing under chapter 12 or chapter 13 must include payments and other transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATES OF PAYMENTS/ TRANSFERS	AMOUNT PAID OR VALUE OF TRANSFERS	AMOUNT STILL OWING
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None ☐ c. *All debtors:* List all payments made within **one year** immediately preceding the commencement of this case to or for the benefit of creditors who are or were insiders. (Married debtors filing under chapter 12 or chapter 13 must include payments by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR AND RELATIONSHIP TO DEBTOR	DATE OF PAYMENT	AMOUNT PAID	AMOUNT STILL OWING
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4. Suits and administrative proceedings, executions, garnishments and attachments

None ☐ a. List all suits and administrative proceedings to which the debtor is or was a party within **one year** immediately preceding the filing of this bankruptcy case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

CAPTION OF SUIT AND CASE NUMBER	NATURE OF PROCEEDING	COURT OR AGENCY AND LOCATION	STATUS OR DISPOSITION
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None ☐ b. Describe all property that has been attached, garnished or seized under any legal or equitable process within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON FOR WHOSE BENEFIT PROPERTY WAS SEIZED	DATE OF SEIZURE	DESCRIPTION AND VALUE OF PROPERTY
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5. Repossessions, foreclosures and returns

None ☐ List all property that has been repossessed by a creditor, sold at a foreclosure sale, transferred through a deed in lieu of foreclosure or returned to the seller, within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR OR SELLER	DATE OF REPOSSESSION, FORECLOSURE SALE, TRANSFER OR RETURN	DESCRIPTION AND VALUE OF PROPERTY
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* Amount subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

6. Assignments and receiverships

- None ☒ a. Describe any assignment of property for the benefit of creditors made within **120 days** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include any assignment by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF ASSIGNEE	DATE OF ASSIGNMENT	TERMS OF ASSIGNMENT OR SETTLEMENT
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- None ☒ b. List all property which has been in the hands of a custodian, receiver, or court-appointed official within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning property of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CUSTODIAN	NAME AND LOCATION OF COURT CASE TITLE & NUMBER	DATE OF ORDER	DESCRIPTION AND VALUE OF PROPERTY
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7. Gifts

- None ☒ List all gifts or charitable contributions made within **one year** immediately preceding the commencement of this case except ordinary and usual gifts to family members aggregating less than \$200 in value per individual family member and charitable contributions aggregating less than \$100 per recipient. (Married debtors filing under chapter 12 or chapter 13 must include gifts or contributions by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF PERSON OR ORGANIZATION	RELATIONSHIP TO DEBTOR, IF ANY	DATE OF GIFT	DESCRIPTION AND VALUE OF GIFT
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8. Losses

- None ☒ List all losses from fire, theft, other casualty or gambling within **one year** immediately preceding the commencement of this case **or since the commencement of this case**. (Married debtors filing under chapter 12 or chapter 13 must include losses by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

DESCRIPTION AND VALUE OF PROPERTY	DESCRIPTION OF CIRCUMSTANCES AND, IF LOSS WAS COVERED IN WHOLE OR IN PART BY INSURANCE, GIVE PARTICULARS	DATE OF LOSS
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9. Payments related to debt counseling or bankruptcy

- None ☐ List all payments made or property transferred by or on behalf of the debtor to any persons, including attorneys, for consultation concerning debt consolidation, relief under the bankruptcy law or preparation of the petition in bankruptcy within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS OF PAYEE	DATE OF PAYMENT, NAME OF PAYOR IF OTHER THAN DEBTOR	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
The Firm, PC 200 E Charleston Blvd Las Vegas, NV 89104	7/2/12	\$6454.00

10. Other transfers

- None ☒ a. List all other property, other than property transferred in the ordinary course of the business or financial affairs of the debtor, transferred either absolutely or as security within **two years** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include transfers by either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF TRANSFEREE, RELATIONSHIP TO DEBTOR	DATE	DESCRIBE PROPERTY TRANSFERRED AND VALUE RECEIVED
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- None ☐ b. List all property transferred by the debtor within **ten years** immediately preceding the commencement of this case to a self-settled trust or similar device of which the debtor is a beneficiary.

NAME OF TRUST OR OTHER DEVICE	DATE(S) OF TRANSFER(S)	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY OR DEBTOR'S INTEREST IN PROPERTY
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11. Closed financial accounts

- None ☐ List all financial accounts and instruments held in the name of the debtor or for the benefit of the debtor which were closed, sold, or otherwise transferred within **one year** immediately preceding the commencement of this case. Include checking, savings, or other financial accounts, certificates of deposit, or other instruments; shares and share accounts held in banks, credit unions, pension funds, cooperatives, associations, brokerage houses and other financial institutions. (Married debtors filing under chapter 12 or chapter 13 must include information concerning accounts or instruments held by or for either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF INSTITUTION	TYPE OF ACCOUNT, LAST FOUR DIGITS OF ACCOUNT NUMBER, AND AMOUNT OF FINAL BALANCE	AMOUNT AND DATE OF SALE OR CLOSING
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12. Safe deposit boxes

- None ☐ List each safe deposit or other box or depository in which the debtor has or had securities, cash, or other valuables within **one year** immediately preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include boxes or depositories of either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF BANK OR OTHER DEPOSITORY	NAMES AND ADDRESSES OF THOSE WITH ACCESS TO BOX OR DEPOSITORY	DESCRIPTION OF CONTENTS	DATE OF TRANSFER OR SURRENDER, IF ANY
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13. Setoffs

- None ☐ List all setoffs made by any creditor, including a bank, against a debt or deposit of the debtor within **90 days** preceding the commencement of this case. (Married debtors filing under chapter 12 or chapter 13 must include information concerning either or both spouses whether or not a joint petition is filed, unless the spouses are separated and a joint petition is not filed.)

NAME AND ADDRESS OF CREDITOR	DATE OF SETOFF	AMOUNT OF SETOFF
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14. Property held for another person

- None ☐ List all property owned by another person that the debtor holds or controls.

NAME AND ADDRESS OF OWNER	DESCRIPTION AND VALUE OF PROPERTY	LOCATION OF PROPERTY
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15. Prior address of debtor

- None ☐ If the debtor has moved within **three years** immediately preceding the commencement of this case, list all premises which the debtor occupied during that period and vacated prior to the commencement of this case. If a joint petition is filed, report also any separate address of either spouse.

ADDRESS	NAME USED	DATES OF OCCUPANCY
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16. Spouses and Former Spouses

- None ☐ If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within **eight years** immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state.

NAME

17. Environmental Information.

For the purpose of this question, the following definitions apply:

"Environmental Law" means any federal, state, or local statute or regulation regulating pollution, contamination, releases of hazardous or toxic substances, wastes or material into the air, land, soil, surface water, groundwater, or other medium, including, but not limited to, statutes or regulations regulating the cleanup of these substances, wastes, or material.

"Site" means any location, facility, or property as defined under any Environmental Law, whether or not presently or formerly owned or operated by the debtor, including, but not limited to, disposal sites.

"Hazardous Material" means anything defined as a hazardous waste, hazardous substance, toxic substance, hazardous material, pollutant, or contaminant or similar term under an Environmental Law

- None ☐ a. List the name and address of every site for which the debtor has received notice in writing by a governmental unit that it may be liable or potentially liable under or in violation of an Environmental Law. Indicate the governmental unit, the date of the notice, and, if known, the Environmental Law:

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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- None ☐ b. List the name and address of every site for which the debtor provided notice to a governmental unit of a release of Hazardous Material. Indicate the governmental unit to which the notice was sent and the date of the notice.

SITE NAME AND ADDRESS	NAME AND ADDRESS OF GOVERNMENTAL UNIT	DATE OF NOTICE	ENVIRONMENTAL LAW
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- None ☐ c. List all judicial or administrative proceedings, including settlements or orders, under any Environmental Law with respect to which the debtor is or was a party. Indicate the name and address of the governmental unit that is or was a party to the proceeding, and the docket number.

NAME AND ADDRESS OF GOVERNMENTAL UNIT	DOCKET NUMBER	STATUS OR DISPOSITION
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18. Nature, location and name of business

- None ☐ a. *If the debtor is an individual*, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was an officer, director, partner, or managing executive of a corporation, partner in a partnership, sole proprietor, or was self-employed in a trade, profession, or other activity either full- or part-time within **six years** immediately preceding the commencement of this case, or in which the debtor owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

If the debtor is a partnership, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities, within **six years** immediately preceding the commencement of this case.

If the debtor is a corporation, list the names, addresses, taxpayer identification numbers, nature of the businesses, and beginning and ending dates of all businesses in which the debtor was a partner or owned 5 percent or more of the voting or equity securities within **six years** immediately preceding the commencement of this case.

NAME	LAST FOUR DIGITS OF SOCIAL-SECURITY OR OTHER INDIVIDUAL TAXPAYER-I.D. NO. (ITIN)/ COMPLETE EIN	ADDRESS	NATURE OF BUSINESS	BEGINNING AND ENDING DATES
River Glider Ave Trust	45-5572604	C/O Resources Group LLC 900 Las Vegas Blvd S. #810 Las Vegas, NV 89107	Real Estate	6/2012-Current

None ☒ b. Identify any business listed in response to subdivision a., above, that is "single asset real estate" as defined in 11 U.S.C. § 101.

NAME

ADDRESS

The following questions are to be completed by every debtor that is a corporation or partnership and by any individual debtor who is or has been, within **six years** immediately preceding the commencement of this case, any of the following: an officer, director, managing executive, or owner of more than 5 percent of the voting or equity securities of a corporation; a partner, other than a limited partner, of a partnership, a sole proprietor, or self-employed in a trade, profession, or other activity, either full- or part-time.

*(An individual or joint debtor should complete this portion of the statement **only** if the debtor is or has been in business, as defined above, within six years immediately preceding the commencement of this case. A debtor who has not been in business within those six years should go directly to the signature page.)*

19. Books, records and financial statements

None ☐ a. List all bookkeepers and accountants who within **two years** immediately preceding the filing of this bankruptcy case kept or supervised the keeping of books of account and records of the debtor.

NAME AND ADDRESS

Rosie Bonilla
900 Las Vegas Blvd #810
Las Vegas, NV 89101

DATES SERVICES RENDERED

1/2012-Current

None ☒ b. List all firms or individuals who within the **two years** immediately preceding the filing of this bankruptcy case have audited the books of account and records, or prepared a financial statement of the debtor.

NAME

ADDRESS

DATES SERVICES RENDERED

None ☒ c. List all firms or individuals who at the time of the commencement of this case were in possession of the books of account and records of the debtor. If any of the books of account and records are not available, explain.

NAME

ADDRESS

None ☒ d. List all financial institutions, creditors and other parties, including mercantile and trade agencies, to whom a financial statement was issued by the debtor within **two years** immediately preceding the commencement of this case.

NAME AND ADDRESS

DATE ISSUED

20. Inventories

None ☒ a. List the dates of the last two inventories taken of your property, the name of the person who supervised the taking of each inventory, and the dollar amount and basis of each inventory.

DATE OF INVENTORY

INVENTORY SUPERVISOR

DOLLAR AMOUNT OF INVENTORY
 (Specify cost, market or other basis)

None ☒ b. List the name and address of the person having possession of the records of each of the two inventories reported in a., above.

DATE OF INVENTORY

NAME AND ADDRESSES OF CUSTODIAN OF INVENTORY
 RECORDS

21 . Current Partners, Officers, Directors and Shareholders

None ☒ a. If the debtor is a partnership, list the nature and percentage of partnership interest of each member of the partnership.

NAME AND ADDRESS

NATURE OF INTEREST

PERCENTAGE OF INTEREST

- None ☐ b. If the debtor is a corporation, list all officers and directors of the corporation, and each stockholder who directly or indirectly owns, controls, or holds 5 percent or more of the voting or equity securities of the corporation.

NAME AND ADDRESS	TITLE	NATURE AND PERCENTAGE OF STOCK OWNERSHIP
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22. Former partners, officers, directors and shareholders

- None ☐ a. If the debtor is a partnership, list each member who withdrew from the partnership within **one year** immediately preceding the commencement of this case.

NAME	ADDRESS	DATE OF WITHDRAWAL
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- None ☐ b. If the debtor is a corporation, list all officers, or directors whose relationship with the corporation terminated within **one year** immediately preceding the commencement of this case.

NAME AND ADDRESS	TITLE	DATE OF TERMINATION
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23. Withdrawals from a partnership or distributions by a corporation

- None ☐ If the debtor is a partnership or corporation, list all withdrawals or distributions credited or given to an insider, including compensation in any form, bonuses, loans, stock redemptions, options exercised and any other perquisite during **one year** immediately preceding the commencement of this case.

NAME & ADDRESS OF RECIPIENT, RELATIONSHIP TO DEBTOR	DATE AND PURPOSE OF WITHDRAWAL	AMOUNT OF MONEY OR DESCRIPTION AND VALUE OF PROPERTY
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24. Tax Consolidation Group.

- None ☐ If the debtor is a corporation, list the name and federal taxpayer identification number of the parent corporation of any consolidated group for tax purposes of which the debtor has been a member at any time within **six years** immediately preceding the commencement of the case.

NAME OF PARENT CORPORATION	TAXPAYER IDENTIFICATION NUMBER (EIN)
----------------------------	--------------------------------------

25. Pension Funds.

- None ☐ If the debtor is not an individual, list the name and federal taxpayer-identification number of any pension fund to which the debtor, as an employer, has been responsible for contributing at any time within **six years** immediately preceding the commencement of the case.

NAME OF PENSION FUND	TAXPAYER IDENTIFICATION NUMBER (EIN)
----------------------	--------------------------------------

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I declare under penalty of perjury that I have read the answers contained in the foregoing statement of financial affairs and any attachments thereto and that they are true and correct to the best of my knowledge, information and belief.

Date July 3, 2012

Signature /s/ Eddie Haddad
Eddie Haddad
Registered Agent

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

Penalty for making a false statement: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571

**United States Bankruptcy Court
District of Nevada**

In re River Glider Trust

Debtor(s)

Case No.

Chapter 11

DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR(S)

1. Pursuant to 11 U.S.C. § 329(a) and Bankruptcy Rule 2016(b), I certify that I am the attorney for the above-named debtor and that compensation paid to me within one year before the filing of the petition in bankruptcy, or agreed to be paid to me, for services rendered or to be rendered on behalf of the debtor(s) in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, I have agreed to accept	\$	<u>6,454.00</u>
Prior to the filing of this statement I have received	\$	<u>6,000.00</u>
Balance Due	\$	<u>454.00</u>

2. The source of the compensation paid to me was:

☒ Debtor ☐ Other (specify):

3. The source of compensation to be paid to me is:

☒ Debtor ☐ Other (specify):

4. ☒ I have not agreed to share the above-disclosed compensation with any other person unless they are members and associates of my law firm.

☐ I have agreed to share the above-disclosed compensation with a person or persons who are not members or associates of my law firm. A copy of the agreement, together with a list of the names of the people sharing in the compensation is attached.

5. In return for the above-disclosed fee, I have agreed to render legal service for all aspects of the bankruptcy case, including:

- a. Analysis of the debtor's financial situation, and rendering advice to the debtor in determining whether to file a petition in bankruptcy;
- b. Preparation and filing of any petition, schedules, statement of affairs and plan which may be required;
- c. Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof;
- d. [Other provisions as needed]

Negotiations with secured creditors to reduce to market value; exemption planning; preparation and filing of reaffirmation agreements and applications as needed; preparation and filing of motions pursuant to 11 USC 522(f)(2)(A) for avoidance of liens on household goods.

6. By agreement with the debtor(s), the above-disclosed fee does not include the following service:

Representation of the debtors in any dischargeability actions, judicial lien avoidances, relief from stay actions or any other adversary proceeding.

CERTIFICATION

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to me for representation of the debtor(s) in this bankruptcy proceeding.

Dated: July 3, 2012

/s/ Ryan Alexander

Ryan Alexander 10845

The Firm, PC

200 E Charleston Blvd

Las Vegas, NV 89104

(702) 222-3476 Fax: (702) 252-3476

ryan@thefirm-lv.com

**United States Bankruptcy Court
District of Nevada**

In re **River Glider Trust**,
Debtor

Case No. _____

Chapter **11**

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
Eddie Haddad C/O Resources Group LLC 900 Las Vegas Blvd S. #810 Las Vegas, NV 89107			Owner

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Registered Agent of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date **July 3, 2012**

Signature **/s/ Eddie Haddad**
Eddie Haddad
Registered Agent

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both.
18 U.S.C §§ 152 and 3571.

**United States Bankruptcy Court
District of Nevada**

In re **River Glider Trust**

Debtor(s)

Case No.

Chapter

11

VERIFICATION OF CREDITOR MATRIX

I, the Registered Agent of the corporation named as the debtor in this case, hereby verify that the attached list of creditors is true and correct to the best of my knowledge.

