

NEVADA SUPREME COURT

DANIEL LAKES,

Appellant,

v.

U.S. BANK TRUST, Trustee for LSF9
Master Participation Trust,

Respondent.

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Docket No. 79324
Mar 23 2020 09:54 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPELLANT'S APPENDIX

VOLUME I

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1 **COMP**

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10 *Attorney for Plaintiff*

11 **EIGHT JUDICIAL DISTRICT COURT**
12 **CLARK COUNTY, NEVADA**

13 DANIEL LAKES, an individual;

14 Plaintiff,

15 v.

16 BANK OF AMERICA N.A., successor-by-
17 merger to Countrywide Mortgage Ventures,
18 LLC; U.S. BANK TRUST, Trustee for LSF9
19 Master Participation Trust; ROGELIO
20 CEDILLO, an individual; PARCELNOMICS,
21 LLC, a Nevada limited liability company d/b/a
22 INVESTMENT DEALS; NOUNE GRAEFF,
23 an individual; DOES 1-10, inclusive; and ROE
24 CORPORATIONS 1-10, inclusive;

25 Defendants.

Case No.: A-17-759016-C

Dept. No.: Department 28

**Arbitration Exemption Requested:
Interest or Estate In Real Property
Claimed NRS 40.010**

26 **COMPLAINT**

27 COMES NOW, the Plaintiff, DANIEL LAKES, individually, by and through his counsel,
28 Lauren A. Davis, Esq. of the law firm of the Southern Nevada Senior Law Program, and hereby
29 against the Defendants, herein, alleges as follows:

30 **JURISDICTION**

31 1. Plaintiff, DANIEL LAKES, is and was at all times relevant herein a resident of Clark
32 County Nevada.

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CLERK OF THE COURT

JA0001

1 2. Upon information and belief, Defendant, BANK OF AMERICA, N.A. (hereinafter
2 "BOA") is a national banking association headquartered in Charlotte, North Carolina and in or
3 around 2011, BOA acquired Countrywide KB Home Loans, a Countrywide Mortgage Ventures,
4 LLC series (hereinafter "Countrywide") by merger. Thus, upon information and belief, BOA is
5 the successor in interest to Countrywide, which was at all times relevant herein authorized to do
6 business and did in fact do business in Clark County, Nevada. Upon information and belief BOA
7 is the current beneficiary under the Line of Credit Deed of Trust described below.

9 3. Upon information and belief Defendant, U.S. BANK TRUST, Trustee for LSF9 Master
10 Participation Trust, is and was at all times relevant herein authorized to do business and did in
11 fact do business in Clark County, Nevada. U.S. BANK TRUST is the current beneficiary under
12 the Deed of Trust described below.

14 4. Upon information and belief Defendant, ROGELIO CEDILLO, an individual, is and was
15 at all times relevant herein a resident of Clark County, Nevada. ROGELIO CEDILLO was the
16 borrower under the Deed of Trust and the Line of Credit Deed of Trust described below as well
17 as the former owner of the Property.

18 5. Upon information and belief Defendant, PARCELNOMICS, LLC d/b/a/ INVESTMENT
19 DEALS, a Nevada limited liability company, was at all times relevant herein authorized to do
20 business and did in fact do business in Clark County, Nevada. PARCELNOMICS, LLC d/b/a/
21 INVESTMENT DEALS is a former owner of the Property described below.

23 6. Upon information and belief Defendant, NOUNE GRAEFF, an individual, is and was at
24 all times relevant herein a resident of Clark County, Nevada. NOUNE GRAEFF is a former
25 owner of the Property described below.

26 7. That the true names and capacities, whether individual, corporate, associate, or otherwise,
27 of Defendants DOES I through X and ROE CORPORATIONS I through X inclusive, are
28

1 unknown to Plaintiffs, who therefore sues said Defendants by such fictitious names. When the
2 true names and capacities are discovered, Plaintiff will seek leave to amend this Complaint and
3 proceedings herein to substitute the true names and capacities of said Defendants. Plaintiff is
4 informed and believes, and thereon alleges, that each of the Defendants designated herein as
5 DOE and ROE CORPORATION have claims that are inferior to Plaintiff's ownership of the
6 Property.
7

8 8. This Complaint concerns a certain parcel of real estate situate in the City of Las Vegas,
9 County of Clark, and commonly known as 548 Primrose Hill Avenue, more particularly
10 described as: APN 176-18-516-089, Huntington Village B in Unit 3 at Rhodes Ranch, Plat Book
11 129 Page 58, Lot 120 (hereinafter the "Property").
12

13 VENUE

14 9. This Complaint concerns a certain parcel of real estate situate in Clark County, Nevada,
15 namely, the Property. Therefore, venue properly lies in the Eighth Judicial District Court of
16 Clark County, Nevada.
17

18 FACTS

19 10. Plaintiff, DANIEL LAKES, is the current owner of the Property.

20 11. Prior to Plaintiff's acquisition of title, ROGELIO CEDILLO took title to the Property via
21 a Grant, Bargain, Sale Deed executed on April 12, 2007 and recorded on April 16, 2007
22 (Instrument No. 20070416-0001096).

23 12. On April 16, 2007, Countrywide recorded a Deed of Trust against the Property naming
24 ROGELIO CEDILLO as borrower; naming First American Title Company of Nevada as Trustee;
25 naming Countrywide as Lender and the Mortgage Electronic Registration Systems, Inc., solely
26 as a nominee for Countrywide, as Beneficiary; and listing a principal amount of \$213,121.00
27 (Instrument No. 20070416-0001097) (hereinafter the "Deed of Trust").
28

1 13. Also on April 16, 2007, Countrywide recorded a Deed of Trust (Line of Credit) against
2 the Property naming ROGELIO CEDILLO as borrower; naming First American Title Company
3 of Nevada as Trustee; naming Countrywide as Lender and the Mortgage Electronic Registration
4 Systems, Inc., solely as a nominee for Countrywide, as Beneficiary; and listing a principal
5 amount of \$53,281.00 (Instrument No. 20070416-0001098) (hereinafter the "Line of Credit Deed
6 of Trust").

7
8 14. The Line of Credit Deed of Trust dictates that it is "subject and subordinate to" the Deed
9 of Trust.

10 15. On July 9, 2008, Red Rock Financial Services (hereinafter "RRFS"), in its capacity as
11 agent for Liberty at Huntington Homeowners Association (hereinafter "LHHOA") recorded a
12 Lien for Delinquent Assessments against the Property for past due HOA assessments in the
13 amount of \$625.04 (Instrument No. 20080709-0001377).

14
15 16. On August 29, 2008, RRFS, in its capacity as agent for LHHOA, recorded a Notice of
16 Default and Election to Sell Pursuant to the Lien for Delinquent Assessments claiming a total
17 amount owed of \$1,668.57 (Instrument No. 20080829-0002732) (hereinafter the "HOA Notice
18 of Default").

19
20 17. On August 19, 2009, Mortgage Electronic Registration Systems, Inc., solely as a nominee
21 for Countrywide, as Beneficiary, assigned the Deed of Trust to Ocwen Loan Servicing, LLC
22 (Instrument No. 20090819-0003864).

23 18. On August 19, 2009, Ocwen Loan Servicing, LLC substituted Cooper Castle Law Firm,
24 LLP in place of First American Title Company of Nevada as Trustee under the Deed of Trust
25 (Instrument No. 20090819-0003865).

26
27 19. On August 19, 2009, Cooper Castle Law Firm, LLP recorded a Notice of Breach and
28 Default and of Election to Cause Sale of Real Property Under Deed of Trust, in response to the

1 default under Deed of Trust (Instrument No. 20090819-0003866) (hereinafter the "Mortgage
2 Notice of Default")

3 20. Upon information and belief, in or around 2011, Defendant, BOA acquired Countrywide
4 by merger. Thus, upon information and belief BOA NA is the successor in interest to
5 Countrywide. The business of BOA and its subsidiaries and affiliates includes origination and
6 servicing of mortgage loans.

7 21. Upon information and belief, as successor-by-merger, BOA became the Beneficiary
8 under the Line of Credit Deed of Trust.

9 22. On October 27, 2014, Ocwen Loan Servicing, LLC substituted Quality Loan Service
10 Corporation in place of Cooper Castle Law Firm, LLP as Trustee under the Deed of Trust
11 (Instrument No. 20141027-0000511).

12 23. On April 24, 2015, RREFS, in its capacity as agent for LHHOA, recorded a Notice of
13 Foreclosure Sale Under the Lien for Delinquent Assessments listing a lien amount owed of
14 \$7,161.36 (Instrument No. 20150424-0002386).

15 24. On August 18, 2015 Quality Loan Servicing Corporation recorded a Notice of Rescission
16 of Notice of Default applicable to the Mortgage Notice of Default referenced in Paragraph 19 of
17 this Complaint (Instrument No. 20150818-0000220).

18 25. On August 25, 2015, the PARCELNOMICS, LLC purchased the Property at the
19 foreclosure sale for a purchase price of \$4,470.00.

20 26. Following the foreclosure sale, PARCELNOMICS, LLC acquired title to the Property via
21 a Foreclosure Deed executed on August 27, 2015 and recorded on September 1, 2015
22 (Instrument No. 20150901-0000488).

23 27. Also on September 1, 2015, for no consideration, PARCELNOMICS, LLC executed and
24 recorded a Grant, Bargain, Sale Deed conveying the Property to Investment Deals, which
25

1 according to Clark County records is the fictitious firm name for PARCELNOMICS, LLC
2 (Instrument No. 20150901-0000516).

3 28. For valuable consideration, Investment Deals conveyed title to NOUNE GRAEFF, a
4 single woman, via a Grant, Bargain, Sale Deed executed and recorded on October 23, 2015
5 (Instrument No. 20151023-0000841).

6 29. For valuable consideration, NOUNE GRAEFF conveyed title to Plaintiff, DANIEL
7 LAKES, a single man, via a Grant, Bargain, Sale Deed executed and recorded on January 20,
8 2016 (Instrument No. 20160120-0001525).

9 30. On May 27, 2016 Owen Loan Servicing Corporation assigned the Deed of Trust to U.S.
10 Bank Trust, N.A., as Trustee for LSF9 Master Participation Trust (Instrument No. 20160527-
11 0002171).

12 31. In July of 2016, Plaintiff received in the mail an unrecorded copy of a "Notice of Breach
13 and Election to Cause Sale of Real Property under Deed of Trust" (hereinafter the "Notice of
14 Default") threatening foreclosure against the Property in relation to the debt secured by the Deed
15 of Trust.

16 32. This Notice of Default was never recorded against the Property.

17 33. The interest of each of the Defendants has been extinguished by reason of the foreclosure
18 sale resulting from a delinquency in assessments owed to LHHA by former owner, ROGELIO
19 CEDILLO, and subsequent voluntary title transfers.

20 34. Upon information and belief, the foreclosure on the delinquent assessments was
21 conducted pursuant to NRS Chapter 116, and upon information and belief, complied with all
22 legal requirements, including, but not limited to, recording and mailing the HOA Notice of
23 Default, and recording, posting and publication of the Notice of Foreclosure Sale.

24 35. Upon information and belief, prior to the LHHA foreclosure sale, no individual or
25

1 entity with an interest in the Property paid the super-priority portion of the LHHOA lien
2 representing 9 months of delinquent assessments.

3
4 **CLAIMS FOR RELIEF**
5 **FIRST CAUSE OF ACTION**
6 **(Quiet Title as to all Defendants)**

7 36. Plaintiff realleges and incorporates by reference all the allegations of paragraphs 1
8 through 35 above in their entirety.

9 37. Upon information and belief, LHHOA properly noticed and conducted a foreclosure of
10 the Property.

11 38. Plaintiff purchased the Property and shortly thereafter was threatened with a foreclosure
12 action as to the debts that were extinguished pursuant to the foreclosure sale.

13 39. Pursuant to NRS 40.010 Plaintiff is entitled to a declaratory judgment from this Court
14 establishing him as the legal owner of the Property, free and clear from all encumbrances and
15 liens.

16 40. In rendering such judgment, Plaintiff requests the Court declare that none of the
17 Defendants herein named has any right, title, or interest in the property and that Defendants are
18 forever enjoined from asserting any right, title, interest, or claim in the Property.

19 41. As a result of Defendants' conduct, Plaintiffs have been forced to retain counsel to
20 prosecute this action and are entitled to recover reasonable attorney's fees and costs of suit.

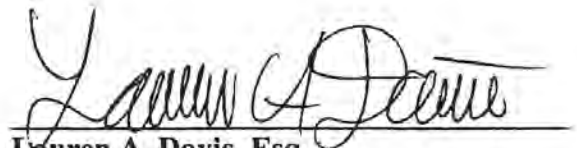
21
22 **PRAYER FOR RELIEF**

23 42. WHEREFORE, Plaintiff prays judgment against the Defendants, each of them, singularly
24 and together, as follows:

- 25 A. For quiet title of the Property, granting clear title to Property to DANIEL LAKES;
26 B. For a declaratory judgment from this Court establishing him as the legal owner of the
27 Property, free and clear from all encumbrances and liens.

- 1 C. For a determination and declaration that Defendants have no estate, right, title,
2 interest, or claim in the Property;
3 D. For a judgment forever enjoining Defendants from asserting any right, title, interest,
4 or claim in the Property;
5 E. For Plaintiff's costs of this lawsuit;
6 F. For reasonable court costs, legal fees, and attorney's fees incurred herein, as
7 permitted by law;
8 G. For compensatory and special damages in excess of \$15,000; and
9 H. For such other and further relief as this court deems appropriate.

10 Dated this day, July 25, 2017.



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VERIFICATION OF COMPLAINT

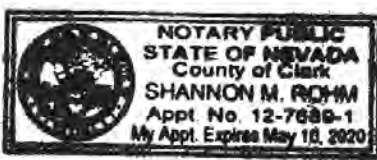
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County of Clark)

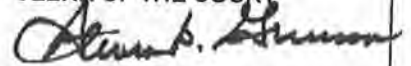
I, DANIEL LAKES, the Complainant named in the foregoing Complaint being duly sworn, say that the facts and allegations contained therein are true, except so far as they are therein stated to be on information, and that, so far as they are therein stated to be on information, I believe them to be true.

Daniel Lakes
DANIEL LAKES

Taken, sworn to and subscribed before me this 15th day of June, 2017.

Shannon M. Rohm
NOTARY PUBLIC





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3 Nevada Bar No. 7548
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Trustee for LSF9 Mater Participation Trust

DISTRICT COURT
CLARK COUNTY, NEVADA

DANIEL LAKES, an Individual;

Plaintiff,

v.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive,

Defendants.

Case No.: A-17-759016-C

Dept No. 28

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LAS VEGAS, NEVADA 89106
(702) 471-7000 FAX (702) 471-7070

1 U.S. BANK TRUST, TRUSTEE FOR
2 LSF9 MASTER PARTICIPATION
TRUST;

3 Counter-claimant

4 v.

5 DANIEL LAKES, an individual;
6 PARCELNOMICS, LLC; NOUNE
7 GRAEFF, an individual; INVESTMENT
8 DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

9 Counter-defendants

10 U.S. BANK TRUST'S ANSWER TO PLAINTIFF'S COMPLAINT AND
11 COUNTERCLAIM

12 U.S. Bank Trust, Trustee for LSF9 Master Participation Trust ("U.S. Bank")
13 answers Plaintiff Daniel Lakes' (Plaintiff) Complaint and submits a counterclaim as
14 follows:

15 1. U.S. Bank is without sufficient knowledge or information to form a
16 belief as to the truth of the allegations contained in Paragraph 1 and therefore denies
17 them.

18 2. U.S. Bank is without sufficient knowledge or information to form a
19 belief as to the truth of the allegations contained in Paragraph 2 and therefore denies
20 them.

21 3. US Bank admits that it is the current beneficiary under the Deed of
22 Trust as set forth herein. Except as admitted, the allegations of Paragraph 3 are
23 denied.

24 4. U.S. Bank is without sufficient knowledge or information to form a
25 belief as to the truth of the allegations contained in Paragraph 4 and therefore denies
26 them.

27 5. U.S. Bank is without sufficient knowledge or information to form a
28 belief as to the truth of the allegations contained in Paragraph 5 and therefore denies

1 them.

2 6. U.S. Bank is without sufficient knowledge or information to form a
3 belief as to the truth of the allegations contained in Paragraph 6 and therefore denies
4 them.