Date: **July 3, 2012**

/s/ Eddie Haddad

Eddie Haddad/Registered Agent

Signer/Title

River Glider Trust
C/O Resources Group LLC
900 Las Vegas Blvd S. #810
Las Vegas, NV 89107

Ryan Alexander
The Firm, PC
200 E Charleston Blvd
Las Vegas, NV 89104

Absolute Collection Services
PO Box 12117
Las Vegas, NV 89112

Accredited Home Lenders
15030 Avenue of Science #100
San Diego, CA 92128

Alessi & Koenig LLC
9500 W Flamingo #205
Las Vegas, NV 89147

Allied Trustee Services
701 North Green Valley Pkwy #200
Henderson, NV 89014

Allied Trustee Services
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Roseville, CA 95678

Americas Servicing Co
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Des Moines, IA 50328

Angius & Terry Collections
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Las Vegas, NV 89144

Argent Mortgage Company
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Rolling Meadows, IL 60008

Aurora Loan Services
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Scottsbluff, NE 69361

BAC Home Loans Servicing
450 American St.
Simi Valley, CA 93065

Bank of America
400 National Way
Simi Valley, CA 93065

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Saint Louis, MO 63179

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Nevada Dept of Taxation
ATTN: Bankruptcy Division
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Las Vegas, NV 89101

Nevada DMV
ATTN: Legal Division
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North American Mortgage
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Petaluma, CA 94975

Recontrust Company
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Richardson, TX 75082

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Washington, DC 20220

Shea & Carlyon
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Las Vegas, NV 89101

The Parks HOA
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Las Vegas, NV 89102

The Stonewood Group
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West Columbia, SC 29169

United States Chapter 11 Trustee
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#4300
Las Vegas, NV 89101

Universal American Mortgage Company
1725 W. Green Tree Dr #104
Tempe, AZ 85284

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Larkspur, CA 94939

US Bank
PO Box 5220
Cincinnati, OH 45201

US trust Mortgage Service Co
280 E Palmetto Park Rd
Boca Raton, FL 33432

Wells Fargo Bank
12550 SE 93rd Ave #400
Clackamas, OR 97015

Wells Fargo Hm Mortgag
3476 Stateview Blvd
Fort Mill, SC 29715

Wf Fin Bank/Wells Fargo Financial
Wells Fargo Financial
4137 121st St
Urbandale, IA 50323

**United States Bankruptcy Court
District of Nevada**

In re River Glider Trust

Debtor(s)

Case No.

Chapter

11

CORPORATE OWNERSHIP STATEMENT (RULE 7007.1)

Pursuant to Federal Rule of Bankruptcy Procedure 7007.1 and to enable the Judges to evaluate possible disqualification or recusal, the undersigned counsel for River Glider Trust in the above captioned action, certifies that the following is a (are) corporation(s), other than the debtor or a governmental unit, that directly or indirectly own(s) 10% or more of any class of the corporation's(s') equity interests, or states that there are no entities to report under FRBP 7007.1:

☒ None [*Check if applicable*]

July 3, 2012

Date

/s/ Ryan Alexander

Ryan Alexander 10845

Signature of Attorney or Litigant

Counsel for River Glider Trust

The Firm, PC

200 E Charleston Blvd

Las Vegas, NV 89104

(702) 222-3476 Fax:(702) 252-3476

ryan@thefirm-lv.com

Exhibit C

MOT

RYAN ALEXANDER

Nevada Bar No. 10845

THE FIRM, P.C.

200 East Charleston Boulevard

Las Vegas, NV 89104

Phone: (702) 222-3476

Fax: (702) 252-3476

Attorney for Debtor

ryan@thefirm-lv.com (E-mail)

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In Re:
RIVER GLIDER AVE TRUST

Debtor.

Case No.: BK-S-12-17862-BTB
Hon. Bruce T. Beesely
Chapter 11

**MOTION TO USE CASH
COLLATERAL *NUNC PRO TUNC***

HEARING DATE: AUGUST 7, 2012
HEARING TIME: 1:30 PM

COME NOW **RIVER GLIDER AVE TRUST**, (“Debtors”), the debtors and debtors-in-possession in the above-captioned chapter 11 case, hereby move the Court for an Order authorizing the Debtors’ use of cash collateral *nunc pro tunc*. This Motion is based on the Memorandum of Points and Authorities incorporated hereto and the Declaration of the Debtors.

MEMORANDUM OF POINTS OF AUTHORITIES

A. Background Facts

1. Debtors filed their voluntary petition under Chapter 11 of the United States Bankruptcy Code on July 3, 2012.
2. Debtors own the real properties located at the following residences and described below:
 - i. **6513 Duck Hills Springs Dr Las Vegas, NV 89122** – Investment Property;
 - ii. **10428 Amber Night St Las Vegas, NV 89183** – Investment Property;

- iii. **6119 Cozy Creek St North Las Vegas, NV 89031** – Investment Property;
- iv. **2670 Early Vista St Las Vegas, NV 89142** – Investment Property;
- v. **10225 Headdrick Dr Las Vegas, NV 89166** – Investment Property;
- vi. **7919 Horn Tail Court Las Vegas, NV 89131** – Investment Property;
- vii. **8116 Lake Hills Las Vegas, NV 89103** – Investment Property;
- viii. **336 River Glider Ave North Las Vegas, NV 89084** – Investment Property;
- ix. **7304 Roamer Place Las Vegas, NV 89131** – Investment Property;
- x. **5982 Spinnaker Point Ave Las Vegas, NV 89110** – Investment Property
- xi. **10993 Ladyburn Court Las Vegas, NV 89141** – Investment Property and

The properties listed above are hereinafter referred to as the “Rental Properties.” The Debtor is a Trust that owns all rental properties. The Trustee for this Trust is Resources Group, LLC, and Resources Group LLC manages the collection of rental income, as well as the day-to-day operations for the rental properties for this Trust. The sole owner of Resources Group, LLC and Grantor of the Trust is Mr. Iyad (Eddie) Haddad. Mr. Haddad funds the Trust, which then purchases junior liens through the Trustee’s Sales held at Nevada Legal News, and thus acquires ownership of the properties, subject to the first mortgage lien on the properties. Once the properties are ready for occupancy, Resources Group LLC will locate a tenant and rent the properties. The rental properties are all actively leased as of the date of this motion and generate approximately \$12,825.00 gross rental income per month. Described on Exhibit “A” are Debtors’ estimated income from all sources, along with their expenses, including the proposed mortgage payments on the rental properties.

- 3. Each of the above-referenced properties was purchased through auction via a secondary, utility, or HOA lien, and is subject to the first mortgage. With liens totaling

1 \$2,361,235.00, the real properties have a combined fair market value of approximately
2 \$1,015,000.00, leaving \$1,346,235.00 under secured debt. See Bankruptcy Schedules A
3 and D.

4 **B. Proposed Use of Cash Collateral**

- 5
- 6 4. The Debtors, as debtors-in-possession, are authorized to use property of the estate in the
7 ordinary course of business. 11 U.S.C. § 363(c). As the mortgage holder, or secured
8 creditor, the income derived from their rental properties constitutes the mortgage
9 companies' "cash collateral."
- 10 5. A Motion to Value Collateral, "Strip Off" and Modify Rights of Unsecured Creditors
11 Pursuant to 11 U.S.C. Section 506(a) and Section 1123 for Debtors' investment properties
12 will soon be filed, and will reduce Debtors proposed secured mortgage obligations to
13 \$5143.00 per month.
- 14 6. Debtors are seeking an order authorizing them to pay the foregoing necessary operating
15 expenses from the cash collateral pending confirmation of its plan of reorganization.
16 These expenses are necessary to preserve their real properties, to maintain an on-going
17 investment business concern, and to keep their rental business in good operational order.
- 18 7. The value of the Debtors' assets can only be maximized through continued operations and
19 on-going rental of the rental properties. Without use of cash collateral, the Debtors'
20 operations cannot continue. In addition, continuing operations will protect and preserve
21 the position of the creditor mortgage companies.

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23
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25 **D. The Debtors' Reorganization Goals**

- 26 8. Like many other individual Chapter 11 debtors, Debtors' primary purpose of
27 reorganization is to adjust the valuation of their property and modify the obligations of
28

1 their existing liens. The Debtors' use of cash collateral is vital to maintaining the value
2 of the Debtors' assets until the Debtors have had a meaningful opportunity to present a
3 Plan of Reorganization.

4 LEGAL DISCUSSION

5 A. **The Debtors Should Be Authorized To Use Cash Collateral To Operate, Maintain**
6 **and Preserve Its Business.**

7 The Debtors, as debtors-in-possession of the estate, have the duty to protect and conserve the
8 rental properties in its possession for the benefit of creditors. *In re Devers*, 759 F.2d 751 (9th Cir.
9 1985). The exact nature of the duty owed by a debtor-in-possession of the estate was defined in *In re*
10 *Morning Star Ranch Resorts*, 64 B. R. 818 (Bkrtcy. D. Colo. 1986):

11 The debtor is a fiduciary and operates the property as a fiduciary for the parties in
12 interest. He has obligations to operate the property in good fashion, to pay the
13 expenses of operation and the cost of maintenance, to preserve and protect the
14 property, and to account for the monies received and the expenses paid.

15
16 64 B.R. at 822. The Debtors herein have been operating the rental properties, paying the
17 necessary operating and maintenance expenses and they propose that, with the Court's
18 permission, they be allowed to continue to do so. The rental income total is approximately
19 \$12,825.00. Debtor's monthly expenses total \$11,014.00, with proposed mortgage
20 payments on the rentals of \$5143.00. Thus, absent any unforeseen major repairs, there is
21 sufficient income being generated to pay the monthly operating expenses, including the
22 revalued mortgage payments as a result of the anticipated approved motion to value
23 collateral. Further, where a secured party is adequately protected under § 363, then the
24 debtor may use the cash collateral for expenses, not only those directly related to the
25 operation and maintenance of but also administrative expenses.
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1 11 U.S.C. §363(c)(l). A debtor-in-possession has all of the rights and powers of a trustee with
2 respect to property of the estate, including the right to use property of the estate in compliance with
3 Section 363. See, 11 U.S.C. § 1107(a).

4
5 “Cash collateral” is defined as “cash, negotiable instruments, documents of
6 title, securities, deposit accounts or other cash equivalents in which the estate and an
7 entity other than the estate have an interest. . . .” 11 U.S.C. §363(a). Section 363(c)(2)
8 establishes a special requirement with respect to “cash collateral,” providing that the
9 trustee or debtor-in-possession may use “cash collateral” under subsection (c)(l) if:

10 (A) each entity that has an interest in such cash collateral consents; or

11 (B) the court, after notice and a hearing, authorizes such use, sale or lease in accordance
12 with the provisions of this section.

13 See, 11 U. S.C. § 363(c)(2)(A) and (B).

14 It is well settled that it is appropriate for a Chapter 11 debtor to use cash collateral for a
15 reasonable period of time for the purpose of maintaining and operating its property. 11 U.S.C. §
16 363(c)(2)(B); *In re Oak Glen R-Vee*, 8 B.R. 213, 216 (Bankr. C.D. Cal. 1981); *In re Tucson*
17 *Industrial Partners*, 129 B.R. 614 (9th Cir. BAP 1991). In addition, where the debtor is operating a
18 business, it is extremely important that the access to cash collateral be allowed in order to facilitate
19 the goal of reorganization: “the purpose of Chapter 11 is to rehabilitate debtors and generally access
20 to cash collateral is necessary to operate a business.” *In re Dynaco Corporation*, 162 B.R. 389
21 (Bankr. D.N.H. 1993), *quoting In re Stein*, 19 B.R. 458, 459. The Debtors run a viable and operating
22 entity, and believe that they will successfully reorganize and confirm a plan of reorganization. The
23 continued operation of their investment properties are in the overwhelming best interests of the
24 Debtors’ estate. If Debtors are unable to use cash collateral to operate their portfolio of investment
25 properties, Debtors would obviously have to shut down immediately and liquidate. As described
26 above, the Debtors should be permitted to operate and use cash collateral.
27
28

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court enter an order: (1) granting the Motion; (2) authorizing the Debtors to use cash collateral on the conditions set forth hereinabove; and (3) granting such other and further relief as the Court deems just and proper.

Dated this 2th day of July, 2012.

Respectfully submitted,
/s/ Ryan Alexander /s/
Ryan Alexander, Esq.

EXHIBIT "A"
INCOME STATEMENT
PROFIT AND LOSS

Income		Expenses			
Rental	\$ 12,825.00	Proposed Mortgages	\$ 5,143.00	Insurance	\$ 750.00
TOTAL	\$ 12,825.00	Repair/Maint.	\$ 682.00	Taxes	\$ 1,409.00
		Utilities	\$ 836.00	Business Supplies	\$ 500.00
		HOA	\$ 701.00	Legal	\$ 50.00
		Management Fees	\$ 723.00	US Trustee Fee	\$ 220.00
		TOTAL:		\$ 11,014.00	

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The Firm, PC
200 E. Charleston Blvd., Las Vegas, NV 89104

Ryan Alexander
NV Bar No. 10845
The Firm, PC
200 E. Charleston Blvd
LAS VEGAS, NV 89104
(702) 222-3476 Phone
(702) 252-3476 (Fax)
ryan@thefirm-lv.com (E-mail)

E-FILED

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

RIVER GLIDER AVE TRUST

DEBTORS.

CASE NO.: 12-17862-BTB
Hon. Bruce T. Beesley

**[PROPOSED] ORDER GRANTING
FIRST DAY MOTION TO USE CASH
COLLATERAL**

HEARING DATE: AUGUST 7, 2012
HEARING TIME: 1:30 PM

The Motion to Use Cash Collateral (the “Motion”) having come before this Court and the Motion having been served as shown by the Certificate of Service , Ryan Alexander of The Firm, PC appearing for RIVER GLIDER AVE TRUST, Debtors and Debtors-in-Possession (the “Debtors”), the Court having reviewed the Motion, and finding good cause, and that there is sufficient income to pay Adequate Protection Ordered payments under 11 USC 361, it is

ORDERED that the Debtors are authorized to use the income derived from their rental properties (the "Properties"), including but not limited to rents/mortgage payments, operation expenses, and other miscellaneous expense as stated below:

Income		Expenses			
Rental	\$ 12,825.00	Proposed Mortgages	\$ 5,143.00	Insurance	\$ 750.00
TOTAL	\$ 12,825.00	Repair/Maint.	\$ 682.00	Taxes	\$ 1,409.00
		Utilities	\$ 836.00	Business Supplies	\$ 500.00
		HOA	\$ 701.00	Legal	\$ 50.00
		Management Fees	\$ 723.00	US Trustee Fee	\$ 220.00
		TOTAL:			
		\$ 11,014.00			

ORDERED that as provided by Fed. R. Bankr. P. 7062, this Order shall be effective and enforceable immediately upon entry.

ALTERNATIVE METHOD re: RULE 9021:

In accordance with LR 9021, counsel submitting this document certifies that the order accurately reflects the court's ruling and that (check one):

____ The court has waived the requirement set forth in LR 9021(b)(1).

X No party appeared at the hearing or filed an objection to the motion.

____ I have delivered a copy of this proposed order to all counsel who appeared at the hearing, and each has approved or disapproved the order, or failed to respond, as indicated below [list each party and whether the party has approved, disapproved, or failed to respond to the document]:

Respectfully submitted,

/s/ Ryan Alexander /s/

Ryan Alexander, Esq.
NV Bar No. 10845

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Newport Beach, CA 92660

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Richardson, TX 75082

Foley Federal Building
ATTN: Judge Beesely
300 S Las Vegas Blvd
Las Vegas, NV 89101

Exhibit D

Ryan Alexander, Esq.
Nevada Bar No. 10845
The Firm, PC
200 E. Charleston Blvd
Las Vegas, NV 89104
Phone: (702) 222-3476
Fax: (702) 252-3476
Email: ryan@thefirm-lv.com
Attorney for Debtors

Electronically Filed

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re:

RIVER GLIDER AVE TRUST ,

DEBTORS.

Case No.: 12-17862-BTB

Hon. Bruce T. Beesley

Chapter 11

**MOTION TO VALUE
COLLATERAL, "STRIP OFF"
AND MODIFY RIGHTS OF
UNSECURED CREDITORS
PURSUANT TO 11 U.S.C. § 506(a)
AND § 1123**

Hearing Date: December 11, 2012

Time of Hearing: 1:30 PM

COMES NOW, Debtor and Debtor-in-Possession RIVER GLIDER AVE TRUST, by and through their attorney, Ryan Alexander of The Firm, PC, and petitions this Court, pursuant to section 506(a) of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* (the "**Bankruptcy Code**") and Bankruptcy Rules 3012 and 9014 of the Federal Rules of Bankruptcy Procedure to value collateral securing certain residential loans and reclassify lenders claims as unsecured and to modify the rights of Universal American Mortgage Company, Bank of America, Corelogic, Countrywide (collectively "Secured Creditors"), Shea & Cohen, Absolute Collection Services, Allied Trustee Services, Callister & Reynolds (collectively "Unsecured Creditors"), and Debtors states as follows:

FACTUAL BACKGROUND

1. Debtors filed its instant Chapter 11 bankruptcy proceeding, Case No. 12-17862 on July 4, 2012.
2. On the petition date, Debtors owned real property described below that was subject to the following liens:

Subject Property:	Value:
10428 Amber Night St Las Vegas NV 89183	\$ 73,000.00

Nature of Lien:	Creditor:	Amount:
First Mortgage	US Trust Mortgage Service Co	\$ 217,636.00
Assignee/First Mortgage	Bank of America, Corelogic, Countrywide	\$ -
HOA Lien	Absolute Collection Services	\$ -
HOA Lien	Allied Trustee Services	\$ -
Default Judgment	Shea & Cohen	\$ -
Default Judgment	Callister & Reynolds	\$ -
TOTAL:		\$ 217,636.00
TOTAL UNSECURED:		\$ 144,636.00

3. The appraisal for this property is attached hereto as Exhibit A.
4. On the date the instant bankruptcy case was filed, no equity existed in the Subject Property.
5. Accordingly, Debtors request that this Court find that Unsecured Creditors claims are unsecured and should be reclassified as general unsecured claims to receive pro rata distribution with other general unsecured creditors through the Debtors' Chapter 11 Plan.