5 7. U.S. Bank is without sufficient knowledge or information to form a
6 belief as to the truth of the allegations contained in Paragraph 7 and therefore denies
7 them.

8 8. The allegations contained in Paragraph 8 state legal conclusions for
9 which no response is required, but to the extent they call for a response, they are
10 denied. To the extent the allegations of Paragraph 8 reference written documents
11 that speak for themselves, no response is required. To the extent that the allegations
12 of Paragraph 8 are inconsistent with the written documents or in any way attempt to
13 characterize such documents, U.S. Bank denies the allegations.

14 VENUE

15 9. The allegations contained in Paragraph 9 state legal conclusions for
16 which no response is required; to the extent that the allegations of Paragraph 9
17 require a response, the allegations are denied.

18 FACTS

19 10. U.S. Bank denies the allegations in Paragraph 10.

20 11. U.S. Bank states that the recorded document speaks for itself and
21 denies any allegation inconsistent therewith. The remaining allegations contained in
22 Paragraph 11 state legal conclusions for which no response is required; provided
23 however, that to the extent Paragraph 11 does require a response, the U.S. Bank
24 denies the remaining allegations contained in Paragraph 11 of the Complaint.

25 12. U.S. Banks states that the recorded document speaks for itself and
26 denies any allegation inconsistent with this record.

27 13. U.S. Bank states that the recorded document speaks for itself and
28 denies any allegation inconsistent with this record.

1 14. U.S. Bank states that the recorded document speaks for itself and
2 denies any allegation inconsistent with this record. The remaining allegations
3 contained in Paragraph 14 state legal conclusions for which no response is required;
4 provided however, that to the extent Paragraph 14 does require a response, U.S.
5 Bank denies the remaining allegations contained in Paragraph 14 of the Complaint.

6 15. U.S. Bank states that the recorded document speaks for itself and
7 denies any allegation inconsistent with this record. The remaining allegations
8 contained in Paragraph 15 state legal conclusions for which no response is required;
9 provided however, that to the extent Paragraph 15 does require a response, U.S.
10 Bank denies the remaining allegations contained in Paragraph 15 of the Complaint.

11 16. U.S. Bank states that the recorded document speaks for itself and
12 denies any allegation inconsistent with this record. The remaining allegations
13 contained in Paragraph 16 state legal conclusions for which no response is required;
14 provided however, that to the extent Paragraph 16 does require a response, U.S.
15 Bank denies the remaining allegations contained in Paragraph 16 of the Complaint.

16 17. U.S. Bank states that the recorded document speaks for itself and
17 denies any allegation inconsistent with this record. The remaining allegations
18 contained in Paragraph 17 state legal conclusions for which no response is required;
19 provided however, that to the extent Paragraph 17 does require a response, U.S.
20 Bank denies the remaining allegations contained in Paragraph 17 of the Complaint.

21 18. U.S. Banks states the recorded document speaks for itself and denies
22 any allegation inconsistent with this record.

23 19. U.S. Bank states that the recorded document speaks for itself and
24 denies any allegation inconsistent with this record. The remaining allegations
25 contained in Paragraph 19 state legal conclusions for which no response is required;
26 provided however, that to the extent Paragraph 19 does require a response, U.S.
27 Bank denies the remaining allegations contained in Paragraph 19 of the Complaint.

28 20. U.S. Bank is without sufficient knowledge or information to form a

1 belief as to the truth of the allegations contained in Paragraph 20 and therefore
2 denies them.

3 21. U.S. Bank is without sufficient knowledge or information to form a
4 belief as to the truth of the allegations contained in Paragraph 21 therefore denies
5 them.

6 22. U.S. Bank states that the recorded document speaks for itself and
7 denies any allegation inconsistent with this record.

8 23. U.S. Bank states that the recorded document speaks for itself and
9 denies any allegation inconsistent with this record. The remaining allegations
10 contained in Paragraph 23 state legal conclusions for which no response is required;
11 provided however, that to the extent Paragraph 23 does require a response, U.S.
12 Bank denies the remaining allegations contained in Paragraph 23 of the Complaint.

13 24. U.S. Bank states that the recorded document speaks for itself and
14 denies any allegation inconsistent with this record. The remaining allegations
15 contained in Paragraph 24 state legal conclusions for which no response is required;
16 provided however, that to the extent Paragraph 24 does require a response, U.S.
17 Bank denies the remaining allegations contained in Paragraph 24 of the Complaint.

18 25. U.S. Bank denies the allegations in Paragraph 25.

19 26. U.S. Bank denies the allegations of Paragraph 26.

20 27. U.S. Bank states that the recorded document speaks for itself and
21 denies any allegation inconsistent with this record. U.S. Bank lacks sufficient
22 information to admit or deny the remaining allegations of Paragraph 27 and
23 therefore denies them.

24 28. U.S. Bank is without sufficient knowledge or information to form a
25 belief as to the truth of the allegations contained in Paragraph 28 and therefore
26 denies them.

27 29. U.S. Bank states that the recorded document speaks for itself and
28 denies any allegation inconsistent with this record. U.S. Bank lacks sufficient

1 information to admit or deny the remaining allegations of Paragraph 29 and
2 therefore denies them.

3 30. U.S. Bank states that the recorded document speaks for itself and
4 denies any allegation inconsistent with this record.

5 31. U.S. Bank is without sufficient knowledge or information to form a
6 belief as to the truth of the allegations contained in Paragraph 31 and therefore
7 denies them.

8 32. U.S. Bank is without sufficient knowledge or information to form a
9 belief as to the truth of the allegations contained in Paragraph 32 and therefore
10 denies them.

11 33. To the extent the allegations in Paragraph 33 pertain to U.S. Bank,
12 U.S. Bank denies the allegations. U.S. Bank lacks sufficient information to admit or
13 deny the remaining allegations of Paragraph 33 and therefore denies them.

14 34. The allegations contained in Paragraph 34 state legal conclusions for
15 which no response is required; provided however, that to the extent Paragraph 34
16 does require a response, U.S. Bank denies the allegations contained in Paragraph 34
17 of the Complaint.

18 35. U.S. Bank lacks sufficient information to admit or deny the allegations
19 of Paragraph 35 and therefore denies them.

20 **CLAIMS FOR RELIEF**
21 **FIRST CAUSE OF ACTION**
22 **(Quiet Title as to All Defendants)**

23 36. Answering Paragraph 36, U.S. Bank repeats, re-alleges and
24 incorporates each of its admissions, denials, or other responses to the Paragraphs 1
25 through 35, referenced therein as if set forth at length and in full.

26 37. U.S. Bank is without sufficient knowledge or information to form a
27 belief as to the truth of the allegations contained in Paragraph 32 and therefore
28 denies them.

38. U.S. Bank is without sufficient knowledge or information to form a

1 belief as to the truth of the allegations contained in Paragraph 38 and therefore
2 denies them.

3 39. U.S. Bank denies the allegations in Paragraph 39.

4 40. U.S. Bank admits that Plaintiff is seeking a declaration from the Court.
5 U.S. Bank denies that Plaintiff is entitled to such relief.

6 41. U.S. Bank is without sufficient knowledge or information to form a
7 belief as to the truth of the allegations contained in Paragraph 41 and therefore
8 denies them.

9 U.S. Bank reserves the right to amend this Answer under the Nevada Rules of
10 Civil Procedure as further facts become known. Every allegation not expressly
11 admitted herein is denied.

12 **AFFIRMATIVE DEFENSES**

13 U.S. Bank continues to investigate Plaintiff's claims and does not waive any
14 affirmative defenses. U.S. Banks reserves its right to amend this Answer to
15 Plaintiff's Complaint and add any subsequently discovered affirmative defenses or
16 claims. Without assuming the burden of proof where it otherwise rests with Plaintiff,
17 U.S. Bank asserts the following affirmative defenses:

18 **FIRST AFFIRMATIVE DEFENSE**

19 Plaintiff failed to state facts sufficient to constitute any cause of action against
20 U.S. Bank.

22 **SECOND AFFIRMATIVE DEFENSE**

23 Plaintiff's claims are barred in whole or in part because of the Plaintiff's
24 failure to take reasonable steps to protect itself from harm and to mitigate its alleged
25 damages, if any.

26 **THIRD AFFIRMATIVE DEFENSE**

27 U.S. Bank avers the affirmative defense of unclean hands.
28

1 FOURTH AFFIRMATIVE DEFENSE

2 To the extent Plaintiff's interpretation of NRS 116.3116 is accurate, the
3 statute, and Chapter 116, are void for vagueness as applied to this matter.

4 FIFTH AFFIRMATIVE DEFENSE

5 Plaintiff purchased an interest in the property with notice of the valid interest
6 of the senior deed of trust recorded against the property and/or of sale improprieties,
7 and is not a *bona fide* purchaser for value.

8 SIXTH AFFIRMATIVE DEFENSE

9 The super-priority lien was satisfied prior to the Liberty at Huntington
10 Homeowners Association's (the "HOA") foreclosure under the doctrines of tender,
11 estoppel, laches, or waiver.

12 SEVENTH AFFIRMATIVE DEFENSE

13 The HOA foreclosure sale was not reasonable, and the circumstances of the
14 sale of the Property breached the Association's obligation of good faith under NRS
15 116.1113 and duty to act in a reasonable manner.

16 EIGHTH AFFIRMATIVE DEFENSE

17 Plaintiff lacks standing to bring some or all of its claims and causes of action.

18 NINTH AFFIRMATIVE DEFENSE

19 A senior deed of trust beneficiary cannot be deprived of its property interest in
20 violation of the Procedural Due Process Clause of the Fourteenth Amendment of the
21 United States Constitution and Article 1, Sec. 8, of the Nevada Constitution.

22 TENTH AFFIRMATIVE DEFENSE

23 The Association foreclosure sale is void or otherwise insufficient to extinguish
24 the deed of trust based on the failure to provide sufficient notice of the "super-
25 priority" assessment amounts in accordance with the requirements of NRS Chapter
26 116, federal law, or constitutional law.

ELEVENTH AFFIRMATIVE DEFENSE

To the extent that this defense may become applicable after discovery, U.S. Bank asserts that the HOA foreclosure sale is void or otherwise insufficient to extinguish the deed of trust based on the failure to provide proper notice of the sale in accordance with the requirements of NRS Chapter 116.

TWELFTH AFFIRMATIVE DEFENSE

The HOA foreclosure sale is void or voidable because the price paid at the sale was grossly inadequate.

THIRTEENTH AFFIRMATIVE DEFENSE

To the extent that this defense may become applicable after discovery, U.S. Bank asserts that the HOA foreclosure sale is void, voidable, or otherwise insufficient to extinguish the Deed of Trust because the sale was tainted by fraud, oppression, or unfairness.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiff acquired only the HOA's interest, not the prior homeowners' interest, through the HOA foreclosure sale.

SIXTEENTH AFFIRMATIVE DEFENSE

The HOA foreclosure sale is void for failure to comply with the provisions of NRS Chapter 116, and other provisions of law.

SEVENTEENTH AFFIRMATIVE DEFENSE

To the extent that U.S. Bank has continued to expend funds and resources to maintain and preserve the Property after the alleged HOA foreclosure sale, it is entitled to recoup those amounts.

EIGHTEENTH AFFIRMATIVE DEFENSE

Pursuant to N.R.C.P. 11, U.S. Bank reserves its right to assert additional affirmative defenses in the event discovery and/or investigation disclose the existence of other affirmative defenses.

COUNTERCLAIM
GENERAL ALLEGATIONS

1
2
3 1. On or about April 16, 2017, Rogelio Cedillo (the "Borrower") obtained a
4 loan from Countrywide KB Home Loan, a Countrywide Mortgage Ventures, LLC in
5 the amount of \$213,121.00 (the "Loan"), secured by a deed of trust recorded against
6 real property commonly known as 548 Primrose Hill Ave., Las Vegas, Nevada 89178
7 (the "Property") as Document No. 200704160001097 in the office of the Clark County
8 Recorder (the "Deed of Trust").

9 2. On August 19, 2009, the Deed of Trust was assigned to Ocwen Loan
10 Servicing, LLC via an Assignment of Deed of Trust, which was recorded against the
11 Property as Document No. 200908190003864 in the office of the Clark County
12 Recorder.

13 3. On May 27, 2016, the Deed of Trust was assigned to U.S. Bank via an
14 Assignment of Deed of Trust, which was recorded against the Property as Document
15 No. 201605270002171 in the office of the Clark County Recorder.

16 4. Upon information and belief, a foreclosure sale was conducted by the
17 HOA on the Property on August 25, 2015 (the "HOA Sale") and a Foreclosure Deed
18 was recorded against the Property as Document No. 201509010000488.

19 5. Upon information and belief, the Parcelnomics, LLC purported to
20 purchase an interest in the Property at the HOA Sale for \$4,470.00.

21 6. The Foreclosure Deed states, in part, that the HOA conveyed, without
22 warranty, "its right, title and interest in" the Property.

23 7. Subsequent to the HOA Sale, Parcelnomics, LLC conveyed its purported
24 interest in the Property to Investment Deals through a Grant, Bargain, Sale Deed
25 recorded as Document No. 201509010000516 in the Clark County Recorder.

26 8. Investments Deals conveyed its purported interest in the Property to
27 Nouné Graeff through a Grant, Bargain, Sale Deed recorded as Document No.
28 201510230000841 in the Clark County Recorder.

1 9. Noune Graeff conveyed his purported interest in the Property to
2 Plaintiff through a Grant, Bargain, Sale Deed recorded as Document No.
3 201605270002171 in the Clark County Recorder.

4 10. The sale price at the HOA Sale is grossly inadequate when compared to
5 the debt on the Loan and the fair market value of the Property at the time of the
6 HOA Sale.

7 11. The HOA Sale is void, voidable, or otherwise insufficient to extinguish
8 the deed of trust because the sale was tainted by fraud, oppression or unfairness.

9 12. Upon information and belief, the HOA did not provide proper notice of
10 the HOA Sale to U.S. Bank or its predecessors in interest.

11 13. U.S. Bank has continued to expend funds and resources to maintain and
12 preserve the property including, but not limited to, payments for real property taxes
13 and homeowner's insurance.

14 14. The HOA is joined as a party pursuant to N.R.C.P. 19(a) even though
15 there are no substantive claims alleged against the HOA.

16 15. Pacelnomics, LLC is joined as a party pursuant to N.R.C.P. 19(a) even
17 though there are no substantive claims alleged against Pacelnomics, LLC.

18 16. Investment Deals is joined as a party pursuant to N.R.C.P. 19(a) even
19 though there are no substantive claims alleged against Investment Deals.

20 17. Noune Graeff is joined as a party pursuant to N.R.C.P. 19(a) even
21 though there are no substantive claims alleged against Noune Graeff

22 18. The Borrower is joined as a party pursuant to N.R.C.P. 19(a) even
23 though there are no substantive claims alleged against the Borrower.

24 **FIRST CLAIM FOR RELIEF**
25 **(Declaratory Relief and Quiet Title versus Plaintiff)**

26 19. U.S. Bank repeats paragraphs 1 through 18.

27 20. Pursuant to NRS 30.010 *et. seq.* and pursuant to NRS 40.010, this
28 Court has the power and authority to declare U.S. Bank's rights and interests in the

1 Property.

2 21. The Deed of Trust is a secured interest on the Property and is superior
3 to the interest, if any, acquired by Plaintiff.

4 22. Plaintiff claims an interest in the Property adverse to U.S. Bank.

5 23. The HOA Sale did not comply with NRS Chapter 116, including, but not
6 limited to, providing notice of the HOA Sale to U.S. Bank or previous beneficiaries of
7 the Deed of Trust. The HOA sale is void and should be rescinded on that basis.

8 24. The HOA Sale is void and should be rescinded on the basis that it did
9 not provide due process to U.S. Bank.

10 25. The HOA Sale is void or otherwise insufficient to extinguish the deed of
11 trust because the sale was tainted by fraud, oppression or unfairness.

12 26. For all the reasons set forth above in the General Allegations, U.S. Bank
13 is entitled to a declaration from this Court, pursuant to NRS 30.010 *et. seq.* and NRS
14 40.010, that U.S. Bank is the beneficiary of a first Deed of Trust which still
15 encumbers the Property and is superior to the interest held by Plaintiff, if any, and
16 all other parties.

17 27. U.S. Bank has furthermore been required to retain counsel and is
18 entitled to recover reasonable attorney's fees and costs.

19 **THIRD CLAIM FOR RELIEF**
20 **(Unjust Enrichment versus Plaintiff)**

21 28. U.S. Bank repeats paragraphs 1 through 27.

22 29. Plaintiff was unjustly enriched, in that U.S. Bank continues to expend
23 funds and resources to maintain and preserve the Property to the benefit of Plaintiff
24 and to the detriment of U.S. Bank, and contrary to fundamental principles of
25 fairness, justice, and fair dealing.

26 30. Plaintiff appreciated the benefit conferred upon it and the continued
27 acceptance and retention of this benefit by Plaintiff without payment to U.S. Bank is
28 inequitable.

1 31. U.S. Bank is entitled to recoup the reasonable amount of benefits
2 obtained by Plaintiff based on the theory of unjust enrichment.

3 32. As a direct and proximate result of the foregoing, U.S. Bank has
4 suffered damages in an amount to be ascertained at trial as a result of Plaintiff's
5 unjust enrichment.

6 33. U.S. Bank has been required to retain the services of attorneys to
7 prosecute this action, and has been damaged thereby, and is therefore entitled to
8 recover from Plaintiff its reasonable attorney's fees and costs of suit therein.

9 REQUEST FOR RELIEF

10 WHEREFORE, U.S. Bank requests the following relief:

11 1. An order declaring that U.S. Bank's interest in the Property was not
12 extinguished by the HOA Sale;

13 2. An order declaring that the HOA Sale is void or voidable;

14 3. An order prohibiting Plaintiff, its successors, assigns, and agents from
15 encumbering, selling, or transferring the Property;

16 4. An order requiring Plaintiff, its successors and assigns, to pay all
17 taxes, insurance and homeowners association dues during the pendency of the action;

18 5. An order requiring Plaintiff, its successors and assigns to segregate
19 and deposit all rents with the Court or a Court-approved trust account over which
20 Plaintiff has no control during the pendency of the action;

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27 ///

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1 6. If it is determined that U.S. Bank's Deed of Trust has been
2 extinguished by the HOA Sale, for damages in the amount of the fair market value of
3 the Property or the unpaid balance of the Loan and Deed of Trust, together with all
4 amounts advanced by U.S. Bank, including but not limited to, amounts advanced for
5 taxes, insurance, and maintenance of the Property, whichever is greater.

6 DATED this 13 day of December, 2017.

BALLARD SPAHR LLP

By: 

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Nevada Bar No. 7548
Joel E. Tasca
Nevada Bar No. 14124
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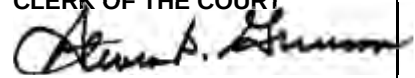
*Attorneys for Defendants
U.S. Bank Trust, Trustee for LSF9
Mater Participation Trust*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of December, 2017, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing U.S. BANK TRUSTS ANSWER TO PLAINTIFF'S COMPLAINT AND COUNTERCLAIM, was served via the Eighth Judicial District Court's Odyssey E-File and Serve system to the following parties:

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11 T: (702) 889-6665; F: (702) 889-6664
12 *Counsel for Liberty at Huntington Homeowners Association*

13 **DISTRICT COURT**

14 **CLARK COUNTY, NEVADA**

15 DANIEL LAKES, an Individual;

16 Plaintiff,

17 v.

18 BANK OF AMERICA, N.A., successor-by-
19 merger to Countrywide Mortgage Ventures, LLC;
20 U.S. BANK TRUST, TRUSTEE FOR LSF9
21 MASTER PARTICIPATION TRUST; ROGELIO
22 CEDILLO, an individual; PARCELNOMICS,
23 LLC, a Nevada limited liability company d/b/a/
24 INVESTMENT DEALS; NOUNE GRAEFF, an
25 individual; DOES I-X, inclusive; and ROE
26 CORPORATIONS, I-X, inclusive,

27 Defendants.

28 U.S. BANK TRUST, TRUSTEE FOR LSF9
MASTER PARTICIPATION TRUST;

Counter-claimant,

v.

DANIEL LAKES, an Individual;
PARCELNOMICS, LLC; NOUNE GRAEFF, an
individual; INVESTMENT DEALS; ROGELIO
CEDILLO, an individual; LIBERTY AT
HUNTINGTON HOMEOWNERS
ASSOCIATION,

Counter-defendants.

CASE NO.: A-17-759016-C

DEPT: XXVIII

**LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION'S
ANSWER TO U.S. BANK TRUST'S
COUNTERCLAIM**

PENGILLY LAW FIRM

GENERAL ALLEGATIONS

2. Answering Paragraph 2 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

3. Answering Paragraph 3 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

4. Answering Paragraph 4 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

5. Answering Paragraph 5 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

6. Answering Paragraph 6 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

7. Answering Paragraph 7 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

8. Answering Paragraph 8 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

9. Answering Paragraph 9 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

10. Answering Paragraph 10 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

11. Answering Paragraph 11 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

12. Answering Paragraph 12 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

13. Answering Paragraph 13 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

14. Answering Paragraph 14 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

15. Answering Paragraph 15 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

16. Answering Paragraph 16 of the Counterclaim, HOA lacks sufficient knowledge or information to form a belief as to the truth or falsity of the allegations contained therein and, upon said ground, denies each and every allegation contained therein.

3. U.S. BANK'S claims against the HOA are barred by the Doctrine of Laches.
4. U.S. BANK'S claims against HOA are barred by the Doctrine of Estoppel.
5. U.S. BANK'S claims against HOA are barred by the Doctrine of Waiver.
6. U.S. BANK'S claims against HOA are barred by the applicable Statutes of Limitation.
7. The damages allegedly suffered by U.S. BANK, if any, were caused in whole or in part by the acts and omissions of parties over whom the HOA has, and had, no control.
8. The damages allegedly suffered by U.S. BANK, if any, were caused in whole or in part by the intervening and superseding conduct of others.
9. The damages allegedly suffered by U.S. BANK, if any, were caused in whole or in part by U.S. BANK'S own acts and omissions.
10. U.S. BANK did not exercise ordinary care, caution or prudence to avoid the loss it complains of in its Counterclaim and therefore it directly and proximately caused said losses.
11. The HOA is informed and believes and thereon alleges that if there presently exists or ever existed, any or all of the alleged rights, claims or obligations which U.S. BANK by way of its Counterclaim alleges, said claims or obligations are unenforceable because U.S. BANK assumed the risk involved in the transaction.
12. Parties other than this HOA caused or contributed to the damages U.S. BANK claims to have suffered. Therefore, any award made in favor of the U.S. BANK in this case must be divided between those parties so that each pays only his, her or its fair share in relationship to his, her, or its amount of fault.
13. U.S. BANK did not exercise ordinary care, caution, or prudence to avoid the loss it complains about in its Counterclaim and therefore it directly and proximately caused said losses.
14. U.S. BANK'S claims are barred, in whole or in part, by the Doctrine of Economic Loss.
15. U.S. BANK was at fault in how it conducted its affairs relative to the incident described in U.S. BANK'S Counterclaim. Such fault caused or contributed to the damages complained of in this case.

16. HOA owed no duty to U.S. BANK related to the property at issue which is the subject of its Counterclaim.

17. Any and all damages U.S. BANK may have suffered or will suffer were proximately caused by U.S. BANK'S failure to mitigate damages.

18. U.S. BANK is bound to exercise reasonable care and diligence to avoid loss and to minimize their damages, if there were any, and that U.S. BANK may not recover for losses which could have been prevented by reasonable efforts on their part or by expenditures that they might reasonably have made.

19. That the HOA is informed and believes, and therefore alleges, that U.S. BANK'S claims are barred in that U.S. BANK is "in pari delicto" with this HOA.

20. That no privity of contract existed, either express or implied, between U.S. BANK and this HOA.

21. In the event there is recovery by U.S. BANK, the recovery must be offset or reduced, abated or apportioned to the extent that any other party's actions caused or contributed to damages awarded to U.S. BANK.

22. U.S. BANK'S claims against the HOA are barred, in whole or in part, by the doctrines of unilateral and/or mutual mistake.

23. The HOA is excused from any liability under the facts alleged in U.S. BANK'S claims for relief because at all material times, HOA acted in good faith and conducted all material transactions in good faith.

24. No special, confidential, or fiduciary relation existed between the parties.

25. HOA did not make material representations of fact which were not true, or if such representations were made, which the HOA specifically denies, the HOA did not make the representation with the intent either to deceive or to induce U.S. BANK to act in reliance.

26. U.S. BANK did not justifiably rely, in any fashion whatsoever, upon any statement, representation, advice, or conduct of the HOA, and did not act upon any statement, representation, advise or conduct to his damage.

1 27. U.S. BANK has no special relationship with this HOA. The HOA made no
2 representations and provided no information to U.S. BANK.

3 28. No actual justiciable controversy exists between this HOA and U.S. BANK and thus,
4 U.S. BANK'S Counterclaim must be dismissed as to this HOA.

5 29. There is no basis for recovery of costs or attorney's fees by U.S. BANK from HOA.

6 30. U.S. BANK is barred from recovering any special damages herein for failure to
7 specifically allege the types of special damages claimed, pursuant to Rule of Civil Procedure 9(g).

8 31. U.S. BANK failed to file and pursue a claim with the responsible governmental
9 agency before filing this lawsuit.

10 32. The HOA complied with all notice and other requirements for non-judicial
11 foreclosure as required by Nevada law.

12 33. HOA performed no acts or omissions that would warrant the imposition of any
13 damages, including exemplary or punitive damages.

14 34. Any damages claimed by U.S. BANK are speculative, are not supported by proof and
15 are not compensable as a matter of law.

16 35. The HOA acted properly and in good faith, and in accordance with all duties imposed
17 by law, without malice, either expressed or implied and without oppression.

18 36. The HOA denies each and every allegation of U.S. BANK'S Counterclaim not
19 specifically admitted or otherwise pled herein.

20 37. To the extent that U.S. BANK invokes federal law in its Counterclaim and argues that
21 Nevada law regarding lien priority is preempted, this would constitute a deprivation of a property
22 interest without due process in violation of the Constitutions of the United States and of Nevada.

23 38. The HOA hereby incorporates by reference those affirmative defenses enumerated in
24 Rule 8 of the Rules of Civil Procedure as if fully set forth herein. In the event further investigation or
25 discovery reveals the applicability of such defenses, this HOA reserves the right to seek leave of the
26 court to amend this Answer and Third-Party Complaint to specifically assert any such defenses.
27 Such defenses are herein incorporated for the specific purpose of not waiving such defenses.
28





39. HOA hereby incorporates by reference those affirmative defenses enumerated in Rule 8 of the Rules of Civil Procedure as if fully set forth herein. In the event further investigation or discovery reveals the applicability of such defenses, this HOA reserves the right to seek leave of the court to amend this Answer Third-Party Complaint and to specifically assert any such defenses. Such defenses are herein incorporated for the specific purpose of not waiving such defenses.

40. Pursuant to Rule of Civil Procedure 11, this HOA states that all necessary defenses and possible claims have not been asserted at the present time in this Answer and Third-Party Complaint, and, therefore, this HOA reserves the right to amend its Answer and Third-Party Complaint as discovery proceeds in this matter.

41. That it has been necessary for this HOA to retain the services of an attorney to defend this action and it is entitled to a reasonable sum as costs and for attorney's fees.

42. This HOA alleges that U.S. BANK failed to name a party necessary for full and adequate relief essential in this action.

43. This HOA performed no acts or omissions relevant to the subject matter of U.S. BANK'S Counterclaim on file herein such as would create any liability or duty whatsoever on the part of the HOA.

44. The Counterclaim fails to plead with sufficient specificity any alleged violation of codes, ordinances, regulations, statutes or other laws.

45. If it is determined that the HOA committed negligence per se, then the HOA's violation was committed with legally sufficient excuse and/or justification.

46. U.S. BANK has not complied with NRS 38.310 and, therefore, the Counterclaim should be dismissed.

47. U.S. BANK lacks standing to bring claims for violation of NRS Chapter 116.

WHEREFORE Defendant/HOA prays for judgment as follows:

1. That U.S. BANK take nothing by way of its Counterclaim on file herein:

2. That HOA be entitled to costs of suit incurred herein, including reasonable attorney's fees, accounting fees, and expert fees and costs;

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3. For such other and further relief as the court may deem just and proper.

DATED this 12th day of January, 2018.

PENGILLY LAW FIRM



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Attorneys for Liberty at Huntington Homeowners Association



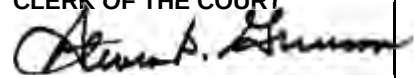
1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5(b), I hereby certify that on the 12th day of January, 2018, a true and
3 correct copy of **LIBERTY AT HUNTINGTON HOMEOWNERS ASSOCIATION'S ANSWER**
4 **TO U.S. BANK TRUST'S COUNTERCLAIM**, was served upon those persons designated by the
5 parties in the E-Service Master List for the above-referenced matter in the Eighth Judicial District
6 Court E-Filing System in compliance with the mandatory electronic service requirements of
7 Administrative Order 14-2 and the Nevada Electronic Filing and Conversion Rules.

8
9
10 /s/ Chris Schnider
11 An Employee of Pengilly Law Firm
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PENGILLY LAW FIRM



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9 *Attorneys for Defendant U.S. Bank Trust,*
10 *Trustee for LSF9 Master Participation Trust*

11 **DISTRICT COURT**
12 **CLARK COUNTY, NEVADA**

13 DANIEL LAKES, an Individual;

14 Plaintiff,

15 v.

16 BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; U.S. BANK TRUST,
17 TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST; ROGELIO
18 CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
19 liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
20 DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive,

21 Defendants.
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Case No.: A-17-759016-C

Dept. No.: 28

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JA0035

1 U.S. BANK TRUST, TRUSTEE FOR
2 LSF9 MASTER PARTICIPATION
TRUST;

3 Counter-claimant

4 v.

5 DANIEL LAKES, an individual;
6 PARCELNOMICS, LLC; NOUNE
7 GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

8 Counter-defendants.

9 **U.S. BANK TRUST'S AMENDED ANSWER TO PLAINTIFF'S COMPLAINT AND**
10 **AMENDED COUNTERCLAIM**

11 U.S. Bank Trust, Trustee for LSF9 Master Participation Trust ("U.S. Bank")
12 answers Plaintiff Daniel Lakes' ("Plaintiff") Complaint and submits a counterclaim
13 as follows:

14 1. U.S. Bank is without sufficient knowledge or information to form a
15 belief as to the truth of the allegations contained in Paragraph 1 and therefore denies
16 them.

17 2. U.S. Bank is without sufficient knowledge or information to form a
18 belief as to the truth of the allegations contained in Paragraph 2 and therefore denies
19 them.

20 3. US Bank admits that it is the current beneficiary under the Deed of
21 Trust as set forth herein. Except as admitted, the allegations of Paragraph 3 are
22 denied.

23 4. U.S. Bank is without sufficient knowledge or information to form a
24 belief as to the truth of the allegations contained in Paragraph 4 and therefore denies
25 them.

26 5. U.S. Bank is without sufficient knowledge or information to form a
27 belief as to the truth of the allegations contained in Paragraph 5 and therefore denies
28 them.

1 6. U.S. Bank is without sufficient knowledge or information to form a
2 belief as to the truth of the allegations contained in Paragraph 6 and therefore denies
3 them.

4 7. U.S. Bank is without sufficient knowledge or information to form a
5 belief as to the truth of the allegations contained in Paragraph 7 and therefore denies
6 them.

7 8. The allegations contained in Paragraph 8 state legal conclusions for
8 which no response is required, but to the extent they call for a response, they are
9 denied. To the extent the allegations of Paragraph 8 reference written documents
10 that speak for themselves, no response is required. To the extent that the allegations
11 of Paragraph 8 are inconsistent with the written documents or in any way attempt to
12 characterize such documents, U.S. Bank denies the allegations.

13 **VENUE**

14 9. The allegations contained in Paragraph 9 state legal conclusions for
15 which no response is required; to the extent that the allegations of Paragraph 9
16 require a response, the allegations are denied.

17 **FACTS**

18 10. U.S. Bank denies the allegations in Paragraph 10.