MEMORANDUM OF LAW

6. Section 506(a)(1) of the Bankruptcy Code provides that a Chapter 11 debtor may bifurcate a secured lender's claim into an allowed secured claim and an allowed unsecured claim based upon the actual value of the property securing such lender's lien. An allowed claim of a creditor secured by a lien on property in which the estate has an interest, or that is subject to set off under Section 553 of this title, is a secured claim to the extent of the value of such creditor's interest in the estate's interest in such property, or to the extent of the amount subject to set off, as the case may be, and is an unsecured claim to the extent that the value of such creditor's interest or the amount so subject to set off is less than the amount of such allowed claim.

Such value shall be determined in light of the purpose of the valuation and of the proposed disposition or use of such property, and in conjunction with any hearing on such disposition or use or on a plan affecting such creditor's interest. 11 U.S.C. § 506(a)(1).

7. The Supreme Court has recognized that section 506 of the Bankruptcy Code defines the amount of the secured creditor's allowed secured claim and the conditions of his receiving post-petition interest. United Sav. Ass'n of Texas v. Timbers of Inwood Forest Associates, Ltd., 484 U.S. 365, 371 (1988). In United Sav. Ass'n of Texas, the Supreme Court interpreting Section 506(a) of the Bankruptcy Code found that:

In subsection (a) of this provision the creditor's "interest in property" obviously means his security interest without taking account of his right to immediate possession of the collateral on default. If the latter were included, the "value of such creditor's interest" would increase, and the proportions of the claim that are secured and unsecured would alter, as the stay continues-since the value of the entitlement to use the collateral from the date of bankruptcy would rise with the passage of time. No one suggests this was intended. The phrase "value of such creditor's interest" in § 506(a) means "the value of the collateral." *See id.* (emphasis added) (quoting H.R.Rep. No. 95-595, pp. 181, 356 (1977)).

8. The Ninth Circuit agrees with this interpretation of section 506 of the Bankruptcy Code. In re Maldonado, 46 B.R. 497, 499 (9th Cir. BAP 1984) (interpreting section 506(a), "a claim 'is a secured claim to the extent of the value of [the] creditor's interests' in the estate's interest in the property. The entire claim is not a secured claim. The claim is secured only to the extent of the value of the secured interest.")

9. In addition, this Bankruptcy Court has found that "an 'allowed secured claim' is a determination generally made under 11 U.S.C. § 506." In re BBT, 11 B.R. 224, 229 (Bankr. D. Nev. 1981). The Bankruptcy Court further stated that, with respect to a claim secured by a lien on property of the estate, "to the extent that the value of the property is less than the amount of the total allowed claim, **the claim is unsecured.**" *Id.* (emphasis added).

10. Thus, pursuant to the law of this Circuit, the amount of the allowed secured claim cannot exceed the market value of the property and the remainder of the claim must be treated as an allowed unsecured claim for purposes of the plan. In re Sagewood Manor Associates Ltd. Partnership, 223 B.R. 756, 773 (Bankr. D. Nev. 1998) (holding that the court may confirm a chapter 11 plan over the objection of a class of secured claims if the members of that class are to receive under the plan property of a value equal to the allowed amount of their secured claims, as determined under 11 U.S.C. § 506(a)).

11. Moreover, the Ninth Circuit Court of Appeals has also found that a wholly unsecured lien holder's claim can be modified and reclassified as a general unsecured claim pursuant to section 506(a) of the Bankruptcy Code. *See In re Zimmer*, 313 F.3d 1220 (9th Cir.2002). Specifically, the Court held:

Section 506(a) divides creditors' claims into 'secured claims' and 'unsecured claims.' Although the conventional interpretation of 'secured' might include any claim in which the creditor has a security interest in the debtor's property, § 506(a) makes clear that the status of a claim depends on the valuation of the property: 'An allowed claim of a creditor secured by a lien on property in which the estate has an interest ... is a secured claim to the extent of the value of such creditor's interest in the estate's interest in such property ... and is an unsecured claim to the extent that the value of such creditor's interest... is less than the amount of such allowed claim.' 11 U.S.C. 506(a). To put it more simply, a claim such as a mortgage is not a 'secured claim' to the extent that it exceeds the value of the property that secures it. Under the Bankruptcy Code, 'secured claim' is thus a term of art; not every claim that is secured by a lien on property will be considered a 'secured claim.' Here, it is plain that PSB Lending's claim for the repayment of its loan is an unsecured claim, because its deed of trust is junior to the first deed of trust, and the value of the loan secured by the first deed of trust is greater than the value of the house. In re Zimmer, 313 F.3d at 1222 - 23.

12. Accordingly, because the first mortgages on the Properties are under-secured, those lenders claims should be bifurcated into secured and unsecured claims based on the market value of the Properties as shown in their respective appraisals as set forth in Exhibit A. The Debtors request, however, that all other items of the note and mortgage remain the same, including the interest rate and loan amortization.

13. Moreover, because several of the second mortgages are wholly unsecured (in that there is no equity above the first mortgages in any of the Properties), those unsecured claims should be reclassified as a general unsecured claims to be treated pro rata with similar unsecured creditors. The second mortgage lenders should also be stripped of their secured rights under state law since no maintainable security interest in the subject Properties exists, also as set forth in Exhibit A.

14. Finally, the filing of a motion rather than an adversary proceeding to achieve the relief requested herein is appropriate in this Court. See In re Bonsignori, Case No. BKS-08-11830-LBR (D. Nev. June 25, 2008) (approving the stripping off of an unsecured lien by motion); see also In re Robert, 313 B.R. 545 (Bankr. N.D.N.Y. 2004); In re Bennett, 312 B.R.843 (Bankr. W.D. Ky. 2004); In re King, 290 B.R. 641 (Bankr. C.D. Ill. 2003); In re Millspaugh, 302 B.R. 90 (Bankr. D. Idaho 2003); Dickey v. Ben. Fin. (In re Dickey), 293 B.R. 360 (Bankr. M.D. Pa. 2003); In re Hill, 304 B.R. 800 (Bankr. S.D. Ohio 2003); In re Sadala, 294 B.R. 180 (Bankr. M.D. Fla. 2003); In re Fisher, 289 B.R. 544 (Bankr. W.D.N.Y. 2003); In re Hoskins, 262 B.R. 693 (Bankr. E.D. Mich. 2001); In re Fuller, 255 B.R. 300 (Bankr. W.D. Mich. 2000); and In re Williams, 166 B.R. 615 (Bankr. E.D. Va. 1994).

CONCLUSION

15. Bankruptcy law is clear, absent sufficient equity in the Properties, the first mortgage lenders claims are only partially secured and thus must be bifurcated into secured and unsecured claims. The second mortgage lenders are wholly unsecured and should receive only their *pro rata* distribution with other general unsecured creditors through the Debtors Chapter 11 plan.

WHEREFORE, Debtors pray that this Court: (i) value the Property in accordance with the appraisal attached hereto; (ii) bifurcate the first mortgage claims of Secured Creditor into secured and unsecured claims; (iii) "Strip off" and extinguish Unsecured Creditors claims wholly unsecured liens pursuant to 11 U.S.C. Section 506(a); (iv) Reclassify Unsecured Creditors claims as general unsecured claims to be paid pro rata with other general unsecured creditors through the Debtors' Chapter 11 plan; and (v) such other relief the Court deems just and proper.

Dated this 10th day of September, 2012.

Respectfully Submitted,
/s/Ryan Alexander, Esq.
 Ryan Alexander, Esq.
 Attorney for Debtors

The Firm, PC
200 E. Charleston Blvd. Las Vegas, NV 89104

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Exhibit E

1 RYAN ALEXANDER
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2 THE FIRM, P.C.
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3 Las Vegas, NV 89104
4 Phone: (702) 222-3476
5 Fax: (702) 252-3476
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Attorney for Debtor

7 **UNITED STATES BANKRUPTCY COURT**
8 **DISTRICT OF NEVADA**

9 In Re:
BOURNE VALLEY COURT TRUST,
10 OLIVER SAGEBRUSH DR TRUST,
11 PARADISE HARBOR PLACE TRUST,
12 RIVER GLIDER AVE TRUST,
Debtors.

Case No.: 12-16387-BTB; 12-18558-BTB; 12-
20213-BTB; 12-17862-BTB
Hon. Bruce T. Beesley
Chapter 11

**OMNIBUS RESPONSE TO ORDERS TO SHOW
CAUSE**

Hearing Date: November 13, 2012
Hearing Time: 3:00 PM

15 COMES NOW **BOURNE VALLEY COURT TRUST, OLIVER SAGEBRUSH DR**
16 **TRUST, PARADISE HARBOR PLACE TRUST, and RIVER GLIDER AVE TRUST,**
17 (collectively "Trusts," "Debtors"), the debtors and debtors-in-possession in the above-captioned
18 chapter 11, and in response to the Order To Show Cause states as follows:
19

20
21 The Court has asked for the Trusts to show that they are eligible to be debtors under Title 11 of
22 the United States Code (the "Bankruptcy Code"). The Trusts will show the Court herein that the
23 explicit and primary purpose of the trust is to be a business trust, and not to act as an estate planning
24 or asset protection trust.

25 **RELEVANT AUTHORITY**

26
27 Section 109(a) of the Bankruptcy Code provides, in relevant part, "[n]otwithstanding any other
28 provision of this section, only a person that resides or has a domicile, a place of business or property

1 in the United States or a municipality, may be a debtor under this title.” 11 U.S.C. § 109(a)
 2 (emphasis added). The term “person” is, itself, defined in section 101(41) of the Bankruptcy Code to
 3 include a “corporation.” Delving further, section 101(9)(A)(v) defines a “corporation” to include a
 4 “business trust.” Unfortunately, as far as the Bankruptcy Code is concerned, the definitions end
 5 there. COLLIER ON BANKRUPTCY encapsulates the state of the case law with respect to the
 6 eligibility of a trust to be a debtor by explaining:

7 In determining whether a particular entity constitutes a “business trust” under the
 8 Code, and should therefore be treated as a corporation, the court will analyze both the
 9 type of activity the trust was designed for and the authority given to the trustee to
 undertake the activities.

10 2-101 *Collier on Bankruptcy* ¶ 101.09 (15th ed. 2011) (internal quotations and citations omitted).

11 Two Courts of Appeal have addressed the “business trust” debtor issue. The Court of Appeals
 12 for the Sixth Circuit adopted a “primary purpose” test. *Brady-Morris v. Schilling (In re: Kenneth*
 13 *Allen Knight Trust)*, 303 F.3d 671 (6th Cir. 2002). A trust with the primary purpose of transacting
 14 business and conducting commercial transactions is a business trust; a trust that only protects the
 15 trust res for the benefit of its beneficiaries is generally not. *Id.* at 680. The Kenneth Allen Knight
 16 Trust held two assets, the settlor’s residence and an entity that held four other entities that owned
 17 real estate investments. In that case, the Court of Appeals affirmed the determination of the District
 18 Court (and the Bankruptcy Court before it) that the Kenneth Allen Knight Trust was a business trust,
 19 finding “the primary purpose of the Trust was to transact business or carry on commercial
 20 activity...” *Id.* at 680. The Sixth Circuit also rejected two requirements for business trusts imposed
 21 by earlier bankruptcy cases: first, that to be a business trust, the trust must have transferable
 22 certificates of ownership¹; second, that the trust’s business or commercial activity must be for profit.
 23 *Id.*, at 676-680.

24 In the Second Circuit, the Court of Appeals also found the “primary purpose” of the trust
 25 important in determining its eligibility to be a debtor under the Bankruptcy Code. *Shawmut Bank*

26
 27 ¹ “[T]he *Morrissey*, 296 U.S. 344, 80 L. Ed. 263, 56 S. Ct. 289 criteria were meant for the Internal Revenue Code, and they contradict
 28 the 1978 liberalization of the Bankruptcy Code’s treatment of business trusts, as discussed above. We join those courts that have
 concluded that Congress intended to dispense with the transferable-certificate-of-ownership requirement when it changed the statute
 in 1978. See, e.g., *Treasure Island*, 2 B.R. at 334 (“In eliminating the requirement of written instruments, Congress has presumably
 made it possible for a broader variety of trusts to obtain relief in the bankruptcy courts.”) *Brady-Morris*, 303 F.3d at 679.

1 *Connecticut, N.A. (In re Secured Equipment Trust of Eastern Air Lines, Inc.)*, 38 F.3d. 86 (2d Cir.
2 1994). In that case, Eastern Air Lines formed the Secured Equipment Trust of Eastern Air Lines,
3 Inc. for the exclusive purpose of segmenting part of its fleet of aircraft to stand as collateral for a
4 credit facility. *Id.* at 87. There the court determined that the Secured Equipment Trust of Eastern Air
5 Lines, Inc. did not conduct business and “was merely created to serve as a vehicle to facilitate a
6 secured financing by Eastern.” *Id.* at 90. That Court of Appeals affirmed the judgment of the District
7 Court and the Order of the Bankruptcy Court dismissing the involuntary bankruptcy case.

8 The Secured Equipment Trust case was recently examined by the Southern District of New
9 York in *In Re General Growth Properties, Inc.* 409 B.R. 43 (S.D.N.Y. 2009). One of the debtors in
10 that case, Lancaster Trust, was an Illinois land trust, which was defined by Illinois law to be “a legal
11 device whose primary function is to hold legal and equitable title to real estate,” which “is not, and
12 does not attempt to be, an active business or commercial entity.” *Id.*, citing *In re North Short Nat’l*
13 *Bank of Chicago, Land Trust No. 362*, 17 B.R. 867, 869 (Bankr. N.D. Ill. 1982). Despite this
14 definition, the Southern District of New York held that the Lancaster Trust was a business trust
15 because its purpose went merely beyond conserving trust res or holding title to land. *General*
16 *Growth*, 409 B.R. at 71-21. The court cited as examples of its business activity the fact that it was
17 named lessor in leases with its tenants, the borrower under a loan agreement, party to various service
18 contracts, and explicitly authorized to conduct business in Pennsylvania. *Id.* at 71. This
19 determination was over the moving creditor’s argument that the Lancaster Trust had no board,
20 officers or stockholders, and restrictions of share transferability, but the Court countered that, “these
21 are characteristics of some closely-held business entities.” *Id.* at 71.

22 The legislative history suggests that Congress intended to make bankruptcy available to all
23 trusts that have the features of a business entity and to leave that determination to the judgment of
24 bankruptcy courts. The Bankruptcy Reform Act of 1978 replaced the description, “any business
25 conducted by a trustee or trustees wherein beneficial interest or ownership is evidenced by
26 certificate or other written instrument” with the simplified “business trust” now codified in section
27 101(9)(A)(v) of the Bankruptcy Code. The reason for the change was to eliminate arbitrary barriers
28 to bankruptcy for trusts that function as a business. *Brady-Morris v. Schilling (In re: Kenneth Allen*

1 *Knight Trust*), 303 F.3d 671, 679-80 (6th Cir. 2002). *See also In re Morgantown Trust No. 1*, 155
 2 B.R. 137, 140 (Bankr. N.D. W.Va. 1993) (“[T]he 1978 Amendment “indicates a further reduction of
 3 the trust restrictions”).

5 **The BOURNE VALLEY Court Trust**

6 BOURNE VALLEY COURT TRUST was formed through the Trust Agreement of May 4, 2012. A
 7 copy of the Trust Agreement is attached hereto as “Exhibit A.” Although not perfect in drafting, the
 8 trust would almost certainly be a valid trust organized in the State of Nevada. *See Opinion Letter of*
 9 *Robert L. Bolick, Esq.*, attached hereto as Exhibit “B.” The Trust Agreement did not contemplate the
 10 creation of a trust designed for the sole purpose of passing property to beneficiaries; rather, it
 11 authorized the BOURNE VALLEY Trustee, Resources Group LLC, in the very first Article to
 12 create a “business trust,” to “manage, administer, collect, receive, dispose of and distribute the trust
 13 property for the benefit of such persons as have acquired shares of beneficial interests in the trust.”
 14 See Trust Agreement, Exhibit A. The trust interests are transferable. See Articles VI, VII. Article XI
 15 grants powers to the trustee to “organize, own, operate and conduct any business, trade, enterprise or
 16 industry of any kind, description or character whatsoever.” *Id.* It continues:

17 (d) The Trustee(s) shall, such capacity, exclusively and absolutely, and without leave or
 18 hindrance from the certificate holders have as full, absolute and plenary rights,
 19 authority, power, and discretion as if absolute owners to establish, form, organize,
 20 manage and conduct any business, trade, enterprise or industry of any kind, character or
 21 description whatsoever; to acquire by purchase, exchange or otherwise, and to hold,
 own, develop and operate and to sell, pledge, exchange, mortgage and convey or
 otherwise dispose of property of every kind, character and description, real, personal and
 mixed.