19 11. U.S. Bank states that the recorded document speaks for itself and
20 denies any allegation inconsistent therewith. The remaining allegations contained in
21 Paragraph 11 state legal conclusions for which no response is required; provided
22 however, that to the extent Paragraph 11 does require a response, the U.S. Bank
23 denies the remaining allegations contained in Paragraph 11 of the Complaint.

24 12. U.S. Banks states that the recorded document speaks for itself and
25 denies any allegation inconsistent with this record.

26 13. U.S. Bank states that the recorded document speaks for itself and
27 denies any allegation inconsistent with this record.
28

1 14. U.S. Bank states that the recorded document speaks for itself and
2 denies any allegation inconsistent with this record. The remaining allegations
3 contained in Paragraph 14 state legal conclusions for which no response is required;
4 provided however, that to the extent Paragraph 14 does require a response, U.S.
5 Bank denies the remaining allegations contained in Paragraph 14 of the Complaint.

6 15. U.S. Bank states that the recorded document speaks for itself and
7 denies any allegation inconsistent with this record. The remaining allegations
8 contained in Paragraph 15 state legal conclusions for which no response is required;
9 provided however, that to the extent Paragraph 15 does require a response, U.S.
10 Bank denies the remaining allegations contained in Paragraph 15 of the Complaint.

11 16. U.S. Bank states that the recorded document speaks for itself and
12 denies any allegation inconsistent with this record. The remaining allegations
13 contained in Paragraph 16 state legal conclusions for which no response is required;
14 provided however, that to the extent Paragraph 16 does require a response, U.S.
15 Bank denies the remaining allegations contained in Paragraph 16 of the Complaint.

16 17. U.S. Bank states that the recorded document speaks for itself and
17 denies any allegation inconsistent with this record. The remaining allegations
18 contained in Paragraph 17 state legal conclusions for which no response is required;
19 provided however, that to the extent Paragraph 17 does require a response, U.S.
20 Bank denies the remaining allegations contained in Paragraph 17 of the Complaint.

21 18. U.S. Banks states the recorded document speaks for itself and denies
22 any allegation inconsistent with this record.

23 19. U.S. Bank states that the recorded document speaks for itself and
24 denies any allegation inconsistent with this record. The remaining allegations
25 contained in Paragraph 19 state legal conclusions for which no response is required;
26 provided however, that to the extent Paragraph 19 does require a response, U.S.
27 Bank denies the remaining allegations contained in Paragraph 19 of the Complaint.

28

1 20. U.S. Bank is without sufficient knowledge or information to form a
2 belief as to the truth of the allegations contained in Paragraph 20 and therefore
3 denies them.

4 21. U.S. Bank is without sufficient knowledge or information to form a
5 belief as to the truth of the allegations contained in Paragraph 21 therefore denies
6 them.

7 22. U.S. Bank states that the recorded document speaks for itself and
8 denies any allegation inconsistent with this record.

9 23. U.S. Bank states that the recorded document speaks for itself and
10 denies any allegation inconsistent with this record. The remaining allegations
11 contained in Paragraph 23 state legal conclusions for which no response is required;
12 provided however, that to the extent Paragraph 23 does require a response, U.S.
13 Bank denies the remaining allegations contained in Paragraph 23 of the Complaint.

14 24. U.S. Bank states that the recorded document speaks for itself and
15 denies any allegation inconsistent with this record. The remaining allegations
16 contained in Paragraph 24 state legal conclusions for which no response is required;
17 provided however, that to the extent Paragraph 24 does require a response, U.S.
18 Bank denies the remaining allegations contained in Paragraph 24 of the Complaint.

19 25. U.S. Bank denies the allegations in Paragraph 25.

20 26. U.S. Bank denies the allegations of Paragraph 26.

21 27. U.S. Bank states that the recorded document speaks for itself and
22 denies any allegation inconsistent with this record. U.S. Bank lacks sufficient
23 information to admit or deny the remaining allegations of Paragraph 27 and
24 therefore denies them.

25 28. U.S. Bank is without sufficient knowledge or information to form a
26 belief as to the truth of the allegations contained in Paragraph 28 and therefore
27 denies them.

28

1 29. U.S. Bank states that the recorded document speaks for itself and
2 denies any allegation inconsistent with this record. U.S. Bank lacks sufficient
3 information to admit or deny the remaining allegations of Paragraph 29 and
4 therefore denies them.

5 30. U.S. Bank states that the recorded document speaks for itself and
6 denies any allegation inconsistent with this record.

7 31. U.S. Bank is without sufficient knowledge or information to form a
8 belief as to the truth of the allegations contained in Paragraph 31 and therefore
9 denies them.

10 32. U.S. Bank is without sufficient knowledge or information to form a
11 belief as to the truth of the allegations contained in Paragraph 32 and therefore
12 denies them.

13 33. To the extent to the allegations in Paragraph 33 pertain to U.S. Bank,
14 U.S. Bank denies the allegations. U.S. Bank lacks sufficient information to admit or
15 deny the remaining allegations of Paragraph 33 and therefore denies them.

16 34. The allegations contained in Paragraph 34 state legal conclusions for
17 which no response is required; provided however, that to the extent Paragraph 34
18 does require a response, U.S. Bank denies the allegations contained in Paragraph 34
19 of the Complaint.

20 35. U.S. Bank lacks sufficient information to admit or deny the allegations
21 of Paragraph 35 and therefore denies them.

22 **CLAIMS FOR RELIEF**
23 **FIRST CAUSE OF ACTION**
 (Quiet Title as to All Defendants)

24 36. Answering Paragraph 36, U.S. Bank repeats, re-alleges and
25 incorporates each of its admissions, denials, or other responses to the Paragraphs 1
26 through 35, referenced therein as if set forth at length and in full.

1 37. U.S. Bank is without sufficient knowledge or information to form a
2 belief as to the truth of the allegations contained in Paragraph 32 and therefore
3 denies them.

4 38. U.S. Bank is without sufficient knowledge or information to form a
5 belief as to the truth of the allegations contained in Paragraph 38 and therefore
6 denies them.

7 39. U.S. Bank denies the allegations in Paragraph 39.

8 40. U.S. Bank admits that Plaintiff is seeking a declaration from the Court.
9 U.S. Bank denies that Plaintiff is entitled to such relief.

10 41. U.S. Bank is without sufficient knowledge or information to form a
11 belief as to the truth of the allegations contained in Paragraph 41 and therefore
12 denies them.

13 U.S. Bank reserves the right to amend this Answer under the Nevada Rules of
14 Civil Procedure as further facts become known. Every allegation not expressly
15 admitted herein is denied.

16 **AFFIRMATIVE DEFENSES**

17 U.S. Bank continues to investigate Plaintiff's claims and does not waive any
18 affirmative defenses. U.S. Banks reserves its right to amend this Answer to
19 Plaintiff's Complaint and add any subsequently discovered affirmative defenses or
20 claims. Without assuming the burden of proof where it otherwise rests with Plaintiff,
21 U.S. Bank asserts the following affirmative defenses:

22 **FIRST AFFIRMATIVE DEFENSE**

23 Plaintiff failed to state facts sufficient to constitute any cause of action against
24 U.S. Bank.

25 **SECOND AFFIRMATIVE DEFENSE**

26 Plaintiff's claims are barred in whole or in part because of the Plaintiff's
27 failure to take reasonable steps to protect itself from harm and to mitigate its alleged
28 damages, if any.

1 **THIRD AFFIRMATIVE DEFENSE**

2 U.S. Bank avers the affirmative defense of unclean hands.

3 **FOURTH AFFIRMATIVE DEFENSE**

4 To the extent Plaintiff's interpretation of NRS 116.3116 is accurate, the
5 statute, and Chapter 116, are void for vagueness as applied to this matter.

6 **FIFTH AFFIRMATIVE DEFENSE**

7 Plaintiff purchased an interest in the property with notice of the valid interest
8 of the Senior Deed of Trust recorded against the property and/or of sale
9 improprieties, and is not a *bona fide* purchaser for value.

10 **SIXTH AFFIRMATIVE DEFENSE**

11 The super-priority lien was satisfied prior to the Liberty at Huntington
12 Homeowners Association's (the "HOA") foreclosure under the doctrines of tender,
13 estoppel, laches, or waiver.

14 **SEVENTH AFFIRMATIVE DEFENSE**

15 The HOA foreclosure sale was not reasonable, and the circumstances of the
16 sale of the Property breached the Association's obligation of good faith under NRS
17 116.1113 and duty to act in a reasonable manner.

18 **EIGHTH AFFIRMATIVE DEFENSE**

19 Plaintiff lacks standing to bring some or all of its claims and causes of action.

20 **NINTH AFFIRMATIVE DEFENSE**

21 A senior deed of trust beneficiary cannot be deprived of its property interest in
22 violation of the Procedural Due Process Clause of the Fourteenth Amendment of the
23 United States Constitution and Article 1, Sec. 8, of the Nevada Constitution.

24 **TENTH AFFIRMATIVE DEFENSE**

25 The Association foreclosure sale is void or otherwise insufficient to extinguish
26 the deed of trust based on the failure to provide sufficient notice of the "super-
27 priority" assessment amounts in accordance with the requirements of NRS Chapter
28 116, federal law, or constitutional law.

ELEVENTH AFFIRMATIVE DEFENSE

To the extent that this defense may become applicable after discovery, U.S. Bank asserts that the HOA foreclosure sale is void or otherwise insufficient to extinguish the deed of trust based on the failure to provide proper notice of the sale in accordance with the requirements of NRS Chapter 116.

TWELFTH AFFIRMATIVE DEFENSE

The HOA foreclosure sale is void or voidable because the price paid at the sale was grossly inadequate.

THIRTEENTH AFFIRMATIVE DEFENSE

To the extent that this defense may become applicable after discovery, U.S. Bank asserts that the HOA foreclosure sale is void, voidable, or otherwise insufficient to extinguish the Deed of Trust because the sale was tainted by fraud, oppression, or unfairness.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiff acquired only the HOA's interest, not the prior homeowners' interest, through the HOA foreclosure sale.

SIXTEENTH AFFIRMATIVE DEFENSE

The HOA foreclosure sale is void for failure to comply with the provisions of NRS Chapter 116, and other provisions of law.

SEVENTEENTH AFFIRMATIVE DEFENSE

To the extent that U.S. Bank has continued to expend funds and resources to maintain and preserve the Property after the alleged HOA foreclosure sale, it is entitled to recoup those amounts.

EIGHTEENTH AFFIRMATIVE DEFENSE

Plaintiff's claim that he has free and clear title to the Property is barred by 12 U.S.C. Section 4617(j)(3), which precludes a homeowners association sale from extinguishing the Federal Home Loan Mortgage Corporation's ("Freddie Mac") interest in the property and preempts any state law to the contrary.

NINETEENTH AFFIRMATIVE DEFENSE

Pursuant to N.R.C.P. 11, U.S. Bank reserves its right to assert additional affirmative defenses in the event discovery and/or investigation disclose the existence of other affirmative defenses.

COUNTERCLAIM AND CROSS-CLAIMS

The Counter-Claimant/Cross-Claimant, U.S. Bank Trust, N.A., as Trustee for LSF9 Master Participation Trust ("U.S. Bank") states as follows:

INTRODUCTION

1. This action concerns the parties' rights to real property located at 548 Primrose Hill Ave., Las Vegas, Nevada 89178, APN 176-18-516-089 (the "Property").

2. Counterclaimant U.S. Bank seeks declaratory judgment and to quiet title. U.S. Bank seeks a declaratory judgment that a homeowner's association ("HOA") foreclosure sale did not extinguish its first lien deed of trust owned by Freddie Mac at the time of the HOA foreclosure sale because a federal statute prevents an HOA foreclosure sale from extinguishing a lien owned by Freddie Mac while Freddie Mac is under the conservatorship of the Federal Housing Finance Agency ("FHFA" or "Conservator").

3. In July 2008, Congress passed the Housing and Economic Recovery Act of 2008 ("HERA"), Pub. L. No. 110-289, 122 Stat. 2654, codified at 12 U.S.C. § 4511 et seq. HERA includes an array of broad privileges, immunities, and exemptions from otherwise applicable law that facilitate the Conservator's exercise of its statutory powers. Here, 12 U.S.C. § 4617(j)(3) mandates that while Freddie Mac is in conservatorship, none of its property "shall be subject to . . . foreclosure[] . . . without the consent of [FHFA]."

4. A Nevada statute provides HOAs with superpriority liens that HOAs may foreclose to recover up to nine months of delinquent HOA dues. NRS 116.3116(2). The Nevada Supreme Court has held that a foreclosure authorized and properly conducted under NRS 116.3116 can extinguish other interests in the

underlying property, including prior recorded deeds of trust. *SFR Invs. Pool 1, LLC v. U.S. Bank, N.A.*, 334 P.3d 408 (Nev. 2014).

5. The Conservator has not consented to the extinguishment of Freddie Mac's interest in any property that has been the subject of an HOA foreclosure sale.

6. Because Section 4617(j)(3) preempts NRS 116.3116, HOA foreclosure sales did not extinguish the Deed of Trust encumbering the subject property, and, therefore the HOA foreclosed subject to that Deed of Trust. *See Saticoy Bay LLC Series 9641 Christine View v. Fed. Nat'l Mortgage Ass'n*, 414 P.3d 813 (Nev. 2018).

PARTIES

7. U.S. Bank is a national banking association organized and existing under the laws of the United States of America and sometimes doing business in the State of Nevada.

8. Based upon information and belief, Plaintiff, Daniel Lakes ("Lakes") is a citizen and resident of the State of Nevada.

9. Based on information and belief, Rogelio Cedillo ("Borrower") is a citizen and resident of the State of Nevada.

10. Based upon information and belief, Noune Graeff is a citizen and resident of the State of Nevada.

11. Parcelnomics, LLC ("Parcelnomics") is a Nevada Limited Liability Company formed under the laws of the State of Nevada and at all times herein was doing business in the State of Nevada.

12. Liberty at Huntington Homeowners Association (the "HOA") conducted the HOA sale complained of herein as is joined as a party pursuant to N.R.C.P. 19(a).

13. Investment Deals is joined as a party pursuant to N.R.C.P. 19(a).

JURISDICTION AND VENUE

14. The Court has personal jurisdiction over the Counter-Defendants and the Cross-Defendants because this lawsuit arises out of and is connected with the purposeful purchase of interests in property sited in Nevada. Moreover, the Counter-

1 Defendant and the Cross-Defendants are Nevada citizens with a principal place of
2 business in Nevada or foreign citizens doing business in Nevada.

3 **GENERAL ALLEGATIONS**

4 **A. The Property and the Loan**

5 15. On or about April 16, 2017, Rogelio Cedillo ("Borrower") obtained a loan
6 from Countrywide KB Home Loan, a Countrywide Mortgage Ventures, LLC in the
7 amount of \$213,121.00, secured by a deed of trust recorded against real property
8 commonly known as 548 Primrose Hill Ave., Las Vegas, Nevada 89178 (the
9 "Property") as Document No. 200704160001097 in the office of the Clark County
10 Recorder (the "Deed of Trust"; the promissory note and Deed of Trust together are
11 the "Loan").

12 16. On August 19, 2009, the Deed of Trust was assigned to Ocwen Loan
13 Servicing, LLC ("Ocwen") via an Assignment of Deed of Trust, which was recorded
14 against the Property as Document No. 200908190003864 in the office of the Clark
15 County Recorder.

16 17. At all times relevant hereto, including the date of the HOA Foreclosure
17 Sale, Freddie Mac was the owner of the Loan, including the Note and Deed of Trust,
18 and remained so until May 27, 2016, when U.S. Bank acquired the Loan.

19 18. On September 6, 2008, the Director of FHFA, exercising the authority
20 conferred on the Director in HERA, placed Freddie Mac into conservatorship and
21 appointed FHFA as Conservator. In that capacity, FHFA has succeeded to "all
22 rights, titles, powers, and privileges of [Freddie Mac]," including, but not limited to,
23 the authority to bring suits on behalf of and/or for the benefit of Freddie Mac. 12
24 U.S.C. § 4617(b)(2)(A).

25 19. At the time of the HOA Foreclosure Sale, on August 25, 2015, Ocwen
26 was the servicer of the Loan for Freddie Mac, and in that capacity was record
27 beneficiary of the Deed of Trust for Freddie Mac.
28

20. On May 27, 2016, the Deed of Trust was assigned to U.S. Bank via an Assignment of Deed of Trust, which was recorded against the Property as Document No. 201605270002171 in the office of the Clark County Recorder.

B. The HOA Lien and Foreclosure Sale.

21. On or about May 13, 2015, Ocwen, on behalf of Freddie Mac and through counsel, tendered at least nine months of delinquent assessment and charges, pursuant to NRS 116.3116 by sending a check to the HOA's then agent, Red Rock Financial Services ("Red Rock").

22. The HOA, through its agent Red Rock, accepted the tendered check from Ocwen and negotiated the same, thereby curing the HOA default prior to the HOA sale.

23. Upon information and belief, a foreclosure sale was conducted by the HOA on the Property on August 25, 2015 (the "HOA Sale") and a Foreclosure Deed was recorded against the Property as Document No. 201509010000488.

24. Upon information and belief, the Parcelnomics, LLC purported to purchase an interest in the Property at the HOA Sale for \$4,470.00.

25. The Foreclosure Deed states, in part, that the HOA conveyed, without warranty, "its right, title and interest in" the Property.

26. Subsequent to the HOA Sale, Parcelnomics, LLC conveyed its purported interest in the Property to Investment Deals through a Grant, Bargain, Sale Deed recorded as Document No. 201509010000516 in the Clark County Recorder.

27. Investments Deals conveyed its purported interest in the Property to Noun Graeff through a Grant, Bargain, Sale Deed recorded as Document No. 201510230000841 in the Clark County Recorder.

28. Noun Graeff conveyed his purported interest in the Property to Plaintiff through a Grant, Bargain, Sale Deed recorded as Document No. 201605270002171 in the Clark County Recorder.

FIRST CAUSE OF ACTION

(Declaratory Relief)

29. U.S. Bank repeats and re-alleges the allegations set forth above.

30. Pursuant to NRS 30.010 et seq., this Court is empowered to declare the rights and legal relations of the parties in this matter, both generally and in relation to the foreclosure sale and the Property.

31. The Deed of Trust is a first secured interest in the Property. Freddie Mac owned the Deed of Trust at the time of the foreclosure and Ocwen had an interest in the Deed of Trust in its capacity as servicer for Freddie Mac and beneficiary of record of the Deed of Trust at the time of the HOA Foreclosure Sale.

32. FHFA is an agency of the federal government of the United States and is also the Conservator for Freddie Mac.

33. Upon its appointment, the Conservator succeeded by law to all of Freddie Mac's "rights, titles, powers, and privileges." 12 U.S.C. § 4617 (b)(2)(A)(i).

34. During the Conservatorship, "no property of [FHFA] shall be subject to levy, attachment, garnishment, foreclosure or sale without the consent of the [FHFA], nor shall any involuntary lien attach to the property of [FHFA]." 12 U.S.C. § 4617(j)(3).

35. Freddie Mac's secured interest in the Property as owner of the Deed of Trust was the property of the FHFA at the time of the foreclosure sale. *See, e.g., Skylights v. Byron*, 112 F. Supp. 3d at 1155 ("[T]he property of [Freddie Mac] effectively becomes the property of FHFA once it assumes the role of conservator, and that property is protected by section 4617(j)'s exemptions."); *Premier One Holdings, Inc. v. Fannie Mae*, No. 2:14-cv-02128-GMN-NJK, 2015 WL 4276169, at *3 (D. Nev. July 14, 2015) ("Fannie Mae has held an interest in the Property since [it purchased the associated mortgage] on December 1, 2006.").

37. 12 U.S.C. § 4617(j)(3) preempted any state law that would permit a foreclosure on a superpriority lien to extinguish a first secured interest of Freddie Mac while it is under FHFA's conservatorship.

38. FHFA did not consent to any purported extinguishment of Freddie Mac's Deed of Trust. *See* FHFA's Statement on HOA Super-Priority Lien Foreclosures dated Apr. 21, 2015, www.fhfa.gov/Media/PublicAffairs/Pages/Statement-on-HOA-Super-Priority-Lien-Foreclosures.aspx.

39. Pursuant to 12 U.S.C. § 4617(j)(3), the HOA Foreclosure Sale could not have extinguished Freddie Mac's first secured interest, which was then transferred to U.S. Bank, which is Freddie Mac's successor in interest.

40. U.S. Bank is entitled to a declaration that 12 U.S.C. § 4617(j)(3) preempted any state law that would permit an HOA foreclosure sale to extinguish a first secured interest of Freddie Mac while it is under FHFA's conservatorship.

41. U.S. Bank is entitled to a declaration that the HOA Foreclosure Sale conducted by the HOA did not affect or extinguish the Deed of Trust, which encumbered the Property after the HOA Foreclosure Sale.

42 U.S. Bank has been compelled to retain the undersigned counsel to
represent it in this matter and has and will continue to incur attorneys' fees and
costs.

SECOND CAUSE OF ACTION

(Quiet Title and Declaratory Relief Against All Defendants)

43. U.S. Bank repeats and re-alleges the allegations set forth above.

44. Pursuant to NRS 40.010 and NRS 30.040 *et seq.*, this Court is empowered to declare the rights and legal relations of the parties in this matter, both generally and in relation to the foreclosure sale and the Property.

1 45. The Deed of Trust is a first secured interest in the Property. At the time
2 of the HOA foreclosure, Freddie Mac owned the Deed of Trust and Ocwen had an
3 interest in the Deed of Trust in its capacity as servicer for Freddie Mac and
4 beneficiary of record of the Deed of Trust at the time of the HOA Foreclosure Sale.

5 46. Lakes claims an interest in the Property through the HOA Foreclosure
6 Sale and Foreclosure Deed that is adverse to U.S. Bank's interests.

7 47. As the current owner of the Loan, U.S. Bank's secured interest in the
8 Property was the property of the FHFA at the time of the HOA sale.

9 48. Applying Chapter 116 of the Nevada Revised Statutes or other state law
10 in a manner that extinguishes the first position Deed of Trust owned by Freddie Mac
11 at the time of the sale violates 12 U.S.C. § 4617(j)(3).

12 49. Based on the adverse claims being asserted by the parties, U.S. Bank is
13 entitled to a judicial determination that the Deed of Trust which was owned by
14 Freddie Mac at the time of the HOA Foreclosure Sale could not have been
15 extinguished and continued to encumber the Property after the HOA Foreclosure
16 Sale.

17 50. U.S. Bank is entitled to a declaration, pursuant to NRS 40.010, that the
18 HOA Foreclosure Sale did not extinguish the Deed of Trust owned by Freddie Mac at
19 the time of the HOA Foreclosure.

20 51. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
21 did not convey the Property free and clear of the Deed of Trust to the buyer at the
22 HOA Foreclosure Sale, and thus any interest acquired by Parcelnomics or its
23 successors in interest through the Foreclosure Deed was subject to Deed of Trust.

24 52. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
25 did not extinguish the Deed of Trust because the recorded notices, even if they were
26 in fact provided, failed to describe the lien in sufficient detail as required by Nevada
27 law, including, without limitation: whether the deficiency included a "superpriority"
28 component, the amount of the superpriority component, how the superpriority

1 component was calculated, when payment on the superpriority component was
2 required, where payment was to be made or the consequences for failure to pay the
3 superpriority component. Alternatively, the HOA Foreclosure Sale is void.

4 53. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
5 did not extinguish the Deed of Trust because Freddie Mac was the owner of the Loan
6 at the time of the foreclosure sale and tendered and satisfied the superpriority
7 amount prior to the sale through the then servicer, Ocwen, and the HOA accepted
8 tender of those funds. Alternatively, the HOA Foreclosure Sale is void.

9 54. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
10 did not extinguish the Deed of Trust because the sale was commercially unreasonable
11 or otherwise failed to comply with the good faith requirement of NRS 116.1113 in
12 several respects, including, without limitation, the lack of sufficient notice, the HOA's
13 acceptance of tender of the superpriority portion of the fees, the sale of the Property
14 for a fraction of the loan balance or actual market value of the Property, a foreclosure
15 that was not calculated to promote an equitable sales prices for the Property or to
16 attract proper prospective purchasers, and a foreclosure sale that was designed
17 and/or intended to result in maximum profit for the HOA, and the HOA Foreclosure
18 Sale purchaser without regard to the rights and interest of those who have an
19 interest in the Loan and made the purchase of the Property possible in the first
20 place. Alternatively, the HOA Foreclosure Sale is void.

21 55. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
22 did not extinguish the Deed of Trust because otherwise the sale would violate its
23 rights to due process, as a result of the HOA's failure to provide sufficient notice of
24 the superpriority component of the HOA's lien, the manner and method to satisfy it,
25 and the consequences for failing to do so. Alternatively, the HOA Foreclosure Sale is
26 void.

27 56. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale
28 did not extinguish the Deed of Trust because otherwise the sale would violate its

rights to due process, as a result of the HOA's improper calculation of the superpriority component, its inclusion of charges that are not part of the superpriority lien under Nevada law. Alternatively, the HOA Foreclosure Sale is void.

57. U.S. Bank is entitled to a determination that the HOA Foreclosure Sale did not extinguish the Deed of Trust because Parcelnomics does not qualify as a bona fide purchaser for value, because they were aware of, or should have been aware of, the existence of the Deed of Trust, Ocwen's satisfaction of the superpriority component of the HOA lien, and the commercial unreasonableness of the HOA Foreclosure Sale. Alternatively, the HOA Foreclosure Sale is void.

58. U.S. Bank was required to retain an attorney to prosecute this action, and is therefore entitled to collect its reasonable attorneys' fees and costs.

THIRD CAUSE OF ACTION

(Injunctive Relief Against Daniel Lakes)

59. U.S. Bank repeats and re-alleges the preceding paragraphs as though fully set forth herein and incorporate the same by reference.

60. U.S. Bank disputes Lakes claim that he purchased the Property free and clear of the Deed of Trust.

61. Any sale or transfer of the Property by Lakes prior to a judicial determination concerning the respective rights and interests of the parties to this case, may be rendered invalid if the Deed of Trust still encumbers the Property in first position and was not extinguished by the HOA Foreclosure Sale.

62. U.S. Bank has a substantial likelihood of success on the merits of the complaint, and damages would not adequately compensate for the irreparable harm of the loss of title to a bona fide purchaser or loss of the first position priority status secured by the Property.

63. U.S. Bank has no adequate remedy at law due to the uniqueness of the Property involved in this case and the risk of the loss of the Deed of Trust.

64. U.S. Bank is entitled to a preliminary injunction prohibiting Lakes, or his successors, assigns, or agents, from conducting any sale, transfer, or encumbrance of the Property that is claimed to be superior to the Deed of Trust or not subject to the Deed of Trust. U.S. Bank is entitled to a preliminary injunction requiring Lakes to pay all taxes, insurance, and homeowner's association dues during the pendency of this action.

PRAYER FOR RELIEF

WHEREFORE, U.S. Bank requests a judgment in its favor as follows:

1. A declaration that 12 U.S.C. § 4617(j)(3) preempts NRS 116;
2. A declaration that the HOA Foreclosure Sale did not extinguish the Deed of Trust and that it continues as a valid encumbrance against the Property;
3. A declaration that Daniel Lake's interest in the Property, if any, is subject to the Deed of Trust;
4. That U.S. Bank be awarded attorneys' fees and costs, plus interest accruing thereon, in its favor at the maximum rate allowed by law; and

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1 5. That the Court award such other and further relief as it may deem
2 appropriate.

3 DATED this 26th day of November, 2018.

4
5 BALLARD SPAHR LLP

6 By: /s/ Holly Ann Priest
7 Abran E. Vigil
8 Nevada Bar No. 7548
9 Joel E. Tasca
10 Nevada Bar No. 14124
11 Holly Ann Priest
12 Nevada Bar No. 13226
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14 Las Vegas, Nevada 89135

15 *Attorneys for Defendants U.S. Bank Trust,*
16 *Trustee for LSF9 Master Participation Trust*

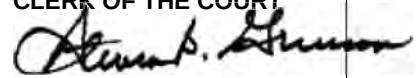
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 26th day of November, 2018, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing **U.S. BANK TRUST'S AMENDED ANSWER TO PLAINTIFF'S COMPLAINT AND AMENDED COUNTERCLAIM**, was served via the Eighth Judicial District Court's Odyssey E-File and Serve system to the following parties:

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HARTWELL THALACKER, LTD
11920 Southern Highlands Parkway, Suite 201
Las Vegas, Nevada 89141
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/s/ C. Wells
An Employee of BALLARD SPAHR LLP



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15 *Liberty at Huntington Homeowners' Association*

9 **DISTRICT COURT**
10 **CLARK COUNTY, NEVADA**

11 **DANIEL LAKES, an Individual,**
12 **Plaintiff,**

13 **vs.**

14 **BANK OF AMERICA, N.A., successor-by-**
15 **merger to Countrywide Mortgage Ventures,**
16 **LLC; U.S. BANK TRUST, TRUSTEE FOR**
17 **LSF9 MASTER PARTICIPATION TRUST;**
18 **ROGELIO CEDILLO, an individual;**
19 **PARCELNOMICS, LLC, a Nevada limited**
20 **liability company d/b/a INVESTMENT**
21 **DEALS; NOUNE GRAEFF, an individual;**
22 **DOES I-X, inclusive; and ROE**
23 **CORPORATIONS, I-X, inclusive**

24 **Defendants.**

25 **U.S. BANK TRUST, TRUSTEE FOR LSF9**
26 **MASTER PARTICIPATION TRUST,**

27 **Counterclaimant,**

28 **vs.**

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counterdefendants.

Case No. A-17-759016-C
Dept. No. 28

LIBERTY AT HUNTINGTON
HOMEOWNERS' ASSOCIATION'S
ANSWER TO U.S. BANK TRUST'S
AMENDED ANSWER TO
PLAINTIFF'S COMPLAINT AND
AMENDED COUNTERCLAIM

LEACH KERN GRUCHOW ANDERSON SONG
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JA0056

1 Defendant Liberty at Huntington Homeowners' Association, (the "Association") by and
2 through its attorneys, Leach Kern Gruchow Anderson Song, answers U.S. Bank's Amended
3 Answer to Plaintiff's Complaint and Amended Counterclaim as follows:

4 INTRODUCTION

5 1. The Association contends that no charging allegations are contained in Paragraph
6 1. To the extent that an answer may be required to this Paragraph, the Association is without
7 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the
8 same.

9 2. The Association contends that the allegations contained in Paragraph 2 of the
10 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
11 to which an answer is required. To the extent that an answer may be required to this Paragraph,
12 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
13 and therefore denies the same.

14 3. The Association affirmatively states that the allegations contained in Paragraph 3
15 of the Amended Answer and Counterclaim refer to Housing and Economic Recovery Act of
16 2008, Pub. L. No. 110-289, 122 Stat. 2654, codified at 12 U.S.C. § 4511 et seq. and 12 U.S.C.
17 4617(j)(3), the terms of which speaks for itself, and which the Association is not required to
18 admit or deny.

19 4. The Association affirmatively states that the allegations contained in Paragraph 4
20 of the Amended Answer and Counterclaim refer to NRS 116.3116(2), the terms of which speaks
21 for itself, and which the Association is not required to admit or deny.

22 5. Answering Paragraph 5 of the Amended Answer and Counterclaim, the
23 Association is without sufficient knowledge to form a belief as to the truth of the allegations
24 contained in Paragraph 5 and therefore denies the same.

25 6. The Association contends that the allegations contained in Paragraph 6 of the
26 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
27 to which an answer is required. To the extent that an answer may be required to this Paragraph,
28 the Association is without sufficient knowledge to form a belief as to the truth of the allegations

1 and therefore denies the same.

2 **PARTIES**

3 7. Answering Paragraph 7 of the Amended Answer and Counterclaim, the
4 Association is without sufficient knowledge to form a belief as to the truth of the allegations
5 contained in Paragraph 7 and therefore denies the same.

6 8. Answering Paragraph 8 of the Amended Answer and Counterclaim, the
7 Association is without sufficient knowledge to form a belief as to the truth of the allegations
8 contained in Paragraph 8 and therefore denies the same.

9 9. Answering Paragraph 9 of the Amended Answer and Counterclaim, the
10 Association is without sufficient knowledge to form a belief as to the truth of the allegations
11 contained in Paragraph 9 and therefore denies the same.