22 *Id.*, Article XI (d). Further powers include the purchase, sale or leasing of property, the investment
 23 of funds, the borrowing or mortgaging of trust assets, to hold real property, to employ agents,
 24 professionals or employees, and the specific powers enumerated in NRS 163.265 through 163.410,
 25 which is itself titled “TRUST POWERS WHICH MAY BE INCLUDED IN A WILL OR
 26 AGREEMENT BY REFERENCE.” NRS 163.265 *et seq.* The Trust Agreement also specifically
 27 authorizes the trustee to file for reorganization:

28 (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust
 created herein, and to participate in or consent to any voting Trust, **reorganization**,

dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.

Article XI (o) (*emphasis added*). BOURNE VALLEY, consistent with its intended purpose, operates a business. Fundamentally it is not a passive vessel, liquidating investments for its beneficiaries or formed for tax benefits or for smooth inter-generational asset transfers. In function, BOURNE VALLEY has acquired title to ten properties and actively operates a residential rental enterprise. The trust and its trustee may negotiate lease agreements and real estate transactions, manages, maintains and repairs its properties, has its own debtor-in-possession bank account will pay taxes, create financial reports and take investment risks, including entering into agreements with lending institutions. BOURNE VALLEY filed this case to stop one of ten secured creditors from selling certain of its real property holdings that secured repayment.

The OLIVER SAGEBRUSH Dr Trust

OLIVER SAGEBRUSH DR TRUST was formed through the Trust Agreement of June 20, 2012. A copy of the Trust Agreement is attached hereto as “Exhibit C.” Although not perfect in drafting, the trust would almost certainly be a valid trust organized in the State of Nevada. *See Opinion Letter of Robert L. Bolick, Esq.*, attached hereto as Exhibit “D.” The Trust Agreement did not contemplate the creation of a trust designed for the sole purpose of passing property to beneficiaries; rather, it authorized the OLIVER SAGEBRUSH Trustee, Resources Group LLC, in the very first Article to create a “business trust,” to “manage, administer, collect, receive, dispose of and distribute the trust property for the benefit of such persons as have acquired shares of beneficial interests in the trust.” See Trust Agreement, Exhibit C. The trust interests are transferable. See Articles VI, VII. Article XI grants powers to the trustee to “organize, own, operate and conduct any business, trade, enterprise or industry of any kind, description or character whatsoever.” *Id.* It continues:

(d) The Trustee(s) shall, such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.

1 *Id.*, Article XI (d). Further powers include the purchase, sale or leasing of property, the investment
 2 of funds, the borrowing or mortgaging of trust assets, to hold real property, to employ agents,
 3 professionals or employees, and the specific powers enumerated in NRS 163.265 through 163.410,
 4 which is itself titled “TRUST POWERS WHICH MAY BE INCLUDED IN A WILL OR
 5 AGREEMENT BY REFERENCE.” NRS 163.265 *et seq.* The Trust Agreement also specifically
 6 authorizes the trustee to file for reorganization:

7 (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust
 8 created herein, and to participate in or consent to any voting Trust, reorganization,
 9 dissolution, liquidation, merger, or other action affecting any such shares of stock or any
 10 corporation which has issued such shares of stock.

11 Article XI (o) (*emphasis added*). OLIVER SAGEBRUSH, consistent with its intended purpose,
 12 operates a business. Fundamentally it is not a passive vessel, liquidating investments for its
 13 beneficiaries or formed for tax benefits or for smooth inter-generational asset transfers. In function,
 14 OLIVER SAGEBRUSH has acquired title to four properties and actively operates a residential
 15 rental enterprise. The trust and its trustee may negotiate lease agreements and real estate
 16 transactions, manages, maintains and repairs its properties, has its own debtor-in-possession bank
 17 account will pay taxes, create financial reports and take investment risks, including entering into
 18 agreements with lending institutions. OLIVER SAGEBRUSH filed this case to stop one of four
 19 secured creditors from selling certain of its real property holdings that secured repayment.

20 **The PARADISE HARBOR PLACE Trust**

21 PARADISE HARBOR PLACE TRUST was formed through the Trust Agreement of June 8, 2012.
 22 A copy of the Trust Agreement is attached hereto as “Exhibit E.” Although not perfect in drafting,
 23 the trust would almost certainly be a valid trust organized in the State of Nevada. The Trust
 24 Agreement did not contemplate the creation of a trust designed for the sole purpose of passing
 25 property to beneficiaries; rather, it authorized the PARADISE HARBOR PLACE Trustee,
 26 Resources Group LLC, in the very first Article to create a “business trust,” to “manage, administer,
 27 collect, receive, dispose of and distribute the trust property for the benefit of such persons as have
 28 acquired shares of beneficial interests in the trust.” See Trust Agreement, Exhibit E. The trust
 interests are transferable. See Articles VI, VII. Article XI grants powers to the trustee to “organize,

own, operate and conduct any business, trade, enterprise or industry of any kind, description or character whatsoever.” *Id.* It continues:

(d) The Trustee(s) shall, such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.

Id., Article XI (d). Further powers include the purchase, sale or leasing of property, the investment of funds, the borrowing or mortgaging of trust assets, to hold real property, to employ agents, professionals or employees, and the specific powers enumerated in NRS 163.265 through 163.410, which is itself titled “TRUST POWERS WHICH MAY BE INCLUDED IN A WILL OR AGREEMENT BY REFERENCE.” NRS 163.265 *et seq.* The Trust Agreement also specifically authorizes the trustee to file for reorganization:

(o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust created herein, and to participate in or consent to any voting Trust, **reorganization**, dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.

Article XI (o) (*emphasis added*). PARADISE HARBOR PLACE, consistent with its intended purpose, operates a business. Fundamentally it is not a passive vessel, liquidating investments for its beneficiaries or formed for tax benefits or for smooth inter-generational asset transfers. In function, PARADISE HARBOR PLACE has acquired title to eleven properties and actively operates a residential rental enterprise. The trust and its trustee may negotiate lease agreements and real estate transactions, manages, maintains and repairs its properties, has its own debtor-in-possession bank account will pay taxes, create financial reports and take investment risks, including entering into agreements with lending institutions. PARADISE HARBOR PLACE filed this case to stop one of eleven secured creditors from selling certain of its real property holdings that secured repayment.

The RIVER GLIDER AVE Trust

RIVER GLIDER AVE TRUST was formed through the Trust Agreement of November 28, 2011. A

1 copy of the Trust Agreement is attached hereto as “Exhibit F.” Although not perfect in drafting, the
 2 trust would almost certainly be a valid trust organized in the State of Nevada. The Trust Agreement
 3 did not contemplate the creation of a trust designed for the sole purpose of passing property to
 4 beneficiaries; rather, it authorized the RIVER GLIDER AVE Trustee, Resources Group LLC, in the
 5 very first Article to create a “business trust,” to “manage, administer, collect, receive, dispose of and
 6 distribute the trust property for the benefit of such persons as have acquired shares of beneficial
 7 interests in the trust.” See Trust Agreement, Exhibit F. The trust interests are transferable. See
 8 Articles VI, VII. Article XI grants powers to the trustee to “organize, own, operate and conduct any
 9 business, trade, enterprise or industry of any kind, description or character whatsoever.” *Id.* It
 10 continues:

11 (d) The Trustee(s) shall, such capacity, exclusively and absolutely, and without leave or
 12 hindrance from the certificate holders have as full, absolute and plenary rights,
 13 authority, power, and discretion as if absolute owners to establish, form, organize,
 14 manage and conduct any business, trade, enterprise or industry of any kind, character or
 15 description whatsoever; to acquire by purchase, exchange or otherwise, and to hold,
 own, develop and operate and to sell, pledge, exchange, mortgage and convey or
 otherwise dispose of property of every kind, character and description, real, personal and
 mixed.

16 *Id.*, Article XI (d). Further powers include the purchase, sale or leasing of property, the investment
 17 of funds, the borrowing or mortgaging of trust assets, to hold real property, to employ agents,
 18 professionals or employees, and the specific powers enumerated in NRS 163.265 through 163.410,
 19 which is itself titled “TRUST POWERS WHICH MAY BE INCLUDED IN A WILL OR
 20 AGREEMENT BY REFERENCE.” NRS 163.265 *et seq.* The Trust Agreement also specifically
 21 authorizes the trustee to file for reorganization:

22 (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust
 23 created herein, and to participate in or consent to any voting Trust, **reorganization**,
 24 dissolution, liquidation, merger, or other action affecting any such shares of stock or any
 corporation which has issued such shares of stock.

25 Article XI (o) (*emphasis added*). RIVER GLIDER AVE, consistent with its intended purpose,
 26 operates a business. Fundamentally it is not a passive vessel, liquidating investments for its
 27 beneficiaries or formed for tax benefits or for smooth inter-generational asset transfers. In function,
 28 RIVER GLIDER AVE has acquired title to eleven properties and actively operates a residential

1 rental enterprise. The trust and its trustee may negotiate lease agreements and real estate
 2 transactions, manages, maintains and repairs its properties, has its own debtor-in-possession bank
 3 account will pay taxes, create financial reports and take investment risks, including entering into
 4 agreements with lending institutions. RIVER GLIDER AVE did not have any imminent foreclosures
 5 on any of its properties when it filed for reorganization under Chapter 11.

6 7 **ARGUMENT**

8 The Trusts are profit-making enterprises. Its activity is the rental and maintenance of residential
 9 real estate. The Trusts hold titles to residential properties, collects revenue in the form of rents from
 10 tenants, pays utilities, pays a management company and will pay secured creditors on the properties
 11 on Debtor holds title, pursuant to Debtor's plan of reorganization. By virtue of holding title to
 12 various properties, which all have liens or mortgages or deeds of trust on them, the Trusts owes
 13 secured creditors. The Debtors have revenue to pay secured creditors. No other party or entity holds
 14 the title to the properties owned by the Debtors that could file for bankruptcy protection and
 15 preserve the properties. The Plan will provide the creditors with the fair market value of all of the
 16 properties and ensure the viability of the Trusts. Beyond the Plan, the Trusts will continue to own
 17 and operate its rental properties, pay the secured creditors, buy, sell and manage real estate, and
 18 engage in any other authorized business activity.

19 20 **I. Debtors are Eligible for Relief under the Bankruptcy Code.**

21 For the purposes of clarification it would be helpful to review notable cases that distinguish
 22 business trusts and trusts that were not found to be business trust in a bankruptcy context. "[A]
 23 number of court-made definitions of 'business trust' exist and indeed perhaps the only thing all cases
 24 have in common is the recognition that they all differ." *In re Jin Suk Kim Trust d/b/a La Union Mall*,
 25 2011 Bankr. LEXIS 3086, *12 (Bankr. D. Md., Apr. 8, 2011) (internal citations and quotations
 26 omitted). Further:

27 No case of which this Court is aware looked solely to the formation document in
 28 reaching its determination. The one overriding principle that emerges from the cases is
 that the determination of whether a trust is a business trust is fact-specific and focuses

on the purpose and operations of the trust.

Id. at *16. A trust may be ineligible to be a debtor if it is only a device to preserve and distribute property to the heirs of the settlor, and if the trustee had no granted authority to run a business. *In re Nellie M. Hurst Trust*, *7 1997 Bankr. LEXIS 997 (Bankr. Md. 1997) (“Ultimately, each decision is based on a very fact-specific analysis of the trust at issue.”) (citing *Shawmut Bank Connecticut, N.A. (In re Secured Equipment Trust of Eastern Air Lines, Inc.)*, 38 F.3d. 86, 89 (2d Cir. 1994)). See also *In the Matter of Evelyn Walker, As Trustee*, 79 B.R. 59, 62 (Bankr. M.D. Fla. 1987) (“[T]he purpose of the trust is without question to provide for support, maintenance, and comfort of the beneficiaries and *not to conduct a business for profit*.”). Despite its conclusion as to that trust, which the court determined was for inheritance purposes and not for business, the *Nellie M. Hurst Trust* case stands firmly against the proposition of a *per se* bar against any trust created through a will becoming a debtor under the Bankruptcy Code. *In re Nellie M. Hurst Trust*, *7 1997 Bankr. LEXIS 997 (Bankr. Md. 1997). A trust can be, at once, an estate planning device and a business trust. In *In re Jin Suk Kim Trust d/b/a La Union Mall*, 2011 Bankr. LEXIS 3086, *2 (Bankr. D. Md., Apr. 8, 2011), the trust was “established to be a generation skipping trust” that allowed for its res to be passed pursuant to the Trustee’s will. The primary asset of that trust was a shopping mall that the trustee continued to manage. *Id.* That Court determined, notwithstanding the estate-planning components of the Trust, that the Trust was intended to allow [the Trustee] to continue to manage the [shopping mall] and any other assets the Debtor acquired the same as she operated her other real estate ventures. It also allowed [the Trustee] to realize the value from the transfer if she chose while continuing to expand her real estate business as she saw fit. Despite instructions related to inheritance, the Court concluded that the Debtor was a business trust. *Id.* at *18-19.

Some courts have addressed prohibitions or restrictions transferability of shares as an indication that a trust is not a business trust. See *In Re Parade Realty*, 134 B.R. 7, at 11 (Bankr. Hawaii, 1991). Here, the certificates of interest are transferrable. See Ex. A Trust Agreement, Articles VI, VII. There is no restriction on outside participants or owners who are not heirs.

Here, the individual Trust Agreements created each Debtor and it empowered the Debtors’ Trustee, Resources Group LLC, to continue create a “business trust” and to “manage, administer,

1 collect, receive, dispose of and distribute the trust property for the benefit of such persons as have
2 acquired shares of beneficial interests in the trust.” See Trust Agreement, Exhibit A. It specifically
3 explains that none of the Trusts are a partnership or joint stock association. *Id.* Pursuant to Article
4 IX, the Trustee is permitted to enter further contracts or instruments, to conduct “business” (referred
5 to separately from administration of assets). Five pages of authority for the trustee to engage in
6 business and management activities follow. Nothing in the trust instrument indicates that the
7 purpose of the trust is to transfer property between a grantor and his heirs, or restricting powers of
8 the trustee to preserve some particularly identified res for beneficiaries. Nor does it restrict transfer
9 of ownership of the beneficial interests. Rather, the trust instrument repeatedly reinforces the
10 commercial intentions for the trust, not like a will, but like an operating agreement or articles of
11 incorporation. This confirms the intent of the parties in creating the Trusts.

12 The Debtors’ Trustee continues manage the Debtor’s properties, pay the utilities and bills of the
13 trust, and maintain lease agreements on behalf of each Trust to improve its income. Each Trust
14 owns and operates a legitimate residential rental enterprise, and exists to conduct for profit business.
15 It would be disingenuous to argue that as part of its reorganization efforts it does not have
16 encumbered properties and liabilities that it needs to deal with through the Bankruptcy Court. In
17 fact, part of the necessity of bringing this matter before this Court now is that several of the secured
18 creditors refused to recognize the Debtor’s title and rights to the homes, despite having purchased
19 the properties from lawful auctions or foreclosures with clear title processed through title
20 companies. It appears that the agents and employees of the secured creditors had no understanding
21 of the rights of non-first mortgage secured creditors – such as second deeds of trust, home equity
22 lines of credit or Home Owners’ Association liens – all of which can result in an auction transferring
23 title while leaving the property with the first lien in tact. To the Debtors and the Trustee’s surprise,
24 the secured creditors were nearly all in complete denial that the Trusts bought liens at foreclosure
25 and had assumed title from the original mortgagee. Indeed, the Trusts are forced to reorganize to
26 preserve its rights precisely because the creditors refused in bad faith [or otherwise ignored] the
27 Debtor’s repeated communications regarding the properties in attempt to get payment information,
28 lien information or payoff values.

II. The Trust's Registration Status Under Nevada Business Law Does Not Determine Whether the Trusts May Be a Debtor.

It is not necessary to make a "business trust" election under state law to determine whether a trust is a "business trust" within the meaning of 11 U.S.C. § 101(9)(a)(v). *In re Morgantown Trust No. 1*, 155 B.R. 137 (Bankr. N.D. W.Va. 1993). In that case, the Morgantown Trust No. 1 itself contained language prohibiting it from becoming a West Virginia Business Trust. *Id.* at 138.