12 10. Answering Paragraph 10 of the Amended Answer and Counterclaim, the
13 Association is without sufficient knowledge to form a belief as to the truth of the allegations
14 contained in Paragraph 10 and therefore denies the same.

15 11. Answering Paragraph 11 of the Amended Answer and Counterclaim, the
16 Association is without sufficient knowledge to form a belief as to the truth of the allegations
17 contained in Paragraph 11 and therefore denies the same.

18 12. The Association contends that the allegations contained in Paragraph 12 of the
19 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
20 to which an answer is required. To the extent that an answer may be required to this Paragraph,
21 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
22 and therefore denies the same.

23 13. The Association contends that the allegations contained in Paragraph 13 of the
24 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
25 to which an answer is required. To the extent that an answer may be required to this Paragraph,
26 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
27 and therefore denies the same.

28

JURISDICTION AND VENUE

14. The Association contends that the allegations contained in Paragraph 14 of the Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations to which an answer is required. To the extent that an answer may be required to this Paragraph, the Association is without sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the same.

GENERAL ALLEGATIONS

15. The Association affirmatively states that the allegations contained in Paragraph 15 of the Amended Answer and Counterclaim refer to a Deed of Trust, the terms of which speaks for itself, and which the Association is not required to admit or deny.

16. The Association affirmatively states that the allegations contained in Paragraph 16 of the Amended Answer and Counterclaim refer to an Assignment of Deed of Trust, the terms of which speaks for itself, and which the Association is not required to admit or deny.

17. Answering Paragraph 17 of the Amended Answer and Counterclaim, the Association is without sufficient knowledge to form a belief as to the truth of the allegations contained in Paragraph 17 and therefore denies the same.

18. Answering Paragraph 18 of the Amended Answer and Counterclaim, the Association is without sufficient knowledge to form a belief as to the truth of the allegations contained in Paragraph 18 and therefore denies the same.

19. Answering Paragraph 19 of the Amended Answer and Counterclaim, the Association is without sufficient knowledge to form a belief as to the truth of the allegations contained in Paragraph 19 and therefore denies the same.

20. The Association affirmatively states that the allegations contained in Paragraph 20 of the Amended Answer and Counterclaim refer to an Assignment of Deed of Trust, the terms of which speaks for itself, and which the Association is not required to admit or deny.

21. Answering Paragraph 21 of the Amended Answer and Counterclaim, the Association is without sufficient knowledge to form a belief as to the truth of the allegations contained in Paragraph 21 and therefore denies the same.

1 22. Answering Paragraph 22 of the Amended Answer and Counterclaim, the
2 Association is without sufficient knowledge to form a belief as to the truth of the allegations
3 contained in Paragraph 22 and therefore denies the same.

4 23. The Association affirmatively states that the allegations contained in Paragraph 23
5 of the Amended Answer and Counterclaim refer to a Foreclosure Deed, the terms of which
6 speaks for itself, and which the Association is not required to admit or deny.

7 24. The Association affirmatively states that the allegations contained in Paragraph 24
8 of the Amended Answer and Counterclaim refer to a Foreclosure Deed, the terms of which
9 speaks for itself, and which the Association is not required to admit or deny.

10 25. The Association affirmatively states that the allegations contained in Paragraph 25
11 of the Amended Answer and Counterclaim refer to a Foreclosure Deed, the terms of which
12 speaks for itself, and which the Association is not required to admit or deny.

13 26. The Association affirmatively states that the allegations contained in Paragraph 26
14 of the Amended Answer and Counterclaim refer to a Grant, Bargain, Sale Deed, the terms of
15 which speaks for itself, and which the Association is not required to admit or deny.

16 27. The Association affirmatively states that the allegations contained in Paragraph 27
17 of the Amended Answer and Counterclaim refer to a Grant, Bargain, Sale Deed, the terms of
18 which speaks for itself, and which the Association is not required to admit or deny.

19 28. The Association affirmatively states that the allegations contained in Paragraph 28
20 of the Amended Answer and Counterclaim refer to a Grant, Bargain, Sale Deed, the terms of
21 which speaks for itself, and which the Association is not required to admit or deny.

22 **FIRST CAUSE OF ACTION**

23 **(Declaratory Relief)**

24 29. Answering Paragraph 29 of the Amended Answer and Counterclaim, the
25 Association repeats and re-alleges its Responses to Paragraphs 1 through 28 as set forth herein.

26 30. The Association affirmatively states that the allegations contained in Paragraph 30
27 of the Amended Answer and Counterclaim refer to NRS 30.010, the terms of which speaks for
28 itself, and which the Association is not required to admit or deny.

1 31. The Association contends that the allegations contained in Paragraph 31 of the
2 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
3 to which an answer is required. To the extent that an answer may be required to this Paragraph,
4 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
5 and therefore denies the same.

6 32. The Association contends that the allegations contained in Paragraph 32 of the
7 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
8 to which an answer is required. To the extent that an answer may be required to this Paragraph,
9 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
10 and therefore denies the same.

11 33. The Association affirmatively states that the allegations contained in Paragraph 33
12 of the Amended Answer and Counterclaim refer to 12 U.S.C. 4617(j)(3), the terms of which
13 speaks for itself, and which the Association is not required to admit or deny.

14 34. The Association affirmatively states that the allegations contained in Paragraph 34
15 of the Amended Answer and Counterclaim refer to 12 U.S.C. 4617(j)(3), the terms of which
16 speaks for itself, and which the Association is not required to admit or deny.

17 35. The Association contends that the allegations contained in Paragraph 35 of the
18 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
19 to which an answer is required. To the extent that an answer may be required to this Paragraph,
20 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
21 and therefore denies the same.

22 36. The Association contends that the allegations contained in Paragraph 36 of the
23 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
24 to which an answer is required. To the extent that an answer may be required to this Paragraph,
25 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
26 and therefore denies the same.

27 37. The Association contends that the allegations contained in Paragraph 37 of the
28 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations

1 to which an answer is required. To the extent that an answer may be required to this Paragraph,
2 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
3 and therefore denies the same.

4 38. Answering Paragraph 38 of the Amended Answer and Counterclaim, the
5 Association is without sufficient knowledge to form a belief as to the truth of the allegations
6 contained in Paragraph 38 and therefore denies the same.

7 39. The Association contends that the allegations contained in Paragraph 39 of the
8 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
9 to which an answer is required. To the extent that an answer may be required to this Paragraph,
10 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
11 and therefore denies the same.

12 40. The Association contends that the allegations contained in Paragraph 40 of the
13 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
14 to which an answer is required. To the extent that an answer may be required to this Paragraph,
15 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
16 and therefore denies the same.

17 41. The Association contends that the allegations contained in Paragraph 41 of the
18 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
19 to which an answer is required. To the extent that an answer may be required to this Paragraph,
20 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
21 and therefore denies the same.

22 42. Answering Paragraph 42 of the Amended Answer and Counterclaim, the
23 Association denies the same.

24 SECOND CAUSE OF ACTION

25 **(Quiet Title and Declaratory Relief Against All Defendants)**

26 43. Answering Paragraph 43 of the Amended Answer and Counterclaim, the
27 Association repeats and re-alleges its responses to Paragraphs 1 through 42 as set forth herein.

28 44. The Association affirmatively states that the allegations contained in Paragraph 44

1 of the Amended Answer and Counterclaim refer to NRS 40.010 and NRS 30.040, the terms of
2 which speaks for itself, and which the Association is not required to admit or deny.

3 45. The Association contends that the allegations contained in Paragraph 45 of the
4 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
5 to which an answer is required. To the extent that an answer may be required to this Paragraph,
6 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
7 and therefore denies the same.

8 46. The Association contends that the allegations contained in Paragraph 46 of the
9 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
10 to which an answer is required. To the extent that an answer may be required to this Paragraph,
11 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
12 and therefore denies the same.

13 47. The Association contends that the allegations contained in Paragraph 47 of the
14 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
15 to which an answer is required. To the extent that an answer may be required to this Paragraph,
16 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
17 and therefore denies the same.

18 48. The Association contends that the allegations contained in Paragraph 48 of the
19 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
20 to which an answer is required. To the extent that an answer may be required to this Paragraph,
21 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
22 and therefore denies the same.

23 49. The Association contends that the allegations contained in Paragraph 49 of the
24 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
25 to which an answer is required. To the extent that an answer may be required to this Paragraph,
26 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
27 and therefore denies the same.

28 50. The Association contends that the allegations contained in Paragraph 50 of the

1 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
2 to which an answer is required. To the extent that an answer may be required to this Paragraph,
3 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
4 and therefore denies the same.

5 51. The Association contends that the allegations contained in Paragraph 51 of the
6 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
7 to which an answer is required. To the extent that an answer may be required to this Paragraph,
8 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
9 and therefore denies the same.

10 52. The Association contends that the allegations contained in Paragraph 52 of the
11 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
12 to which an answer is required. To the extent that an answer may be required to this Paragraph,
13 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
14 and therefore denies the same.

15 53. The Association contends that the allegations contained in Paragraph 53 of the
16 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
17 to which an answer is required. To the extent that an answer may be required to this Paragraph,
18 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
19 and therefore denies the same.

20 54. The Association contends that the allegations contained in Paragraph 54 of the
21 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
22 to which an answer is required. To the extent that an answer may be required to this Paragraph,
23 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
24 and therefore denies the same.

25 55. The Association contends that the allegations contained in Paragraph 55 of the
26 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
27 to which an answer is required. To the extent that an answer may be required to this Paragraph,
28 the Association is without sufficient knowledge to form a belief as to the truth of the allegations

1 and therefore denies the same.

2 56. The Association contends that the allegations contained in Paragraph 56 of the
3 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
4 to which an answer is required. To the extent that an answer may be required to this Paragraph,
5 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
6 and therefore denies the same.

7 57. The Association contends that the allegations contained in Paragraph 57 of the
8 Amended Answer and Counterclaim constitute conclusions of law rather than factual allegations
9 to which an answer is required. To the extent that an answer may be required to this Paragraph,
10 the Association is without sufficient knowledge to form a belief as to the truth of the allegations
11 and therefore denies the same.

12 58. Answering Paragraph 58 of the Amended Answer and Counterclaim, the
13 Association denies the same.

14 **SECOND CAUSE OF ACTION**

15 **(Quiet Title and Declaratory Relief Against All Defendants)**

16 59. Answering Paragraph 59 of the Amended Answer and Counterclaim, the
17 Association repeats and re-alleges its responses to Paragraphs 1 through 58 as set forth herein.

18 60. The Association contends that no charging allegations are contained in Paragraph
19 60. To the extent that an answer may be required to this Paragraph, the Association is without
20 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the
21 same.

22 61. The Association contends that no charging allegations are contained in Paragraph
23 61. To the extent that an answer may be required to this Paragraph, the Association is without
24 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the
25 same.

26 62. The Association contends that no charging allegations are contained in Paragraph
27 62. To the extent that an answer may be required to this Paragraph, the Association is without
28 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the

1 same.

2 63. The Association contends that no charging allegations are contained in Paragraph
3 63. To the extent that an answer may be required to this Paragraph, the Association is without
4 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the
5 same.

6 64. The Association contends that no charging allegations are contained in Paragraph
7 64. To the extent that an answer may be required to this Paragraph, the Association is without
8 sufficient knowledge to form a belief as to the truth of the allegations and therefore denies the
9 same.

10 **AFFIRMATIVE DEFENSES**

11 As a separate defense to U.S. Bank's Amended Answer and Counterclaim, the
12 Association alleges the following affirmative defenses:

13 **FIRST AFFIRMATIVE DEFENSE**

14 U.S. Bank's Amended Complaint and Counterclaim fails to state a claim against this
15 Association upon which relief can be granted.

16 **SECOND AFFIRMATIVE DEFENSE**

17 The Association alleges that the occurrence referred to in U.S. Bank's Amended
18 Complaint and Counterclaim, and all injuries and damages, if any, resulting therefrom, were
19 caused by the acts or omissions of a third party or parties over whom this Association has no
20 control.

21 **THIRD AFFIRMATIVE DEFENSE**

22 All risks and dangers involved in the factual situation described in U.S. Bank's Amended
23 Complaint and Counterclaim were open, obvious and known to U.S. Bank, and U.S. Bank
24 voluntarily assumed said risks and dangers.

25 **FOURTH AFFIRMATIVE DEFENSE**

26 The Association is informed, believes, and thereon alleges that the claims of U.S. Bank
27 are reduced, modified and/or barred by the Doctrine of Laches.

28 ///

FIFTH AFFIRMATIVE DEFENSE

The Association is informed, believes, and thereon alleges that the claims of U.S. Bank are reduced, modified and/or barred by the Doctrine of Unclean Hands.

SIXTH AFFIRMATIVE DEFENSE

U.S. Bank is barred from relief on the grounds that they have acted in bad faith.

SEVENTH AFFIRMATIVE DEFENSE

The Association is informed, believes, and thereon alleges that the claims of U.S. Bank are reduced, modified and/or barred by the Doctrine of Waiver.

EIGHTH AFFIRMATIVE DEFENSE

That is has become necessary for the Association to retain the law firm of Leach Johnson Song & Gruchow, to defend and litigate this action, and the Association is therefore entitled to reasonable attorneys' fees.

NINTH AFFIRMATIVE DEFENSE

Plaintiff is barred from recovering any special damages herein for failure to specifically allege the kind of special damage claimed, pursuant to Nev. R. Civ. P. 9(g).

TENTH AFFIRMATIVE DEFENSE

U.S. Bank is barred from relief on the grounds that they have failed to mitigate their damages.

ELEVENTH AFFIRMATIVE DEFENSE

The Association performed no acts or omissions that would warrant the imposition of any damages, including exemplary or punitive damages.

TWELFTH AFFIRMATIVE DEFENSE

U.S. Bank, by its own acts and conduct, waived and abandoned any and all claims as alleged herein against the Association.

THIRTEENTH AFFIRMATIVE DEFENSE

The Association denies each and every allegation of U.S. Bank Amended Answer and Counterclaim not specifically admitted or otherwise pled herein.

///

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[illegible]

SEVENTH AFFIRMATIVE DEFENSE

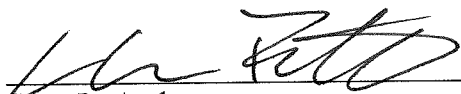
Pursuant to Nev. R. Civ. P. 11, as amended, all possible affirmative defenses may not have been alleged herein, insofar as sufficient facts were not available after reasonable inquiry upon the filing of the Association's Answer, and therefore, the Association reserves the right to amend its Answer to allege additional affirmative defenses is subsequent investigation warrants.

WHEREFORE, the Association requests judgment as follows:

1. U.S. Bank takes nothing by virtue of it Amended Answer and Counterclaim;
2. That U.S. Bank's Amended Answer and Counterclaim be dismissed with prejudice and the Association be dismissed from this action;
3. That the Association be awarded costs of defense, including reasonable attorneys' fees in defending against US Bank's Amended Answer and Counterclaim; and,
4. For such other relief that the Court may deem just and proper.

Dated this 21st day of December, 2018.

LEACH KERN GRUCHOW ANDERSON SONG



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*Attorneys for Counter-Defendant Liberty at
Huntington Homeowners' Association*

CERTIFICATE OF SERVICE

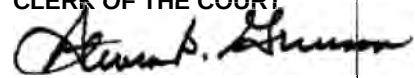
Pursuant to FRCP 5(b), the undersigned, an employee of LEACH KERN GRUCHOW ANDERSON SONG, hereby certifies that on the 21st day of December, 2018, service of the foregoing, *Liberty at Huntington Homeowners' Association's Answer to U.S. Bank Trust's Amended Answer to Plaintiff's Complaint and Amended Counterclaim*, was made on all parties via the Court's CM/ECF System, as follows:

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SLF9 Master Participation Trust*

/s/ Gina M. LaCascia

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DISTRICT COURT
CLARK COUNTY, NEVADA

DANIEL LAKES, an Individual,
Plaintiff,

vs.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage Ventures,
LLC; U.S. BANK TRUST, TRUSTEE FOR
LSF9 MASTER PARTICIPATION TRUST;
ROGELIO CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive

Defendants.

U.S. BANK TRUST, TRUSTEE FOR LSF9
MASTER PARTICIPATION TRUST,

Counterclaimant,

vs.

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counterdefendants.

Case No. A-17-759016-C
Dept. No. 28

**COUNTERDEFENDANT LIBERTY AT
HUNTINGTON HOMEOWNERS'
ASSOCIATION'S MOTION FOR
SUMMARY JUDGMENT**

(Oral Argument Requested)

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JA0071

Liberty at Huntington Homeowners' Association ("Association") by and through its attorneys of record, Leach Kern Gruchow Anderson Song, respectfully submits its Motion for Summary Judgment ("Motion"). This Motion is based upon NRCP 56 and the attached Memorandum of Points and Authorities, together with such other and further evidence and argument as may be presented and considered by this Court at any hearing of this Motion.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This action arises from the title dispute between the Bank and Plaintiff resulting from the Association's foreclosure of a delinquent assessment lien against the property located at 548 Primrose Hill Ave., Las Vegas, Nevada 89178 (the "Property"). Parcelnomics, LLC purchased the Property at the Foreclosure sale. Plaintiff obtained its interest in the Property by way of Grant, Bargain Sale Deed.

On November 26, 2018, U.S. Bank Trustee for LSF9 Master Participate trust (the "Bank") filed its Amended Answer to Complaint and Amended Counterclaim against the Association. The Bank asserts claims against the Association for declaratory relief and quiet title/declaratory relief. *See* Counterclaim at 14-18.

For the reasons set forth in more detail below, the evidence produced in this case demonstrates that the Bank's claims against the Association fail and the Association is entitled to summary judgment.

II. STATEMENT OF UNDISPUTED FACTS

1. On or about April 16, 2017, Rogelio Cedillo ("Borrower") purchased the Property. *See* Bank's Counterclaim at ¶ 15.

2. The Property is subject to the Declaration of Covenants, Conditions & Restrictions and Reservations of Easements for the Association ("CC&Rs").

3. Borrower failed to pay the Association assessments due under the Association's governing documents. *Id.* at ¶ 23.

4. As a result of Borrower's failure to pay assessments, on July 9, 2008, a Notice of Delinquent Assessment was recorded against the Property with the Clark County Recorder's

1 office, which notice was mailed to the Property and to Borrower via regular and certified return
2 receipt requested to the Property pursuant to NRS 116.31162(1)(a). *See* Notice of Delinquent
3 Assessment Lien, **Exhibit A**; *see also* Affidavit of Mailing for the Notice of Delinquent
4 Assessment Lien, **Exhibit B**.

5 **5.** On August 29, 2008, (which is over 30 days after mailing of the Delinquent
6 Assessment Lien as required under NRS 116.31162(1)(b)) a Notice of Default and Election to
7 Sell was recorded with the Clark County Recorder's office against the Property. *Id.* ¶ 14; *see*
8 *also* Notice of Default and Election to Sell, **Exhibit C**.

9 **6.** The Notice of Default and Election to Sell contained the same information as set
10 forth in the Notice of Delinquent Assessment. *Id.*

11 **7.** The Notice of Default and Election to Sell was mailed to the Borrower,
12 Countrywide KB Home Loans and others via first class mail return receipt requested. *See*
13 Affidavit of Mailing for the Notice of Default, **Exhibit D**.

14 **8.** On April 24, 2015, (which is over 90 days after mailing of the Notice of Default
15 and Election to Sell as required under NRS 116.31162(3)) a Notice of Foreclosure Sale was
16 recorded with the Clark County Recorder's office against the Property. *See also* Notice of
17 Foreclosure Sale, **Exhibit E**.

18 **9.** The Notice of Sale was mailed to the Borrower, Countrywide KB Home Loans,
19 Quality Loan Service Corporation, OCWEN Loan Servicing LLC and others via first class mail
20 return receipt requested. *See* Mailings for the Notice of Foreclosure Sale, **Exhibit F**.

21 **10.** The Notice of Sale contained all information required pursuant to NRS
22 116.311635, including, but not limited to, the time and place of the sale of the Property. *See*
23 Notice of Sale, **Exhibit E**.

24 **11.** On August 25, 2015, after complying with all requirements under Nevada law, the
25 Property was sold at public auction to Parcelnomics, LLC, for the sum of \$4,470.00 as evidenced
26 by a Trustee's Deed Upon Sale. *See* Trustee's Deed Upon Sale, **Exhibit G**.

27 ///

28 ///

III. STANDARD OF REVIEW

In Nevada, “summary judgment is appropriate when the moving party is entitled to judgment as a matter of law, and no genuine issue remains for trial.” *Shepard v. Harrison*, 100 Nev. 178, 179, 678 P.2d 674 (1984) (citing *Cladianos v. Coldwell Banker*, 100 Nev. 138, 676 P.2d 804 (1984); *Allied Fidelity Ins. Co. v. Pico*, 99 Nev. 15, 656 P.2d 849 (1983); *Nehls v. Leonard*, 97 Nev. 325, 630 P.2d 258 (1981)). Summary judgment is appropriate under NRCP 56 if “the pleadings, depositions, answer to interrogatories, admissions, and affidavits, if any, that are properly before the court demonstrates that no genuine issue of material fact exists, and the moving party is entitled to judgment as a matter of law.” NRCP 56(c); *Cuzze v. Univ. and Cmty Coll. Sys. of Nev.*, 123 Nev. 598, 602, 172 P.3d 131, 134 (Nev. 2008).

Summary judgment “should not be regarded as a disfavored procedural short cut”, rather, where appropriate, it furthers the “just, speedy and inexpensive determination of every action.” *Celotex Corp v. Catrell*, 477 U.S. 317, 327, 106 S.Ct. 2548 (1986). When a motion for summary judgment is made and supported as required by NRCP 56, the nonmoving party “must, by affidavit or otherwise, set forth specific facts demonstrating the existence of a genuine issue for trial or have summary judgment entered against him.” *Wood v. Safeway, Inc.*, 121 Nev. 724, 732, 121 P.3d 1026, 1031 (2005) (adopting the summary judgment standard set forth in *Celotex* and other Supreme Court decisions). The nonmoving party “is not entitled to build a case on the gossamer threads of whimsy, speculation, and conjecture.” (*Id.*)

IV. ARGUMENT

A. The Association is entitled to Summary Judgment On All Claims Because it Complied with Nevada law.

NRS Chapter 116 specifically authorizes a homeowners’ association to foreclose on the entirety of its delinquent assessment lien against a homeowner. *See* NRS 116.31162-116.31168. Pursuant to NRS 116.31166(1), the recitals in the deed are conclusive as to (1) default; (2) mailing of the notice of delinquent assessment; (3) recording of the notice of default and notice of sale; (4) elapsing of 90 days; and (5) giving notice of sale. Having produced the foreclosure deed, the Association has no further burden. Nevada law automatically presumes the deed and

1 the sale are valid.

2 Pursuant to Nevada law, foreclosure sales and the resulting deeds are presumed valid.
3 NRS 47.250(16)-(18) (stating that there are disputable presumptions “that the law has been
4 obeyed;” “that a trustee or other person, whose duty it was to convey real property to a particular
5 person, has actually conveyed to that person, when such presumption is necessary to perfect the
6 title of such person or a successor in interest;” “that private transactions have been fair and
7 regular;” and “that the ordinary course of business has been followed.”). Therefore, it is
8 presumed that: (1) the Association complied with the statutes governing the foreclosure sale; (2)
9 the Property was conveyed; (3) the Association foreclosure sale was “fair and regular;” and (4)
10 the Association foreclosure proceedings were conducted in the “ordinary course of business.”
11 NRS 47.250(16)-(18).

12 Nevada law further provides that “[a] presumption not only fixes the burden of going
13 forward with evidence, but it also shifts the burden of proof.” *Yeager v. Harrah's Club, Inc.*, 111
14 Nev. 830, 834, 897 P.2d 1093, 1095 (1995) (citing *Vancheri v. GNLV Corp.*, 105 Nev. 417, 421,
15 777 P.2d 366, 368 (1989).) “These presumptions impose on the party against whom it is directed
16 the burden of proving that the nonexistence of the presumed fact is more probable than its
17 existence.” *Id.* (citing NRS 47.180). The Bank bears the burden to overcome these
18 presumptions including the burden to prove that the Association foreclosure sale and the
19 resulting Foreclosure Deed are not valid. The Bank bears the burden to “‘invalidate a ‘legally
20 made’ sale.’” *Nationstar Mortgage, LLC v. Saticoy Bay LLC Series 2227 Shadow Canyon*, 133
21 Nev., 405 P.3d 641, 648 (2017) (citing *Golden*, 79 Nev. at 514, 387 P.2d at 995 (quoting *Oller v.*
22 *Sonoma Cty. Land Title Co.*, 137 Cal.App.3d 633, 290 P2d 880,882 (1955)). “[T]he [Bank]
23 bears all the burden to show that the sale should be set aside[.]” *Id.* (citing *Breliant*, 112 Nev. at
24 669, 918 P.2d at 318; NRS 47.250(16); NRS 116.31166(1)-(2); and *Shadow Wood*, 132 Nev. at -
25 -, 366 P.3d at 1111(the language in 116.31166 was taken from NRS 107.080(8), which governs
26 deed of trust foreclosure sales) (emphasis added). There is no evidence in this case to overcome
27 the presumptions in favor of Association. As such, the Association is entitled to summary
28 judgment on the Bank’s claims for declaratory relief and quiet title/declaratory relief.

1 **B. The Bank's Claims Fail as a Matter of Law.**

2 The Bank pursues claims for declaratory relief and quiet title/declaratory relief against
3 the Association on the allegation that its deed of trust was protected pursuant to 12 U.S.C. §
4 4617(j)(3). The primary request for relief is for a declaration that the deed of trust survived the
5 foreclosure sale. The Association has no interest in the title dispute between the Bank and
6 Plaintiff. Furthermore, the Association has never made any representations regarding the legal
7 effect of its foreclosure sale. As such, the Association maintains that it is not a property party to
8 this dispute and summary judgment should be granted in its favor.

9 As an alternative request for relief, the Bank requests that the Association's foreclosure
10 sale be declared void pursuant to the protections set forth in 12 U.S.C. § 4617(j)(3). This request
11 fails. In *Saticoy Bay LLC Series 9641 Christine View v. Fed. Nat'l Mortg. Ass'n*, 134 Nev. Adv.
12 Op. 36, 417 P.3d 363, 366 (2018), the Supreme Court of Nevada held that pursuant to 12 U.S.C.
13 § 4617(j)(3), if Fannie Mae did not consent to the HOA's foreclosure sale, the entity/person that
14 purchased the Property at the HOA foreclosure sale took title to the Property subject to the deed
15 of trust—not a void sale. Because Nevada precedent in *Christine View* results in a ruling that 12
16 U.S.C. § 4617(j)(3) protected the deed of trust from being extinguished, its alternative request to
17 declare the foreclosure sale void is now moot, as it is premised on a ruling that its deed of trust
18 was extinguished. Accordingly, the Association requests summary judgment be granted in its
19 favor.

20 Finally, the Bank requests that the Association's foreclosure sale be declared void
21 because the foreclosure sale was commercially unreasonable. *See* Counterclaim ¶ 54. As this
22 Court is aware, in *Nationstar Mortg., LLC v. Saticoy Bay LLC Series 2227 Shadow Canyon*, 405
23 P.3d 641, 642 (Nev. 2017), reh'g denied (Dec. 13, 2017), reconsideration en banc denied (Feb.
24 23, 2018), the Supreme Court of Nevada held that commercial reasonability “has no applicability
25 to the context of an HOA foreclosure involving the sale of real property.” *Id.* Rather, the
26 Supreme Court of Nevada reinforced the longstanding principle of law that a court may consider
27 whether the foreclosure sale resulted in an inadequate sales price brought about by fraud,
28 oppressions or unfairness. The Bank's Counterclaim contains no allegations that the foreclosure

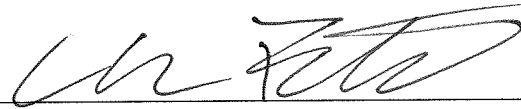
1 sale resulted in an inadequate sales price brought about by fraud, oppressions or unfairness.
2 Accordingly, the Bank's arguments regarding commercial reasonability fail and summary
3 judgment must be awarded in the Association's favor.

4 **V. CONCLUSION**

5 For the reasons set forth above, the Association respectfully requests that the
6 Association's Motion be granted in its entirety.

7 Dated this 10th day of April, 2019.

8 **LEACH KERN GRUCHOW ANDERSON SONG**

9
10 

11 Sean L. Anderson
12 Nevada Bar No. 7259
13 T. Chase Pittsenbarger
14 Nevada Bar No. 13740
15 2525 Box Canyon Drive
16 Las Vegas, Nevada 89128
17 *Attorneys for Counter-Defendant Liberty at*
18 *Huntington Association*
19
20
21
22
23
24
25
26
27
28

CERTIFICATE OF SERVICE

Pursuant to NRCP 5(b), the undersigned, an employee of LEACH KERN GRUCHOW ANDERSON SONG, hereby certifies that on the 10th day of April, 2019, service of the foregoing, *Cross Defendant Liberty at Huntington Homeowners' Association's Motion for Summary Judgment*, was made on all parties via the Court's CM/ECF System, as follows:

Doreen Spears Hartwell, Esq.
HARTWELL THALACKER, LTD
11920 Southern Highlands Pkwy., #201
Las Vegas, Nevada 89141
doreen@hartwellthalacker.com
Attorneys for Plaintiff Daniel Lakes

Abran E. Vigil
Joel E. Tasca
Holly Ann Priest
BALLARD SPAHR LLP
1980 Festival Plaza Drive #900
Las Vegas, Nevada 89134
vigila@ballardspahr.com
tasca@ballardspahr.com
priesth@ballardspahr.com
*Attorneys for U.S. Bank Trust, Trustee for
SLF9 Master Participation Trust*

/s/ Gina M. LaCascia

An employee of LEACH KERN GRUCHOW
ANDERSON SONG

Exhibit A

Exhibit A

Exhibit A

Assessor Parcel Number: 176-18-516-089
File Number: R23167

Request:
NORTH AMERICAN TITLE COMPANY
07/09/2008 10:19:00 T20080137585
Book/Instr: 20080709-0001377
Lien Page Count: 1
Fees: \$14 00 N/C Fee: \$0.00

Debbie Conway
Clark County Recorder

LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

NOTICE IS HERBY GIVEN: Red Rock Financial Services, a division of RMI Management LLC, officially assigned as agent by the Liberty at Huntington Homeowners Association, herein also called the Association, in accordance with Nevada Revised Statutes and outlined in the Association Covenants, Conditions, and Restrictions, herein also called CC&R's, recorded on 10/7/2004, in Book Number 20041007, as Instrument Number 0002693 and including any and all Amendments and Annexations et. seq., of Official Records of Clark County, Nevada. Which have been supplied to and agreed upon by said owner.

Said Association imposes a Lien for Delinquent Assessments on the commonly known property:

548 Primrose Hill Avenue, Las Vegas, NV 89178

HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120, in
the County of Clark

Current Owner(s) of Record:

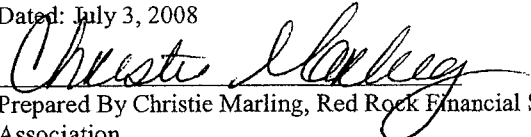
ROGELIO CEDILLO

The amount owing as of the date of preparation of this lien is **\$625.04.

This amount includes assessments, late fees, interest, fines/violations and collection fees and costs.

****The said amount will increase as assessments, late fees, interest, fines/violations, collection fees and costs and/or decrease as partial payments are applied to the account.**

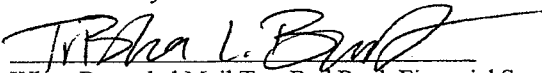
Dated: July 3, 2008


Prepared By Christie Marling, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

On July 3, 2008, before me, personally appeared Christie Marling, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.