Additionally, the Trustee was prohibited from managing or operating the Trust or transacting any business and could "deal with [trust property] only when authorized to do so in writing [by]... a majority in interest of the beneficiaries..." *Id.* at 139. There, not only did the Morgantown Trust No. 1. not register with any state agency as a business trust, it lacked the authority to so register. *Id.*

While *In re Morgantown Trust No. 1* weighed the nature of the state law formation of that trust as a factor in its 11 U.S.C. § 101(9)(A)(v) analysis, most courts have ruled that factor to be irrelevant:

Whether an entity is eligible for relief under title 11 of the United States Code is purely a matter of federal law. To hold otherwise would result in different results in different states and an entity would be eligible for relief in one state but not another. Clearly this is not what Congress intended...

Brady-Morris v. Schilling (In re: Kenneth Allen Knight Trust), 303 F.3d 671, 678-79 (6th Cir. 2002) (internal citations and quotations omitted). Indeed, in *Brady-Morris* the trust was not a registered Kentucky Business Trust, yet the Court upheld that Trust as a business trust for Bankruptcy Court purposes.

If Congress wanted Trust eligibility to be determined by reference to state law, it knew how to do that. *See* 11 U.S.C. § 544(b) (giving the trustee authority to avoid transfers that are voidable by reference to state law). Instead of relegating trust debtor eligibility to state law, Congress intentionally broadened the types of trusts that could become debtors--and left it broad for more than thirty years. The doors of the bankruptcy courts are open to business trusts for a reason: they are discrete economic entities as much as individuals and incorporated businesses. The Trusts are an economic entity and it is entitled to relief under the Bankruptcy Code.

1
2 WHEREFORE, the Debtor respectfully requests that this Court enter a finding that the trust is
3 an eligible business trust.

4
5 Dated this 4th day of November, 2012.

6 Respectfully submitted,
7 /s/ Ryan Alexander
8 Ryan Alexander, Esq.
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The Firm, P.C.
200 East Charleston Boulevard, Las Vegas, Nevada 89104

EXHIBIT A

THE BOURNE VALLEY CT TRUST

Dated May 4th, 2012

Table of Contents

	Page
<u>ARTICLE 1</u> DECLARATION OF TRUST	3
<u>ARTICLE 2</u> APPOINTMENT OF TRUSTEE	3
<u>ARTICLE 3</u> GENERAL DUTIES OF TRUSTEE	3
<u>ARTICLE 4</u> NAME AND PRINCIPAL OFFICE	4
<u>ARTICLE 5</u> BENEFICIAL TRUST CERTIFICATES	4
<u>ARTICLE 6</u> TRANSFER OF SHARE CERTIFICATES	4
<u>ARTICLE 7</u> DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER	5
<u>ARTICLE 8</u> GENERAL AUTHORITY OF TRUSTEE	5
<u>ARTICLE 9</u> LIABILITIES OF TRUST	5
<u>ARTICLE 10</u> DISTRIBUTIONS	6
<u>ARTICLE 11</u> TRUSTEE POWERS	6
<u>ARTICLE 12</u> TRUSTEE, TERM, MEETING, AND COMPENSATION	11
<u>ARTICLE 13</u> BOOKS, RECORDS, AND ACCOUNTING	12
<u>ARTICLE 14</u> QUALIFIED SUBCHAPTER S TRUSTS	12
<u>ARTICLE 15</u> GENERAL PROVISIONS	13

Trust Agreement

OF THE BOURNE VALLEY CT TRUST

This Agreement of trust made May 4th, 2012, among the beneficial trust certificate holders, hereinafter called the Grantors, and RESOURCES GROUP, LLC of Clark County, Nevada, hereinafter called the Trustee(s).

ARTICLE I

DECLARATION OF TRUST

This trust agreement is intended to create a business trust, hereinafter called the trust, and not a partnership or a joint stock association.

ARTICLE II

APPOINTMENT OF TRUSTEE

The Grantors hereby transfer to the trustees all of their right, title and interest in the property described in the attached Appendix "A," attached hereto and made a part hereof.

ARTICLE III

GENERAL DUTIES OF TRUSTEE

The Trustee shall hold the property described in Appendix "A" and all property hereafter acquired by him as Trustee, and all income and profits therefrom, hereinafter collectively called the trust property, in trust, and shall manage, administer, collect, receive, dispose of and distribute the trust property for the benefit of such persons as have acquired shares of beneficial interests in the trust, hereinafter called the beneficiaries.

ARTICLE IV

NAME & PRINCIPAL OFFICE

The Trustee(s) shall be collectively called and referred to as the "BOURNE VALLEY CT TRUST," with its physical location principal office at "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101," and its mailing address as "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101."

ARTICLE V BENEFICIAL TRUST

CERTIFICATES

The beneficial interests in the trust shall consist of 1,000 shares, each with a \$10.00 par value. The Trustee(s) may sell or exchange such shares for such sums as they consider proper. The trustees shall issue certificates, in such form as they deem proper, to the beneficiaries of such shares. The certificates shall entitle the owners thereof to participate in all dividends and other distributions of income or principal in the proportion which the number of shares owned by him or her bears to the total number of shares issued and outstanding.

In the event of loss or destruction of a share certificate, the Trustee(s) may issue a new share certificate, upon such conditions as the Trustee (s) may deem necessary and proper.

ARTICLE VI

TRANSFER OF SHARE CERTIFICATES

A beneficiary may transfer his or her share certificate in person or by a duly authorized attorney. Such certificates must be endorsed for transfer and submitted to the Trustee(s), who shall record such transfer on the trust books and issue new certificates to the transferee. No transfer shall be of any effect as against the Trustee(s) until it has been so recorded.

ARTICLE VII

DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER

The death, insolvency, or incapacity of one or more of the Beneficial Interest Shareholders, or the transfer of shares, shall not operate to terminate or dissolve the trust or affect its continuity in any way. In the event of the death of a Beneficial Interest Shareholder, or a transfer of shares, the transferees, heirs, legatees, or legal representatives of the decedent or transferor shall succeed to his rights.

ARTICLE VIII

GENERAL AUTHORITY OF TRUSTEE

The Trustee(s) shall hold the legal title to all property at any time belonging to the trust and shall have absolute and exclusive power and control over the management and conduct of the business of the trust, free from any control or influence by the beneficiaries, aka Beneficial Interest Shareholders.

ARTICLE IX

LIABILITIES OF TRUST

Neither the Trustee(s) nor the beneficiaries shall ever be personally liable hereunder as partners or otherwise, but for all debts the Trustee(s) shall be liable for such to the extent of the trust property only. In all contracts or instruments creating liability, it shall be expressly stipulated that neither the Trustee(s) nor the beneficiaries shall be held personally liable under such instrument. No amendment shall ever be made to this declaration of trust, increasing or enlarging the liability of the Trustee(s) or the beneficiaries hereunder as herein stipulated. The Trustee(s) shall be indemnified by, and receive reimbursement from the trust estate against and from any and all personal liability, claim, damage and loss by him incurred or suffered in the administration of the trust estate, or in the conduct of any business provided for hereunder, except such as may arise from his own personal and willful breach of trust; but all such indemnification and reimbursement shall be limited to the trust estate alone, and under no circumstances and in no event, shall the beneficiaries or any of them be subjected to any personal liability by virtue thereof, or of any provision of this instrument.

ARTICLE X

DISTRIBUTIONS

The Trustee(s) shall distribute to the beneficiaries out of the net income of the trust such sums as they deem appropriate, the time and amounts of such distributions subject solely to their discretion. The beneficiaries shall share in such distributions in proportion to their percentage of ownership of the number of shares issued and outstanding.

ARTICLE XI

TRUSTEE POWERS

The purposes of this trust are to authorize and empower the trustees hereunder, as such, to organize, own, operate and conduct any business, trade, enterprise, or industry of any kind, description or character whatsoever; to buy and sell property of every kind, character and description, and to do anything, and transact any business with respect to any of said matters and properties which they could lawfully do in their individual capacity as absolute owners. Without in any way limiting or curtailing the generality of the foregoing purposes and powers the Trustee(s) shall, without further authority and without any control by the beneficiaries, possess all and singular, the following special rights, powers and authority:

- (a) As far as convenient and practicable, take and hold the title, both legal and equitable, to all property, however acquired under the terms hereof in the name of RESOURCES GROUP, LLC said property shall be held by the Trustee(s) in trust according to the terms hereof. All conveyances of every kind and description, at any time made to or in the name of the Trustee(s) as Manager and Member of RESOURCES GROUP, LLC shall be held to vest the title to the property so conveyed in the Trustee(s) as such under this instrument.
- (b) Administer and dispose of all properties for the benefit of the beneficiaries hereunder in proportion to their respective interests, as represented by the trust certificates referenced hereinabove.
- (c) The Trustee(s) shall have the absolute management, control and disposition of all the trust estate and its business and affairs, of every kind and character.

- (d) The Trustee(s) shall, in such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.
- (e) The Trustee(s) shall have the absolute and uncontrolled right, power and authority to institute, maintain and defend actions, suits and proceedings in any court of law or equity either in the name of said trust or in their names as Trustee(s) thereof; to sell, transfer, assign and convey the whole or any part of the trust estate, invest and reinvest the proceeds thereof at any time in such manner and on such terms and for such consideration as they in their absolute and uncontrolled discretion may deem best; to collect any money, and pledge the assets of the trust as security therefore; to improve, repair and develop any property belonging to the trust estate in any manner they shall deem proper; to insure the lives of any persons for the benefit of this trust; to execute and deliver in the manner herein provided all deeds, leases, mortgages, powers of attorney and other instruments in writing which they may deem necessary and proper in the exercise of the powers conferred hereunder; to purchase, hold, mortgage, pledge, exchange, sell, convey, and deal in real estate, stocks, bonds, securities of every kind and description, property, rights, privileges and franchises of every kind and character, in such cases and for such consideration and upon such terms and conditions as they may deem right and proper; to deal in, own, produce, store, and transport goods and commerce; and to own and hold lands, leases, rights, franchises and other properties for all purposes; own, construct and operate facilities, sales offices, warehouses, cars and all vehicles by them deemed necessary or convenient in the conduct of any business herein mentioned; to buy, sell and furnish gas or electricity for light, heat, power and any other purposes, and to obtain, hold and own franchises for all purposes, and to own, construct and operate any facility, business or enterprise of any kind or character whatsoever; either in connection with any of the business herein enumerated or otherwise; and finally, to do any act or thing of any kind or character, which in their judgment or discretion may be necessary, proper or expedient, in carrying into effect the purposes of this trust or any purpose specified in the declaration of trust, or in any amendments hereto, duly made and adopted.

- (f) With respect to real property: to sell and to buy real property; to mortgage and/or convey by deed of trust or otherwise encumber any real property now or hereafter owned by this Trust to lease, sublease, release; to eject, remove and relieve tenants or other persons from, and recover possession of by all lawful means; to accept real property as a gift or as security for a loan; to collect, sue for, receive and receipt for rents and profits and to conserve, invest or utilize and all of such rents, profits and receipts for the purposes described in this paragraph; to do any act of management and conservation, to pay, compromise, or to contest tax assessments and to apply for refunds in connection therewith; to employ laborers; to subdivide, develop, dedicate to public use without consideration, and/or dedicate easements over; to maintain, protect, repair, preserve, insure, build upon, demolish, alter or improve all or any part thereof; to obtain or vacate plats and adjust boundaries; to adjust differences in valuation on exchange or partition by giving or receiving consideration; to release or partially release real property from a lien.
- (g) To register any securities or other property held hereunder in the names of Trustee(s) or in the name of a nominee, with or without the addition of words indicating that such securities or other property are held in a fiduciary capacity, and to hold in bearer form any securities or other property held hereunder so that title thereto will pass by delivery, but the books and records of Trustee(s) shall show that all such investments are part of their respective funds.
- (h) To hold, manage, invest and account for the separate Trusts in one or more consolidated funds, in whole or in part, as they may determine. As to each consolidated fund, the division into the various shares comprising such fund need be made only upon Trustees' books of account.
- (i) To lease Trust property for terms within or beyond the term of the Trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling and utilization agreements.
- (j) To borrow money, mortgage, pledge or lease Trust assets for whatever period of time Trustee shall determine, even beyond the expected term of the respective Trust.
- (k) To hold and retain any property, real or personal, in the form in which the same may be at the time of the receipt thereof, as long as in the exercise of their discretion it may be advisable so to do, notwithstanding same may not be of a character authorized by law for investment of Trust funds.
- (l) To invest and reinvest in their absolute discretion, and they shall not be restricted in their choice of investments to such investments as are

permissible for fiduciaries under any present or future applicable law, notwithstanding that the same may constitute an interest in a partnership.

- (m) To advance funds to any of the Trusts for any Trust purpose. The interest rate imposed for such advances shall not exceed the current rates.
- (n) To institute, compromise, and defend any actions and proceedings.
- (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust created herein, and to participate in or consent to any voting Trust, reorganization, dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.
- (p) To partition, allot, and distribute, in undivided interest or in kind, or partly in money and partly in kind, and to sell such property as the Trustees may deem necessary to make division or partial or final distribution of any of the Trusts.
- (q) To determine what is principal or income of the Trusts and apportion and allocate receipts and expenses as between these accounts.
- (r) To make payments hereunder directly to any beneficiary under disability, to the guardian of his or her person or estate, to any other person deemed suitable by the Trustee(s), or by direct payment of such beneficiary's expenses.
- (s) To employ agents, attorneys, brokers, and other employees, individual or corporate, and to pay them reasonable compensation, which shall be deemed part of the expenses of the Trusts and powers hereunder.
- (t) To accept additions of property to the Trusts, whether made by the beneficiaries hereunder, or by any one interested in such beneficiaries.
- (u) To hold on deposit or to deposit any funds of any Trust created herein, whether part of the original Trust fund or received thereafter, in one or more savings and loan associations, bank or other financial institution and in such form of account, whether or not interest bearing, as Trustee(s) may determine, without regard to the amount of any such deposit or to whether or not it would otherwise be a suitable investment for funds of a trust.
- (v) To open and maintain safety deposit boxes in the name of this Trust.
- (w) To make distributions to any Trust or beneficiary hereunder in cash or in specific property, real or personal, or an undivided interest

therein, or partly in cash and partly in such property, and to do so without regard to the income tax basis of specific property so distributed.

- (x) The powers enumerated in NRS 163.265 to NRS 163.410, inclusive, are hereby incorporated herein to the extent they do not conflict with any other provisions of this instrument.
- (y) The enumeration of certain powers of the Trustee(s) shall not limit their general powers, subject always to the discharge of their fiduciary obligations, and being vested with and having all the rights, powers, and privileges which an absolute owner of the same property would have.
- (z) The Trustee(s) shall have the power to invest Trust assets in securities of every kind, including debt and equity securities, to buy and sell securities, to write covered securities options on recognized options exchanges, to buy-back covered securities options listed on such exchanges, to buy and sell listed securities options, individually and in combination, employing recognized investment techniques such as, but not limited to, spreads, straddles, and other documents, including margin and option agreements which may be required by securities brokerage firms in connection with the opening of accounts in which such option transaction will be effected.
- (aa) The power to guaranty loans made for the benefit of, in whole or in part, any beneficiary or any entity in which any beneficiary has a direct or indirect interest.
- (bb) In regard to the operation of any business of the Trust, the Trustee(s) shall have the following powers:
 - (1) The power to retain and continue the business engaged in by the Trust or to recapitalize, liquidate or sell the same.
 - (2) The power to direct, control, supervise, manage, or participate in the operation of the business and to determine the manner and degree of the fiduciary's active participation in the management of the business and to that end to delegate all or any part of the power to supervise, manage or operate the business to such person or persons as the fiduciary may select, including any individual who may be a beneficiary or Trustee hereunder.
 - (3) The power to engage, compensate and discharge, or as a stockholder owning the stock of the Corporation, to vote for the engagement,

compensation and discharge of such managers, employees, agents, attorneys, accountants, consultants or other representatives, including anyone who may be a beneficiary or Trustee hereunder.

- (4) The power to become or continue to be an officer, director or employee of a Corporation and to be paid reasonable compensation from such Corporation as such officer, director and employee, in addition to any compensation otherwise allowed by law.
- (5) The power to invest or employ in such business such other assets of the Trust estate.

ARTICLE XII

TRUSTEES, TERM, MEETINGS, AND COMPENSATION

The compensation of the Trustee(s) for management of the trust property in accordance herewith shall be approved in writing and under such terms and conditions as agreed upon by the beneficial certificate holders of the Trust and the Trustee(s). Additionally, the Trustee(s) shall be reimbursed for all actual expenses incurred in the administration of any Trust created or administered hereunder.

There shall be no more than one (1) trustee, approved by the beneficial trust certificate holders, and each of whom will serve for a term agreed upon between the Trustee(s) and the beneficiaries. Absent such an agreement, the Trustee(s) shall serve calendar year terms, with each term expiring on December 31st of each year. The Trustee(s) shall serve said term indefinitely, unless the tenure is terminated by death, resignation, or incapacity to serve. The death, resignation, or incapacity to serve of any or all of the trustees shall not terminate the trust or in any way affect its continuity. Subject to any limitations stated elsewhere in this Trust Indenture, all decisions affecting any of the Trust estate shall be made in the following manner: If three or more Trustees, whether corporate or individual, are in office, the determination of a majority shall be binding. If only two individual Trustees are in office, they must act unanimously. Any vacancy among the trustees shall be filled by the remaining trustees. Successor trustees shall execute a written consent to act as trustee under the terms of this declaration of trust. The trustees shall meet at such times and at such places as they deem advisable.

ARTICLE XIII

BOOKS, RECORDS, AND ACCOUNTING

The books of the Trust shall be open and available to the reasonable inspection of the beneficiaries. Trustees shall compile an annual report within 60 days after the end of the calendar year consisting of, but not limited to, the receipts, disbursements, earnings, assets and condition of the trust, including a financial statement prepared by an independent certified public accountant. A copy of such report shall be furnished to each beneficiary. The Trustee(s) is not discharged of his fiduciary obligations for the prior calendar year until said annual accounting and report is approved by the beneficiaries or otherwise confirmed by a court of competent jurisdiction.

ARTICLE XIV

QUALIFIED SUBCHAPTER S TRUSTS

14.1 S-Corporation Stock To the extent that any Trust created under this Instrument (for purposes of this Article an "Original Trust") owns or becomes the owner (or would but for this provision become the owner) of shares of stock of any then electing "S corporation" pursuant to Section 1361 et seq. of the Internal Revenue Code, or to the extent that any such Original Trust owns or becomes the owner of shares of stock of any "small business corporation" as defined in Section 1361(b) of the Internal Revenue Code with respect to which the Trustee(s) desires to continue, make, or allow to be made an S corporation election, the Trustee(s) of such Trust shall have the power at any time, in such Trustee's sole and absolute discretion, the exercise of which shall not be subject to review by any person or court, to terminate said Original Trust as to such shares of stock and to allocate, pay, and distribute (or cause to be allocated, paid, and distributed directly from any transferor) some or all of such shares of stock to a separate and distinct Qualified Subchapter S Trust and Trust fund shall be designated with the name of the same Beneficiary with whose name the Original Trust is designated (such Beneficiary with whose name the Original Trust is designated being for purposes of this Article the "Beneficiary" of such trust) and shall be held pursuant to the same terms and conditions as the Original Trust, except that, notwithstanding any other provision in this Trust Indenture applicable to the Original Trust:

- (a) Until the death of the Beneficiary of the Qualified Subchapter S Trust, the Trustees of such Qualified Subchapter S Trust shall pay and distribute to such Beneficiary and to no other person all of the net income of the Qualified Subchapter S Trust annually or at more frequent intervals. Any and all income accrued but not paid to the Beneficiary prior to the death of the Beneficiary shall be paid to the estate of the Beneficiary.
- (b) Any distribution of principal from a Qualified Subchapter S Trust may be made only to the Beneficiary then entitled to receive income from such trust.
- (c) Each Qualified Subchapter S Trust is intended to be a Qualified Subchapter S Trust, as defined in Section 1361(d) of the Internal Revenue Code, as amended, or any successor provisions thereto. Accordingly, no Trustee of any Qualified Subchapter S Trust created pursuant to this Article shall have any power, the possession of which would cause any such Trust to fail to be a Qualified Subchapter S Trust; no power shall be exercisable in such a manner as to cause any such Trust to fail to be a Qualified Subchapter S Trust; and any ambiguity in this Trust Indenture shall be resolved in such a manner that each such trust shall be a Qualified Subchapter S Trust.
- (d) The provisions of Article 5 and 6 shall have no application to the distribution of income from any Qualified Subchapter S Trust created or continued pursuant to the provisions of this Article.
- (e) Any power provided in Article 5 and 6 of this Trust Indenture may be exercised with respect to any Qualified Subchapter S Trust created pursuant to this Article if and only if, or to the extent that, the exercise of any such power shall not violate the provisions of this Article and shall not impair or disqualify the Qualified Subchapter S Trust status of such trust.

14.2 Effect on Beneficiaries. In granting to the Trustee(s) the discretion to create one or more Qualified Subchapter S Trusts as herein provided, the beneficiaries recognize that the interest of present or future beneficiaries may be increased or diminished upon the exercise of such discretion.

ARTICLE XV

GENERAL PROVISIONS

15.1 **Amendments**. This declaration of trust may be amended in any particular except as regards to the liability of beneficiaries, by the unanimous vote of the Trustee(s), but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates.

15.2 **Term and Termination**. This Trust shall continue indefinitely, subject to the rule against perpetuities, unless sooner terminated. The Trustee(s) may terminate and dissolve this trust at any time by unanimous vote, but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates. Upon termination, for any reason, the Trustee(s) shall liquidate all trust property and distribute the same to the beneficiaries according to their proportionate share of the issued and outstanding trust certificates.

15.3 **Controlling Law**. This Trust Indenture is executed under the laws of the State of Nevada and shall in all respects be administered by the laws of the State of Nevada; provided, however, the Trustee(s) shall have the discretion, exercisable at any later time and from time to time, to administer any Trust created hereunder pursuant to the laws of any jurisdiction in which the Trustee(s), may be domiciled, by executing a written instrument acknowledged before a notary public to that effect, and delivered to the then income beneficiaries. If the Trustee(s) exercises the discretion, as above provided, this Trust Indenture shall be administered from that time forth by the laws of the other state or jurisdiction.

15.4 **Perpetuities Savings Clause**. Unless terminated earlier in accordance with other provisions of this Trust, any Trust hereby created or created by the exercise of any power hereunder shall terminate Twenty-one (21) years after the death of the last survivor of the following: (1) the beneficiaries; (2) all the issue of the beneficiaries who are living at the death of the beneficial trust certificate holders; and (3) all named beneficiaries who are living at the death of the beneficial trust certificate holders, or upon the expiration of the maximum period authorized by the laws of the State of Nevada or the state by which the Trust is then being governed.

15.5 **Severability**. In the event any clause, provision or provisions of this Trust Indenture prove to be or be adjudged invalid or void for any reason, then such invalid or void clause, provision or provisions shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain operative and shall be carried into effect insofar as legally possible.

15.6 **Headings**. The various clause headings used herein are for convenience of reference only and constitute no part of this Trust Indenture.

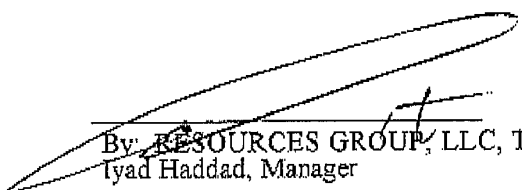
15.7 **More Than One Original**. This Trust Indenture may be executed in any number of copies and each shall constitute an original of one and the same instrument.

15.8 **Interpretation**. Whenever it shall be necessary to interpret this Trust, the masculine, feminine and neuter personal pronouns shall be construed interchangeably, and the singular shall include the plural and the singular.

ACCEPTANCE OF TRUSTEE(S)

I certify that I have read the foregoing Declaration of Trust and understand the terms and conditions upon which the Trust estate is to be held, managed, and disposed of by me as Trustee. I accept the Declaration of Trust in all particulars and acknowledge receipt of the trust property.

BOURNE VALLEY CT TRUST


By: **RESOURCES GROUP, LLC**, Trustee
Tyad Haddad, Manager

STATE OF NEVADA)

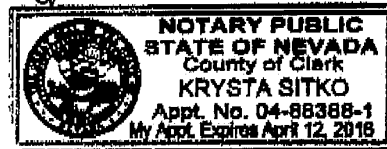
)ss.

COUNTY OF CLARK)

On JUNE 7, 2012, before me, the undersigned, a Notary Public in and for said County of Clark, State of Nevada, personally appeared IYAD HADDAD, 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 to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first above written.

NOTARY PUBLIC *KRYSTA SITKO*



APPENDIX A
LEGAL DESCRIPTIONS

<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3621 WILD WILLOW ST LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	SAPPHIRE POINTE PLAT BOOK 80 PAGE 6 LOT 68 BLOCK 3 SEC 07 TWP 20 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	410 HORSE POINTE AVE NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	PARKS UNIT 5 PLAT BOOK 94 PAGE 26 LOT 21 BLOCK 1 SEC 22 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3171 CASTLE CANYON AVE HENDERSON
<u>ASSESSOR DESCRIPTION</u>	SEVEN HILLS LOT E UNIT-3 PLAT BOOK 75 PAGE 43 LOT 12 BLOCK 2 SEC 35 TWP 22 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5332 LA QUINTA HILLS ST NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	CORTEZ HGTS PLAT BOOK 113 PAGE 81 LOT 124 SEC 35 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	4254 ROLLINGSTONE DR SPRING VALLEY
<u>ASSESSOR DESCRIPTION</u>	GLENVIEW WEST TWNHS PLAT BOOK 30 PAGE 65 LOT 19 SEC 24 TWP 21 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	1452 BOURNE VALLEY CT PARADISE
<u>ASSESSOR DESCRIPTION</u>	CONCORDIA AT WIGWAM-UNIT 2 PLAT BOOK 110 PAGE 39

	LOT 43 BLOCK 14 SEC 14 TWP 22 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5733 LARKDALE ST PARADISE
<u>ASSESSOR DESCRIPTION</u>	CONCORDIA AT SANDHILL PLAT BOOK 105 PAGE 44 LOT 15 BLOCK 1 SEC 31 TWP 21 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	4449 LAGUNA GARDEN AVE NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	LAMB & TROPICAL PLAT BOOK 120 PAGE 36 LOT 148 BLOCK 5 SEC 29 TWP 19 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	8129 BACKPACKER CT LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	ELKHORN SPRINGS-PARCEL 2-UNIT 1 PLAT BOOK 80 PAGE 31 LOT 38 BLOCK 2 SEC 16 TWP 19 RNG 60
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	5650 E SAHARA AVE 1011 SUNRISE MANOR
<u>ASSESSOR DESCRIPTION</u>	TERRASANTA UNIT 2 PLAT BOOK 93 PAGE 35 UNIT 1011 BLDG 3 SEC 04 TWP 21 RNG 62

BENEFICIAL SHARE CERTIFICATE

FOR THE

BOURNE VALLEY CT TRUST

BOURNE VALLEY CT TRUST

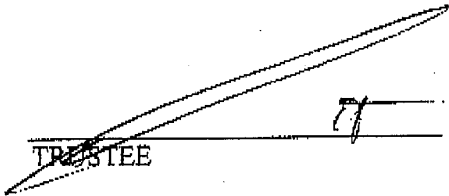
Certificate No. 001 1,000 shares

This certifies that **RESOURCES GROUP, LLC** is the holder of 1,000 shares in the BOURNE VALLEY CT TRUST, which it holds subject to an agreement and declaration of trust thereof, dated May 4th, 2012, hereby referred to and made a part of this certificate, of which all persons dealing with this company shall take notice.

The shares of the BOURNE VALLEY CT TRUST are of the par value of \$10.00 dollars each.

No transfer hereof will affect the BOURNE VALLEY CT TRUST or the assets therein held thereby, until this certificate has been surrendered and the transfer recorded upon the books of the Trustee.

In witness whereof, the Trustee under said declaration of trust has signed his name in authentication hereof, this the 4th day of May, 2012.



TRUSTEE

EXHIBIT B

D U R H A M

J O N E S &

P I N E G A R

Durham Jones & Pinegar, P.C.
111 East Broadway, Suite 900
P O Box 4050
Salt Lake City, Utah 84110
801.415.3000
801.415.3500 Fax
www.djplaw.com

Robert Bolick
Attorney at Law
rbolick@djplaw.com

October 29, 2012

Ryan Alexander, Esq.
THE FIRM
200 E. Charleston Blvd.
Las Vegas, NV 89104

Re: The Bourne Valley Ct. Trust
Dated May 4, 2012

Dear Mr. Alexander:

You asked that I provide you with an opinion concerning the above-referenced trust.

Generally, courts are very lenient and accommodating in upholding the validity of trusts. All that is required is a grantor (person creating the trust) who delivers the property to a trustee (or can even hold it himself in a fiduciary capacity as a trustee) on behalf of the beneficiaries. There is not even a requirement that the parties be separate – a single individual can be the grantor declaring himself as the trustee on behalf of himself and/or others as the beneficiaries. If there is any way for a court to uphold a trust's validity, they tend to take that course.

In this trust the grantors are defined in the initial paragraph as the "certificate holders" referenced in Article V. Although the specific identity of the grantors is not disclosed, they could easily be identified as whoever transferred assets into the trust.

The trustee is Resources Group, LLC, a Nevada LLC. This entity appears to be a properly formed LLC under Nevada law. Mr. Haddad is both the registered agent and the manager. The owners of the LLC are not listed. Whether the owners are Mr. Haddad or someone else is completely irrelevant. The LLC is clearly indicated as the trustee of the trust. Lastly, as indicated above, the trustee could be Mr. Haddad individually instead of the LLC owned, controlled or operated by him. It would still be a valid trust under Nevada law.

SALT LAKE CITY | OGDEN | ST. GEORGE | LAS VEGAS

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Ryan Alexander, Esq.
October 29, 2012
Page 2

The trustee executed the document on the last page. This clearly evidences the intent to create a trust and for the LLC to hold the assets in a fiduciary capacity as trustee. It appears that Mr. Haddad's signature is notarized. This was not necessary under Nevada law.

Further indication of its viability as a trust are: the duties of the trustee are set forth in Article III, contingent beneficiaries are provided for in Article VII and distributions are set forth in Article X.

What is not clear is the declaration under Article I to create a "business trust." This does not specifically reference NRS Chapter 88A, nor has the trust, to the best of my knowledge, filed a Certificate of Trust with the Secretary of State as required under NRS 88A.210. It is not clear to me whether the term "business trust" was a term of art simply indicating the intent that the trust conducts business.

Another issue is the creation of transferable certificates under Article V of the trust. While this would not be standard under most trusts, it certainly wouldn't invalidate it as a Nevada trust. Under Nevada law, unless beneficiaries are specifically prohibited from transferring or alienating their beneficial interests (which would be contained in a typical Spendthrift provision), they are permitted to transfer their interest. Transfer of beneficial interests are specifically permitted under Article VII of the trust.

Lastly, there is an issue whether the trust could be amended. Section 15.1 specifically allows for amendments to the trust by the beneficiaries and the trustee.

All of these facts, when taken together clearly evidence the intent to create a trust under Nevada law. Most courts would find it to be valid.

Please let me know if you have any further questions or areas which you would like me to address concerning this trust.

Very truly yours,

DURHAM JONES & PINEGAR, P.C.



Robert L. Bolick

RLB:drl

EXHIBIT C

THE OLIVER SAGEBRUSH DRIVE TRUST

Dated June 20th, 2012

Table of Contents

	Page
<u>ARTICLE 1</u>	
DECLARATION OF TRUST	3
<u>ARTICLE 2</u>	
APPOINTMENT OF TRUSTEE	3
<u>ARTICLE 3</u>	
GENERAL DUTIES OF TRUSTEE	3
<u>ARTICLE 4</u>	
NAME AND PRINCIPAL OFFICE	4
<u>ARTICLE 5</u>	
BENEFICIAL TRUST CERTIFICATES	4
<u>ARTICLE 6</u>	
TRANSFER OF SHARE CERTIFICATES	4
<u>ARTICLE 7</u>	
DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER	5
<u>ARTICLE 8</u>	
GENERAL AUTHORITY OF TRUSTEE	5
<u>ARTICLE 9</u>	
LIABILITIES OF TRUST	5
<u>ARTICLE 10</u>	
DISTRIBUTIONS	6
<u>ARTICLE 11</u>	
TRUSTEE POWERS	6
<u>ARTICLE 12</u>	
TRUSTEE, TERM, MEETING, AND COMPENSATION	11
<u>ARTICLE 13</u>	
BOOKS, RECORDS, AND ACCOUNTING	12
<u>ARTICLE 14</u>	
QUALIFIED SUBCHAPTER S TRUSTS	12
<u>ARTICLE 15</u>	
GENERAL PROVISIONS	13

Trust Agreement

OF THE

OLIVER SAGEBRUSH DRIVE TRUST

This Agreement of trust made June 20th, 2012, among the beneficial trust certificate holders, hereinafter called the Grantors, and RESOURCES GROUP, LLC of Clark County, Nevada, hereinafter called the Trustee(s).

ARTICLE I

DECLARATION OF TRUST

This trust agreement is intended to create a business trust, hereinafter called the trust, and not a partnership or a joint stock association.

ARTICLE II

APPOINTMENT OF TRUSTEE

The Grantors hereby transfer to the trustees all of their right, title and interest in the property described in the attached Appendix "A," attached hereto and made a part hereof.

ARTICLE III

GENERAL DUTIES OF TRUSTEE

The Trustee shall hold the property described in Appendix "A" and all property hereafter acquired by him as Trustee, and all income and profits therefrom, hereinafter collectively called the trust property, in trust, and shall manage, administer, collect, receive, dispose of and distribute the trust property for the benefit of such persons as have acquired shares of beneficial interests in the trust, hereinafter called the beneficiaries.

ARTICLE IV

NAME & PRINCIPAL OFFICE

The Trustee(s) shall be collectively called and referred to as the "OLIVER SAGEBRUSH DRIVE TRUST," with its physical location principal office at "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101," and its mailing address as "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101."

ARTICLE V BENEFICIAL TRUST

CERTIFICATES

The beneficial interests in the trust shall consist of 1,000 shares, each with a \$10.00 par value. The Trustee(s) may sell or exchange such shares for such sums as they consider proper. The trustees shall issue certificates, in such form as they deem proper, to the beneficiaries of such shares. The certificates shall entitle the owners thereof to participate in all dividends and other distributions of income or principal in the proportion which the number of shares owned by him or her bears to the total number of shares issued and outstanding.

In the event of loss or destruction of a share certificate, the Trustee(s) may issue a new share certificate, upon such conditions as the Trustee (s) may deem necessary and proper.

ARTICLE VI

TRANSFER OF SHARE CERTIFICATES

A beneficiary may transfer his or her share certificate in person or by a duly authorized attorney. Such certificates must be endorsed for transfer and submitted to the Trustee(s), who shall record such transfer on the trust books and issue new certificates to the transferee. No transfer shall be of any effect as against the Trustee(s) until it has been so recorded.

ARTICLE VII

DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER

The death, insolvency, or incapacity of one or more of the Beneficial Interest Shareholders, or the transfer of shares, shall not operate to terminate or dissolve the trust or affect its continuity in any way. In the event of the death of a Beneficial Interest Shareholder, or a transfer of shares, the transferees, heirs, legatees, or legal representatives of the decedent or transferor shall succeed to his rights.

ARTICLE VIII

GENERAL AUTHORITY OF TRUSTEE

The Trustee(s) shall hold the legal title to all property at any time belonging to the trust and shall have absolute and exclusive power and control over the management and conduct of the business of the trust, free from any control or influence by the beneficiaries, aka Beneficial Interest Shareholders.

ARTICLE IX

LIABILITIES OF TRUST

Neither the Trustee(s) nor the beneficiaries shall ever be personally liable hereunder as partners or otherwise, but for all debts the Trustee(s) shall be liable for such to the extent of the trust property only. In all contracts or instruments creating liability, it shall be expressly stipulated that neither the Trustee(s) nor the beneficiaries shall be held personally liable under such instrument. No amendment shall ever be made to this declaration of trust, increasing or enlarging the liability of the Trustee(s) or the beneficiaries hereunder as herein stipulated. The Trustee(s) shall be indemnified by, and receive reimbursement from the trust estate against and from any and all personal liability, claim, damage and loss by him incurred or suffered in the administration of the trust estate, or in the conduct of any business provided for hereunder, except such as may arise from his own personal and willful breach of trust; but all such indemnification and reimbursement shall be limited to the trust estate alone, and under no circumstances and in no event, shall the beneficiaries or any of them be subjected to any personal liability by virtue thereof, or of any provision of this instrument.

ARTICLE X

DISTRIBUTIONS

The Trustee(s) shall distribute to the beneficiaries out of the net income of the trust such sums as they deem appropriate, the time and amounts of such distributions subject solely to their discretion. The beneficiaries shall share in such distributions in proportion to their percentage of ownership of the number of shares issued and outstanding.

ARTICLE XI

TRUSTEE POWERS

The purposes of this trust are to authorize and empower the trustees hereunder, as such, to organize, own, operate and conduct any business, trade, enterprise, or industry of any kind, description or character whatsoever, to buy and sell property of every kind, character and description, and to do anything, and transact any business with respect to any of said matters and properties which they could lawfully do in their individual capacity as absolute owners. Without in any way limiting or curtailing the generality of the foregoing purposes and powers the Trustee(s) shall, without further authority and without any control by the beneficiaries, possess all and singular, the following special rights, powers and authority:

- (a) As far as convenient and practicable, take and hold the title, both legal and equitable, to all property, however acquired under the terms hereof in the name of RESOURCES GROUP, LLC said property shall be held by the Trustee(s) in trust according to the terms hereof. All conveyances of every kind and description, at any time made to or in the name of the Trustee(s) as Manager and Member of RESOURCES GROUP, LLC shall be held to vest the title to the property so conveyed in the Trustee(s) as such under this instrument.
- (b) Administer and dispose of all properties for the benefit of the beneficiaries hereunder in proportion to their respective interests, as represented by the trust certificates referenced hereinabove.
- (c) The Trustee(s) shall have the absolute management, control and disposition of all the trust estate and its business and affairs, of every kind and character.

- (d) The Trustee(s) shall, in such capacity, exclusively and absolutely, and without leave or hindrance from the certificate holders have as full, absolute and plenary rights, authority, power, and discretion as if absolute owners to establish, form, organize, manage and conduct any business, trade, enterprise or industry of any kind, character or description whatsoever; to acquire by purchase, exchange or otherwise, and to hold, own, develop and operate and to sell, pledge, exchange, mortgage and convey or otherwise dispose of property of every kind, character and description, real, personal and mixed.
- (e) The Trustee(s) shall have the absolute and uncontrolled right, power and authority to institute, maintain and defend actions, suits and proceedings in any court of law or equity either in the name of said trust or in their names as Trustee(s) thereof; to sell, transfer, assign and convey the whole or any part of the trust estate, invest and reinvest the proceeds thereof at any time in such manner and on such terms and for such consideration as they in their absolute and uncontrolled discretion may deem best; to collect any money, and pledge the assets of the trust as security therefore; to improve, repair and develop any property belonging to the trust estate in any manner they shall deem proper; to insure the lives of any persons for the benefit of this trust; to execute and deliver in the manner herein provided all deeds, leases, mortgages, powers of attorney and other instruments in writing which they may deem necessary and proper in the exercise of the powers conferred hereunder; to purchase, hold, mortgage, pledge, exchange, sell, convey, and deal in real estate, stocks, bonds, securities of every kind and description, property, rights, privileges and franchises of every kind and character, in such cases and for such consideration and upon such terms and conditions as they may deem right and proper; to deal in, own, produce, store, and transport goods and commerce; and to own and hold lands, leases, rights, franchises and other properties for all purposes; own, construct and operate facilities, sales offices, warehouses, cars and all vehicles by them deemed necessary or convenient in the conduct of any business herein mentioned; to buy, sell and furnish gas or electricity for light, heat, power and any other purposes, and to obtain, hold and own franchises for all purposes, and to own, construct and operate any facility, business or enterprise of any kind or character whatsoever; either in connection with any of the business herein enumerated or otherwise; and finally, to do any act or thing of any kind or character, which in their judgment or discretion may be necessary, proper or expedient, in carrying into effect the purposes of this trust or any purpose specified in the declaration of trust, or in any amendments hereto, duly made and adopted.

- (f) With respect to real property: to sell and to buy real property; to mortgage and/or convey by deed of trust or otherwise encumber any real property now or hereafter owned by this Trust to lease, sublease, release; to eject, remove and relieve tenants or other persons from, and recover possession of by all lawful means; to accept real property as a gift or as security for a loan; to collect, sue for, receive and receipt for rents and profits and to conserve, invest or utilize and all of such rents, profits and receipts for the purposes described in this paragraph; to do any act of management and conservation, to pay, compromise, or to contest tax assessments and to apply for refunds in connection therewith; to employ laborers; to subdivide, develop, dedicate to public use without consideration, and/or dedicate easements over; to maintain, protect, repair, preserve, insure, build upon, demolish, alter or improve all or any part thereof; to obtain or vacate plats and adjust boundaries; to adjust differences in valuation on exchange or partition by giving or receiving consideration; to release or partially release real property from a lien.
- (g) To register any securities or other property held hereunder in the names of Trustee(s) or in the name of a nominee, with or without the addition of words indicating that such securities or other property are held in a fiduciary capacity, and to hold in bearer form any securities or other property held hereunder so that title thereto will pass by delivery, but the books and records of Trustee(s) shall show that all such investments are part of their respective funds.
- (h) To hold, manage, invest and account for the separate Trusts in one or more consolidated funds, in whole or in part, as they may determine. As to each consolidated fund, the division into the various shares comprising such fund need be made only upon Trustees' books of account.
- (i) To lease Trust property for terms within or beyond the term of the Trust and for any purpose, including exploration for and removal of gas, oil, and other minerals; and to enter into community oil leases, pooling and utilization agreements.
- (j) To borrow money, mortgage, pledge or lease Trust assets for whatever period of time Trustee shall determine, even beyond the expected term of the respective Trust.
- (k) To hold and retain any property, real or personal, in the form in which the same may be at the time of the receipt thereof, as long as in the exercise of their discretion it may be advisable so to do, notwithstanding same may not be of a character authorized by law for investment of Trust funds.
- (l) To invest and reinvest in their absolute discretion, and they shall not be restricted in their choice of investments to such investments as are

permissible for fiduciaries under any present or future applicable law, notwithstanding that the same may constitute an interest in a partnership.

- (m) To advance funds to any of the Trusts for any Trust purpose. The interest rate imposed for such advances shall not exceed the current rates.
- (n) To institute, compromise, and defend any actions and proceedings.
- (o) To vote, in person or by proxy, at corporate meetings any shares of stock in any Trust created herein, and to participate in or consent to any voting Trust, reorganization, dissolution, liquidation, merger, or other action affecting any such shares of stock or any corporation which has issued such shares of stock.
- (p) To partition, allot, and distribute, in undivided interest or in kind, or partly in money and partly in kind, and to sell such property as the Trustees may deem necessary to make division or partial or final distribution of any of the Trusts.
- (q) To determine what is principal or income of the Trusts and apportion and allocate receipts and expenses as between these accounts.
- (r) To make payments hereunder directly to any beneficiary under disability, to the guardian of his or her person or estate, to any other person deemed suitable by the Trustee(s), or by direct payment of such beneficiary's expenses.
- (s) To employ agents, attorneys, brokers, and other employees, individual or corporate, and to pay them reasonable compensation, which shall be deemed part of the expenses of the Trusts and powers hereunder.
- (t) To accept additions of property to the Trusts, whether made by the beneficiaries hereunder, or by any one interested in such beneficiaries.
- (u) To hold on deposit or to deposit any funds of any Trust created herein, whether part of the original Trust fund or received thereafter, in one or more savings and loan associations, bank or other financial institution and in such form of account, whether or not interest bearing, as Trustee(s) may determine, without regard to the amount of any such deposit or to whether or not it would otherwise be a suitable investment for funds of a trust.
- (v) To open and maintain safety deposit boxes in the name of this Trust.
- (w) To make distributions to any Trust or beneficiary hereunder in cash or in specific property, real or personal, or an undivided interest

therein, or partly in cash and partly in such property, and to do so without regard to the income tax basis of specific property so distributed.

- (x) The powers enumerated in NRS 163.265 to NRS 163.410, inclusive, are hereby incorporated herein to the extent they do not conflict with any other provisions of this instrument.
- (y) The enumeration of certain powers of the Trustee(s) shall not limit their general powers, subject always to the discharge of their fiduciary obligations, and being vested with and having all the rights, powers, and privileges which an absolute owner of the same property would have.
- (z) The Trustee(s) shall have the power to invest Trust assets in securities of every kind, including debt and equity securities, to buy and sell securities, to write covered securities options on recognized options exchanges, to buy-back covered securities options listed on such exchanges, to buy and sell listed securities options, individually and in combination, employing recognized investment techniques such as, but not limited to, spreads, straddles, and other documents, including margin and option agreements which may be required by securities brokerage firms in connection with the opening of accounts in which such option transaction will be effected.
- (aa) The power to guaranty loans made for the benefit of, in whole or in part, any beneficiary or any entity in which any beneficiary has a direct or indirect interest.
- (bb) In regard to the operation of any business of the Trust, the Trustee(s) shall have the following powers:
 - (1) The power to retain and continue the business engaged in by the Trust or to recapitalize, liquidate or sell the same.
 - (2) The power to direct, control, supervise, manage, or participate in the operation of the business and to determine the manner and degree of the fiduciary's active participation in the management of the business and to that end to delegate all or any part of the power to supervise, manage or operate the business to such person or persons as the fiduciary may select, including any individual who may be a beneficiary or Trustee hereunder.
 - (3) The power to engage, compensate and discharge, or as a stockholder owning the stock of the Corporation, to vote for the engagement,

compensation and discharge of such managers, employees, agents, attorneys, accountants, consultants or other representatives, including anyone who may be a beneficiary or Trustee hereunder.

- (4) The power to become or continue to be an officer, director or employee of a Corporation and to be paid reasonable compensation from such Corporation as such officer, director and employee, in addition to any compensation otherwise allowed by law.
- (5) The power to invest or employ in such business such other assets of the Trust estate.

ARTICLE XII

TRUSTEES, TERM, MEETINGS, AND COMPENSATION

The compensation of the Trustee(s) for management of the trust property in accordance herewith shall be approved in writing and under such terms and conditions as agreed upon by the beneficial certificate holders of the Trust and the Trustee(s). Additionally, the Trustee(s) shall be reimbursed for all actual expenses incurred in the administration of any Trust created or administered hereunder.

There shall be no more than three (1) trustee, approved by the beneficial trust certificate holders, and each of whom will serve for a term agreed upon between the Trustee(s) and the beneficiaries. Absent such an agreement, the Trustee(s) shall serve calendar year terms, with each term expiring on December 31st of each year. The Trustee(s) shall serve said term indefinitely, unless the tenure is terminated by death, resignation, or incapacity to serve. The death, resignation, or incapacity to serve of any or all of the trustees shall not terminate the trust or in any way affect its continuity. Subject to any limitations stated elsewhere in this Trust Indenture, all decisions affecting any of the Trust estate shall be made in the following manner: While three or more Trustees, whether corporate or individual, are in office, the determination of a majority shall be binding. If only two individual Trustees are in office, they must act unanimously. Any vacancy among the trustees shall be filled by the remaining trustees. Successor trustees shall execute a written consent to act as trustee under the terms of this declaration of trust. The trustees shall meet at such times and at such places as they deem advisable.

ARTICLE XIII

BOOKS, RECORDS, AND ACCOUNTING

The books of the Trust shall be open and available to the reasonable inspection of the beneficiaries. Trustees shall compile an annual report within 60 days after the end of the calendar year consisting of, but not limited to, the receipts, disbursements, earnings, assets and condition of the trust, including a financial statement prepared by an independent certified public accountant. A copy of such report shall be furnished to each beneficiary. The Trustee(s) is not discharged of his fiduciary obligations for the prior calendar year until said annual accounting and report is approved by the beneficiaries or otherwise confirmed by a court of competent jurisdiction.

ARTICLE XIV

QUALIFIED SUBCHAPTER S TRUSTS

14.1 S-Corporation Stock. To the extent that any Trust created under this Instrument (for purposes of this Article an "Original Trust") owns or becomes the owner (or would but for this provision become the owner) of shares of stock of any then electing "S corporation" pursuant to Section 1361 et seq. of the Internal Revenue Code, or to the extent that any such Original Trust owns or becomes the owner of shares of stock of any "small business corporation" as defined in Section 1361(b) of the Internal Revenue Code with respect to which the Trustee(s) desires to continue, make, or allow to be made an S corporation election, the Trustee(s) of such Trust shall have the power at any time, in such Trustee's sole and absolute discretion, the exercise of which shall not be subject to review by any person or court, to terminate said Original Trust as to such shares of stock and to allocate, pay, and distribute (or cause to be allocated, paid, and distributed directly from any transferor) some or all of such shares of stock to a separate and distinct Qualified Subchapter S Trust and Trust fund shall be designated with the name of the same Beneficiary with whose name the Original Trust is designated (such Beneficiary with whose name the Original Trust is designated being for purposes of this Article the "Beneficiary" of such trust) and shall be held pursuant to the same terms and conditions as the Original Trust, except that, notwithstanding any other provision in this Trust Indenture applicable to the Original Trust:

- (a) Until the death of the Beneficiary of the Qualified Subchapter S Trust, the Trustees of such Qualified Subchapter S Trust shall pay and distribute to such Beneficiary and to no other person all of the net income of the Qualified Subchapter S Trust annually or at more frequent intervals. Any and all income accrued but not paid to the Beneficiary prior to the death of the Beneficiary shall be paid to the estate of the Beneficiary.
- (b) Any distribution of principal from a Qualified Subchapter S Trust may be made only to the Beneficiary then entitled to receive income from such trust.
- (c) Each Qualified Subchapter S Trust is intended to be a Qualified Subchapter S Trust, as defined in Section 1361(d) of the Internal Revenue Code, as amended, or any successor provisions thereto. Accordingly, no Trustee of any Qualified Subchapter S Trust created pursuant to this Article shall have any power, the possession of which would cause any such Trust to fail to be a Qualified Subchapter S Trust; no power shall be exercisable in such a manner as to cause any such Trust to fail to be a Qualified Subchapter S Trust; and any ambiguity in this Trust Indenture shall be resolved in such a manner that each such trust shall be a Qualified Subchapter S Trust.
- (d) The provisions of Article 5 and 6 shall have no application to the distribution of income from any Qualified Subchapter S Trust created or continued pursuant to the provisions of this Article.
- (e) Any power provided in Article 5 and 6 of this Trust Indenture may be exercised with respect to any Qualified Subchapter S Trust created pursuant to this Article if and only if, or to the extent that, the exercise of any such power shall not violate the provisions of this Article and shall not impair or disqualify the Qualified Subchapter S Trust status of such trust.

14.2 Effect on Beneficiaries. In granting to the Trustee(s) the discretion to create one or more Qualified Subchapter S Trusts as herein provided, the beneficiaries recognize that the interest of present or future beneficiaries may be increased or diminished upon the exercise of such discretion.

ARTICLE XV

GENERAL PROVISIONS

15.1 Amendments. This declaration of trust may be amended in any particular except as regards to the liability of beneficiaries, by the unanimous vote of the Trustee(s),

but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates.

15.2 Term and Termination. This Trust shall continue indefinitely, subject to the rule against perpetuities, unless sooner terminated. The Trustee(s) may terminate and dissolve this trust at any time by unanimous vote, but only with the consent of the owners of the beneficial trust certificates totaling more than 80% of the total issued and outstanding trust certificates. Upon termination, for any reason, the Trustee(s) shall liquidate all trust property and distribute the same to the beneficiaries according to their proportionate share of the issued and outstanding trust certificates.

15.3 Controlling Law. This Trust Indenture is executed under the laws of the State of Nevada and shall in all respects be administered by the laws of the State of Nevada; provided, however, the Trustee(s) shall have the discretion, exercisable at any later time and from time to time, to administer any Trust created hereunder pursuant to the laws of any jurisdiction in which the Trustee(s), may be domiciled, by executing a written instrument acknowledged before a notary public to that effect, and delivered to the then income beneficiaries. If the Trustee(s) exercises the discretion, as above provided, this Trust Indenture shall be administered from that time forth by the laws of the other state or jurisdiction.

15.4 Perpetuities Savings Clause. Unless terminated earlier in accordance with other provisions of this Trust, any Trust hereby created or created by the exercise of any power hereunder shall terminate Twenty-one (21) years after the death of the last survivor of the following: (1) the beneficiaries; (2) all the issue of the beneficiaries who are living at the death of the beneficial trust certificate holders; and (3) all named beneficiaries who are living at the death of the beneficial trust certificate holders, or upon the expiration of the maximum period authorized by the laws of the State of Nevada or the state by which the Trust is then being governed.

15.5 Severability. In the event any clause, provision or provisions of this Trust Indenture prove to be or be adjudged invalid or void for any reason, then such invalid or void clause, provision or provisions shall not affect the whole of this instrument, but the balance of the provisions hereof shall remain operative and shall be carried into effect

insofar as legally possible.

15.6 **Headings.** The various clause headings used herein are for convenience of reference only and constitute no part of this Trust Indenture.

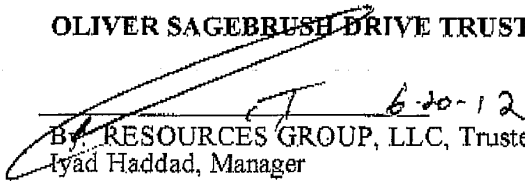
15.7 **More Than One Original.** This Trust Indenture may be executed in any number of copies and each shall constitute an original of one and the same instrument.

15.8 **Interpretation.** Whenever it shall be necessary to interpret this Trust, the masculine, feminine and neuter personal pronouns shall be construed interchangeably, and the singular shall include the plural and the singular.

ACCEPTANCE OF TRUSTEE(S)

I certify that I have read the foregoing Declaration of Trust and understand the terms and conditions upon which the Trust estate is to be held, managed, and disposed of by me as Trustee. I accept the Declaration of Trust in all particulars and acknowledge receipt of the trust property.

OLIVER SAGEBRUSH DRIVE TRUST

 6-20-12
By **RESOURCES GROUP, LLC, Trustee**
Iyad Haddad, Manager

STATE OF NEVADA)

)ss.

COUNTY OF CLARK)

On _____, 2012, before me, the undersigned, a Notary Public in and for said County of Clark, State of Nevada, personally appeared IYAD HADDAD, 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 to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year in this certificate first above written.

NOTARY PUBLIC

APPENDIX A

LEGAL DESCRIPTION(S)

<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	4085 OLIVER SAGEBRUSH DR. WHITNEY
<u>ASSESSOR DESCRIPTION</u>	DESERT INN MASTER PLAN LOT E PLAT BOOK 118 PAGE 33 LOT 14 BLOCK 1 SEC 15 TWP 21 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	2920 BAYLINER AVE NORTH LAS VEGAS
<u>ASSESSOR DESCRIPTION</u>	SOMERSET RIDGE 3 UNIT 1 PLAT BOOK 99 PAGE 31 LOT 88 BLOCK 3 SEC 29 TWP 19 RNG 61
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3797 MONUMENT ST PARADISE
<u>ASSESSOR DESCRIPTION</u>	HERITAGE SQUARE SOUTH UNIT #2 PLAT BOOK 13 PAGE 16 LOT 47 BLOCK 12 SEC 18 TWP 21 RNG 62
<u>LOCATION ADDRESS</u> <u>CITY/UNINCORPORATED TOWN</u>	3425 E RUSSELL RD 142 PARADISE
<u>ASSESSOR DESCRIPTION</u>	SILVER CANYON CONDO AMD PLAT BOOK 78 PAGE 27 UNIT 142 BLDG K SEC 31 TWP 21 RNG 62

BENEFICIAL SHARE CERTIFICATE
FOR THE
OLIVER SAGEBRUSH DRIVE TRUST

OLIVER SAGEBRUSH DRIVE TRUST

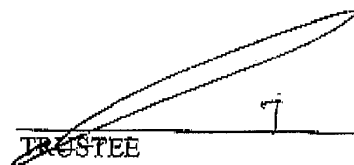
Certificate No. 001 1,000 shares

This certifies that **RESOURCES GROUP, LLC** is the holder of **1,000** shares in the **OLIVER SAGEBRUSH DRIVE TRUST**, which he holds subject to an agreement and declaration of trust thereof, dated June 20th, 2012, hereby referred to and made a part of this certificate, of which all persons dealing with this company shall take notice.

The shares of the **OLIVER SAGEBRUSH DRIVE TRUST** are of the par value of \$10.00 dollars each.

No transfer hereof will affect the **OLIVER SAGEBRUSH DRIVE TRUST** or the assets therein held thereby, until this certificate has been surrendered and the transfer recorded upon the books of the Trustee.

In witness whereof, the Trustee under said declaration of trust has signed his name in authentication hereof on June 20th, 2012.



TRUSTEE 6-20-12

EXHIBIT D

D U R H A M

J O N E S &

P I N E G A R

Durham Jones & Pinegar, P.C.
111 East Broadway, Suite 900
P O Box 4050
Salt Lake City, Utah 84110
801.415.3000
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Robert Bolick
Attorney at Law
rbolick@djplaw.com

October 29, 2012

Ryan Alexander, Esq.
THE FIRM
200 E. Charleston Blvd.
Las Vegas, NV 89104

Re: The Oliver Sagebrush Drive Trust
Dated June 20, 2012

Dear Mr. Alexander:

You asked that I provide you with an opinion concerning the above-referenced trust.

Generally, courts are very lenient and accommodating in upholding the validity of trusts. All that is required is a grantor (person creating the trust) who delivers the property to a trustee (or can even hold it himself in a fiduciary capacity as a trustee) on behalf of the beneficiaries. There is not even a requirement that the parties be separate – a single individual can be the grantor declaring himself as the trustee on behalf of himself and/or others as the beneficiaries. If there is any way for a court to uphold a trust's validity, they tend to take that course.

In this trust the grantors are defined in the initial paragraph as the "certificate holders" referenced in Article V. Although the specific identity of the grantors is not disclosed, they could easily be identified as whoever transferred assets into the trust.

The trustee is Resources Group, LLC, a Nevada LLC. This entity appears to be a properly formed LLC under Nevada law. Mr. Haddad is both the registered agent and the manager. The owners of the LLC are not listed. Whether the owners are Mr. Haddad or someone else is completely irrelevant. The LLC is clearly indicated as the trustee of the trust. Lastly, as indicated above, the trustee could be Mr. Haddad individually instead of the LLC owned, controlled or operated by him. It would still be a valid trust under Nevada law.

SALT LAKE CITY | OGDEN | ST. GEORGE | LAS VEGAS

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Ryan Alexander, Esq.
October 29, 2012
Page 2

The trustee executed the document on the last page. This clearly evidences the intent to create a trust and for the LLC to hold the assets in a fiduciary capacity as trustee. It appears that Mr. Haddad's signature is notarized. This was not necessary under Nevada law.

Further indication of its viability as a trust are: the duties of the trustee are set forth in Article III, contingent beneficiaries are provided for in Article VII and distributions are set forth in Article X.

What is not clear is the declaration under Article I to create a "business trust." This does not specifically reference NRS Chapter 88A, nor has the trust, to the best of my knowledge, filed a Certificate of Trust with the Secretary of State as required under NRS 88A.210. It is not clear to me whether the term "business trust" was a term of art simply indicating the intent that the trust conducts business.

Another issue is the creation of transferable certificates under Article V of the trust. While this would not be standard under most trusts, it certainly wouldn't invalidate it as a Nevada trust. Under Nevada law, unless beneficiaries are specifically prohibited from transferring or alienating their beneficial interests (which would be contained in a typical Spendthrift provision), they are permitted to transfer their interest. Transfer of beneficial interests are specifically permitted under Article VII of the trust.

Lastly, there is an issue whether the trust could be amended. Section 15.1 specifically allows for amendments to the trust by the beneficiaries and the trustee.

All of these facts, when taken together clearly evidence the intent to create a trust under Nevada law. Most courts would find it to be valid.

Please let me know if you have any further questions or areas which you would like me to address concerning this trust.

Very truly yours,

DURHAM JONES & PINEGAR, P.C.



Robert L. Bolick

RLB:drl

EXHIBIT E

THE PARADISE HARBOR PLACE TRUST

Dated June 8th, 2012

Table of Contents

	Page
<u>ARTICLE 1</u> DECLARATION OF TRUST	3
<u>ARTICLE 2</u> APPOINTMENT OF TRUSTEE	3
<u>ARTICLE 3</u> GENERAL DUTIES OF TRUSTEE	3
<u>ARTICLE 4</u> NAME AND PRINCIPAL OFFICE	4
<u>ARTICLE 5</u> BENEFICIAL TRUST CERTIFICATES	4
<u>ARTICLE 6</u> TRANSFER OF SHARE CERTIFICATES	4
<u>ARTICLE 7</u> DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER	5
<u>ARTICLE 8</u> GENERAL AUTHORITY OF TRUSTEE	5
<u>ARTICLE 9</u> LIABILITIES OF TRUST	5
<u>ARTICLE 10</u> DISTRIBUTIONS	6
<u>ARTICLE 11</u> TRUSTEE POWERS	6
<u>ARTICLE 12</u> TRUSTEE, TERM, MEETING, AND COMPENSATION	11
<u>ARTICLE 13</u> BOOKS, RECORDS, AND ACCOUNTING	12
<u>ARTICLE 14</u> QUALIFIED SUBCHAPTER S TRUSTS	12
<u>ARTICLE 15</u> GENERAL PROVISIONS	13

Trust Agreement

OF THE

PARADISE HARBOR PLACE TRUST

This Agreement of trust made June 8th, 2012, among the beneficial trust certificate holders, hereinafter called the Grantors, and RESOURCES GROUP, LLC of Clark County, Nevada, hereinafter called the Trustee(s).

ARTICLE I

DECLARATION OF TRUST

This trust agreement is intended to create a business trust, hereinafter called the trust, and not a partnership or a joint stock association.

ARTICLE II

APPOINTMENT OF TRUSTEE

The Grantors hereby transfer to the trustees all of their right, title and interest in the property described in the attached Appendix "A," attached hereto and made a part hereof.

ARTICLE III

GENERAL DUTIES OF TRUSTEE

The Trustee shall hold the property described in Appendix "A" and all property hereafter acquired by him as Trustee, and all income and profits therefrom, hereinafter collectively called the trust property, in trust, and shall manage, administer, collect, receive, dispose of and distribute the trust property for the benefit of such persons as have acquired shares of beneficial interests in the trust, hereinafter called the beneficiaries.

ARTICLE IV

NAME & PRINCIPAL OFFICE

The Trustee(s) shall be collectively called and referred to as the "PARADISE HARBOR PLACE TRUST," with its physical location principal office at "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101," and its mailing address as "900 S. Las Vegas Blvd., #810, Las Vegas, Nevada, 89101."

ARTICLE V BENEFICIAL TRUST

CERTIFICATES

The beneficial interests in the trust shall consist of 1,000 shares, each with a \$10.00 par value. The Trustee(s) may sell or exchange such shares for such sums as they consider proper. The trustees shall issue certificates, in such form as they deem proper, to the beneficiaries of such shares. The certificates shall entitle the owners thereof to participate in all dividends and other distributions of income or principal in the proportion which the number of shares owned by him or her bears to the total number of shares issued and outstanding.

In the event of loss or destruction of a share certificate, the Trustee(s) may issue a new share certificate, upon such conditions as the Trustee (s) may deem necessary and proper.

ARTICLE VI

TRANSFER OF SHARE CERTIFICATES

A beneficiary may transfer his or her share certificate in person or by a duly authorized attorney. Such certificates must be endorsed for transfer and submitted to the Trustee(s), who shall record such transfer on the trust books and issue new certificates to the transferee. No transfer shall be of any effect as against the Trustee(s) until it has been so recorded.

ARTICLE VII

DISSOCIATION OF BENEFICIAL INTEREST SHAREHOLDER

The death, insolvency, or incapacity of one or more of the Beneficial Interest Shareholders, or the transfer of shares, shall not operate to terminate or dissolve the trust or affect its continuity in any way. In the event of the death of a Beneficial Interest Shareholder, or a transfer of shares, the transferees, heirs, legatees, or legal representatives of the decedent or transferor shall succeed to his rights.

ARTICLE VIII

GENERAL AUTHORITY OF TRUSTEE

The Trustee(s) shall hold the legal title to all property at any time belonging to the trust and shall have absolute and exclusive power and control over the management and conduct of the business of the trust, free from any control or influence by the beneficiaries, aka Beneficial Interest Shareholders.

ARTICLE IX

LIABILITIES OF TRUST

Neither the Trustee(s) nor the beneficiaries shall ever be personally liable hereunder as partners or otherwise, but for all debts the Trustee(s) shall be liable for such to the extent of the trust property only. In all contracts or instruments creating liability, it shall be expressly stipulated that neither the Trustee(s) nor the beneficiaries shall be held personally liable under such instrument. No amendment shall ever be made to this declaration of trust, increasing or enlarging the liability of the Trustee(s) or the beneficiaries hereunder as herein stipulated. The Trustee(s) shall be indemnified by, and receive reimbursement from the trust estate against and from any and all personal liability, claim, damage and loss by him incurred or suffered in the administration of the trust estate, or in the conduct of any business provided for hereunder, except such as may arise from his own personal and willful breach of trust; but all such indemnification and reimbursement shall be limited to the trust estate alone, and under no circumstances and in no event, shall the beneficiaries or any of them be subjected to any personal liability by virtue thereof, or of any provision of this instrument.

ARTICLE X

DISTRIBUTIONS

The Trustee(s) shall distribute to the beneficiaries out of the net income of the trust such sums as they deem appropriate, the time and amounts of such distributions subject solely to their discretion. The beneficiaries shall share in such distributions in proportion to their percentage of ownership of the number of shares issued and outstanding.

ARTICLE XI

TRUSTEE POWERS

The purposes of this trust are to authorize and empower the trustees hereunder, as such, to organize, own, operate and conduct any business, trade, enterprise, or industry of any kind, description or character whatsoever; to buy and sell property of every kind, character and description, and to do anything, and transact any business with respect to any of said matters and properties which they could lawfully do in their individual capacity as absolute owners. Without in any way limiting or curtailing the generality of the foregoing purposes and powers the Trustee(s) shall, without further authority and without any control by the beneficiaries, possess all and singular, the following special rights, powers and authority:

- (a) As far as convenient and practicable, take and hold the title, both legal and equitable, to all property, however acquired under the terms hereof in the name of RESOURCES GROUP, LLC said property shall be held by the Trustee(s) in trust according to the terms hereof. All conveyances of every kind and description, at any time made to or in the name of the Trustee(s) as Manager and Member of RESOURCES GROUP, LLC shall be held to vest the title to the property so conveyed in the Trustee(s) as such under this instrument.
- (b) Administer and dispose of all properties for the benefit of the beneficiaries hereunder in proportion to their respective interests, as represented by the trust certificates referenced hereinabove.
- (c) The Trustee(s) shall have the absolute management, control and disposition of all the trust estate and its business and affairs, of every kind and character.