When Recorded Mail To: Red Rock Financial Services
6830 West Oquendo Road, Suite 201
Las Vegas, Nevada 89118
702-932-6887

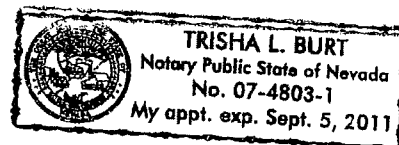


Exhibit B

Exhibit B

Exhibit B

Red Rock Financial Services

6830 West Oquendo Road Suite 201 Las Vegas, NV 89118

File Number: R 23167

MAILING AFFIDAVIT

STATE OF NEVADA)
) Ss.
COUNTY OF CLARK)

The declarant, whose signature appears below, and who is an employee of Red Rock Financial Services, states that he/she is now and at all times herein mentioned was, a citizen of the United States and over the age of eighteen (18) years; on the date as set forth below, he/she personally mailed the Notice, of which the annexed is a true copy, upon the addressee attached hereto, by depositing in the United States Mail in the County set forth above, an envelope, certified and first class with postage prepaid thereon, containing a copy of such Notice, addressed to the attached named person(s) at the address herein attached stated.

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

Dated: 7/10/08

Signature *Lauren King*

See Attached 1 Pages

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ

U.S. PAT. NO. 5,501,393

7160 3901 9848 1162 6448

TO:

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178

Label #1

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

Label #2

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

Label #3

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

SENDER:

REFERENCE: R23167

PS Form 3800, January 2005

RETURN
RECEIPT
SERVICE

Postage

Certified Fee

Return Receipt Fee

Restricted Delivery

Total Postage & Fees

US Postal Service

**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Mailed on 7/10/08 b
Red Rock Financial Service
See Firm Box

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

Charge
Amount:

Charge
To:

FOLD AND TEAR THIS WAY →

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9848 1162 6448

Certified Article Number

SENDERS RECORD

7160 3901 9848 1162 6448

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3901 9848 1162 6448

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)

☐ Yes

1. Article Addressed to:

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167 Liberty at Huntington Homeowners Association

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent
☐ Addressee

D. Is delivery address different from Item 1?
If YES, enter delivery address below:

☐ Yes
☐ No

PS Form 3811, January 2005

Domestic Return Receipt

HOA0202
JA0083

Thank you for using Return Receipt Service



RED ROCK FINANCIAL SERVICES

July 10, 2008

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178

Re: 548 Primrose Hill Avenue Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo:

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services initial correspondence to you stated failure to choose to not reinstate the above account would result in the Lien for Delinquent Assessments being prepared and recorded on the above referenced property. Noted in the initial correspondence, additional fees and costs have been added to the account balance. As of the date of this letter, the account balance is \$645.04.

Enclosed, please find a copy of the Lien for Delinquent Assessments. The amount noted on this letter and the Lien for Delinquent Assessments may differ. The "Amount Due" on the Lien for Delinquent Assessments is accurate as of the date of preparation. These variations may be due to additional assessments, late fees, interest, fines and collection fees and costs being assessed to the account. Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. **All Payments must be in the form of a cashier's check or money order.** If we receive partial payments, they will be credited to your account, however, we will continue with the collection process on the balance owed as described above.

As of the date of this letter, the "30 Day Period" is still in effect. In the case Red Rock Financial Services does not receive in written form a dispute of the debt, Red Rock Financial Services will assume the debt is valid. All disputes of the validity of the debt must be submitted in written form to Red Rock Financial Services. When the dispute is received, Red Rock Financial Services will provide verification of the debt and a copy of such verification will be mailed to you. Upon receipt of a written dispute, collection efforts on the part of Red Rock Financial Services will cease, in the process of research, to provide to you via mail information in written form.

Allowed by Nevada Revised Statutes, Red Rock Financial Services may record a Notice of Default and Election to Sell no sooner then the 31st day from the mailing of the Lien for Delinquent Assessments. As a courtesy to you, an Intent to Notice of Default courtesy letter will be sent to you via first class mail at an additional charge.

Please contact the Red Rock Financial Services office with any questions you may have at 702-932-6887.

Sincerely,

Christie Marling
Red Rock Financial Services
cc: Liberty at Huntington Homeowners Association
enclosure(s)

Exhibit C

Exhibit C

Exhibit C

Assessor Parcel Number: 176-18-516-089
 File Number: R23167
 Property Address: 548 Primrose Hill Avenue
 Las Vegas, NV 89178
 Title Order Number: 01234

Requestor:
 NORTH AMERICAN TITLE COMPANY
 08/29/2008 10:21:21 T20080194112
 Book/Instr: 20080829-0002732
 Default Page Count: 1
 Fees: \$14.00 N/C Fee: \$0.00



Debbie Conway
 Clark County Recorder

**NOTICE OF DEFAULT AND ELECTION TO SELL PURSUANT TO THE
 LIEN FOR DELINQUENT ASSESSMENTS**
 ◆ IMPORTANT NOTICE ◆

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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

NOTICE IS HEREBY GIVEN: Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association, under the Lien for Delinquent Assessments, recorded on 7/9/2008, in Book Number 20080709, as Instrument Number 0001377, reflecting ROGELIO CEDILLO as the owner(s) of record on said lien, land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120, of the Official Records in the Office of the Recorder of Clark County, Nevada, makes known the obligation under the Covenants, Conditions and Restrictions recorded 10/7/2004, in Book Number 20041007, as Instrument Number 0002693, has been breached. As of forward, all assessments, whether monthly or otherwise, late fees, interest, Association charges, legal fees and collection fees and costs, less any credits, have gone unpaid.

Above stated, the Association has equipped Red Rock Financial Services with verification of the obligation according to the Covenants, Conditions and Restriction in addition to documents proving the debt, therefore declaring any and all amounts secured as well as due and payable, electing the property to be sold to satisfy the obligation. In accordance with Nevada Revised Statutes, no sale date may be set until the ninety-first (91) day after the recorded date or the mailing date of the Notice of Default and Election to Sell. As of August 25, 2008, the amount owed is \$1,668.57. This amount will continue to increase until paid in full.

Marsha Beason

Dated: August 25, 2008

Prepared By Marsha Beason, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

STATE OF NEVADA)
 COUNTY OF CLARK)

On August 25, 2008, before me, personally appeared Marsha Beason, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Trisha L. Burt

When Recorded Red Rock Financial Services
 Mail To: 6830 West Oquendo Road, Suite 201
 Las Vegas, Nevada 89118 ♦ 702-932-6887

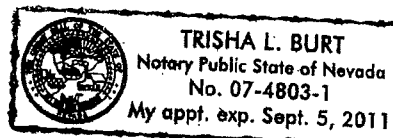


Exhibit D

Exhibit D

Exhibit D

Red Rock Financial Services

6830 West Oquendo Road Suite 201 Las Vegas, NV 89118

MAILING AFFIDAVIT

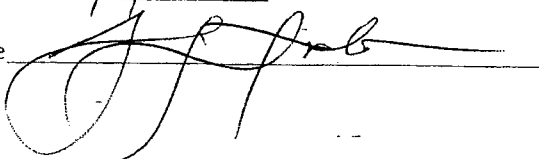
File Number: R 23167

STATE OF NEVADA)
) Ss.
COUNTY OF CLARK)

The declarant, whose signature appears below, and who is an employee of Red Rock Financial Services, states that he/she is now and at all times herein mentioned was, a citizen of the United States and over the age of eighteen (18) years; on the date as set forth below, he/she personally mailed the Notice, of which the annexed is a true copy, upon the addressee attached hereto, by depositing in the United States Mail in the County set forth above, an envelope, certified and first class with postage prepaid thereon, containing a copy of such Notice, addressed to the attached named person(s) at the address herein attached stated.

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

Dated: 9/3/88

Signature 

See Attached 4 Pages

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ™

U.S. PAT. NO. 5,501,393

7160 3901 9848 1364 0947

TO:

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301 MIN 1000157-
0008021989-8

Label #1

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-8
R23167

Label #2

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-8
R23167

Label #3

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-8
R23167

SENDER:

REFERENCE: R23167

PS Form 3800, January 2005

RETURN
RECEIPT
SERVICE

Postage

Certified Fee

Return Receipt Fee

Restricted Delivery

Total Postage & Fees

US Postal Service

**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Mailed on 9/3/08 by
Red Rock Financial Service
See Firm Bool

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-8
R23167

Charge
Amount:

Charge
To:

FOLD AND TEAR THIS WAY →

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9848 1364 0947

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

☐ Agent

☐ Addressee

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☐ Yes

☐ No

2. Article Number



7160 3901 9848 1364 0947

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

COUNTRYWIDE KB HOME LOANS
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-8
R23167 Liberty at Huntington Homeowners Association

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

Thank you for using Return Receipt Service

PS Form 3811, January 2005

Domestic Return Receipt

HOA0185
JA0089

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ™

U.S. PAT. NO. 5,501,393

7160 3901 9848 1364 0930

TO: COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301 MIN 1000157-
0008021989-0

Label #1

COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-0
R23167

Label #2

COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-0
R23167

Label #3

COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-0
R23167

SENDER:

REFERENCE: R23167

PS Form 3800, January 2005

RETURN
RECEIPT
SERVICE

Postage

Certified Fee

Return Receipt Fee

Restricted Delivery

Total Postage & Fees

US Postal Service

**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Mailed on 9/3/08 by
Red Rock Financial Service
See Firm Bool

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-0
R23167

Charge
Amount:

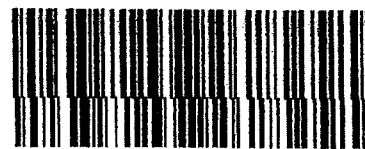
Charge
To:

FOLD AND TEAR THIS WAY →

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9848 1364 0930

Certified Article Number

0930 1364 9848 3901 7160

SENDER'S RECORD

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3901 9848 1364 0930

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

COUNTRYWIDE KB HOME LOANS
27011 AGOURA RD., #200
CALABASAS HILLS, CA 91301
MIN 1000157-0008021989-0
R23167 Liberty at Huntington Homeowners Association

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

☐ Agent
☐ Addressee

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☐ Yes
☐ No

PS Form 3811, January 2005

Domestic Return Receipt

HOA0186
JA0090

Thank you for using Return Receipt Service

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ™

U.S. PAT. NO. 5,501,393

7160 3901 9848 1364 0923

TO: Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178

Label #1

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

Label #2

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

Label #3

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

TEAR ALONG THIS LINE

SENDER:

REFERENCE: R23167

PS Form 3800, January 2005

RETURN
RECEIPT
SERVICE

Postage

Certified Fee

Return Receipt Fee

Restricted Delivery

Total Postage & Fees

US Postal Service

**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Mailed on 9/3/08 by
Red Rock Financial Service
See Firm Bool

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167

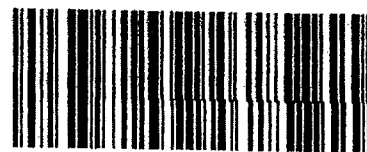
Charge
Amount:

Charge
To:

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9848 1364 0923

FOLD AND TEAR THIS WAY →

2. Article Number



7160 3901 9848 1364 0923

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178
R23167 Liberty at Huntington Homeowners Association

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent
☐ Addressee

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☐ Yes
☐ No

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

PS Form 3811, January 2005

Domestic Return Receipt

HOA0187
JA6091

Thank you for using Return Receipt Service

THE
WALZ
CERTIFIED
MAILER™

FROM

WALZ

U.S. PAT. NO. 5,501,393

7160 3901 9848 1364 0916

TO: ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412

Label #1

ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412
R23167

Label #2

ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412
R23167

Label #3

ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412
R23167

SENDER:

REFERENCE: R23167

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	
	Certified Fee	
	Return Receipt Fee	
	Restricted Delivery	
	Total Postage & Fees	

US Postal Service
**Receipt for
Certified Mail**

No Insurance Coverage Provided
Do Not Use for International Mail

POSTMARK OR DATE

Mailed on 9/3/08 by
Red Rock Financial Service
See Firm Bool

FOLD AND TEAR THIS WAY → OPTIONAL

Label #5

ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412
R23167

Charge
Amount:

Charge
To:

FOLD AND TEAR THIS WAY →

Label #6

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL



7160 3901 9848 1364 0916

Certified Article Number

7160 3901 9848 1364 0916

SENDER'S RECORD

Thank you for using Return Receipt Service

RETURN RECEIPT REQUESTED
USPS MAIL CARRIER
DETACH ALONG PERFORATION

2. Article Number



7160 3901 9848 1364 0916

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee) ☐ Yes

1. Article Addressed to:

ROGELIO CEDILLO
548 PRIMROSE HILL AVENUE
LAS VEGAS, NV 89178-2412
R23167 Liberty at Huntington Homeowners Association

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
C. Signature	
X ☐ Agent ☐ Addressee	
D. Is delivery address different from item 1? If YES, enter delivery address below: ☐ Yes ☐ No	

PS Form 3811, January 2005

Domestic Return Receipt

HOA0188
JA0092

Thank you for using Return Receipt Service

Print/Conformed Copy

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Avenue
Las Vegas, NV 89178
Title Order Number: D1234

Requestor:
NORTH AMERICAN TITLE COMPANY
08/29/2008 10:21:21 T20080194112
Book/Instr: 20080829-0002732
Default Page Count: 1
Fees: \$14.00 N/C Fee: \$0.00

Debbie Conway
Clark County Recorder

**NOTICE OF DEFAULT AND ELECTION TO SELL PURSUANT TO THE
LIEN FOR DELINQUENT ASSESSMENTS**

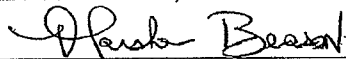
◆ IMPORTANT NOTICE ◆

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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

NOTICE IS HEREBY GIVEN: Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association, under the Lien for Delinquent Assessments, recorded on 7/9/2008, in Book Number 20080709, as Instrument Number 0001377, reflecting ROGELIO CEDILLO as the owner(s) of record on said lien, land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120, of the Official Records in the Office of the Recorder of Clark County, Nevada, makes known the obligation under the Covenants, Conditions and Restrictions recorded 10/7/2004, in Book Number 20041007, as Instrument Number 0002693, has been breached. As of forward, all assessments, whether monthly or otherwise, late fees, interest, Association charges, legal fees and collection fees and costs, less any credits, have gone unpaid.

Above stated, the Association has equipped Red Rock Financial Services with verification of the obligation according to the Covenants, Conditions and Restriction in addition to documents proving the debt, therefore declaring any and all amounts secured as well as due and payable, electing the property to be sold to satisfy the obligation. In accordance with Nevada Revised Statutes, no sale date may be set until the ninety-first (91) day after the recorded date or the mailing date of the Notice of Default and Election to Sell. As of August 25, 2008, the amount owed is \$1,668.57. This amount will continue to increase until paid in full.



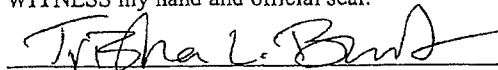
Dated: August 25, 2008

Prepared By Marsha Beason, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

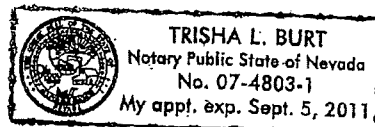
STATE OF NEVADA)
COUNTY OF CLARK)

On August 25, 2008, before me, personally appeared Marsha Beason, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



When Recorded Red Rock Financial Services
Mail To: 6830 West Oquendo Road, Suite 201
Las Vegas, Nevada 89118 • 702-932-6887



HOA0188
JA0093

Exhibit E

Exhibit E

Exhibit E

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m., at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

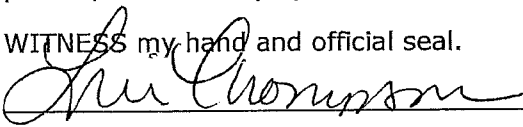
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

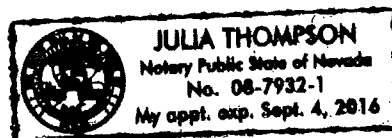
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0103
JA0096

Exhibit F

Exhibit F

Exhibit F



July 23, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
5335 Regal Ave
Las Vegas, NV 89146

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property. Please be advised that the current sale date is 08/25/2015.

Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. All Payments must be in the form of a cashier's check or money order. Please ensure the account number is listed on any payments remitted to our office. If we receive partial payments, they will be credited to the account, however, we will continue with the collection process on the balance owed as described above.

Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0101
JA0098

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m. at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

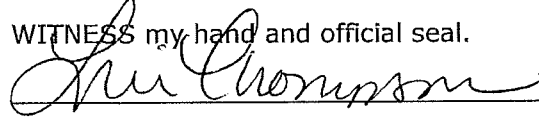
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

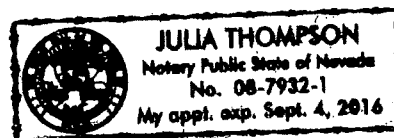
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0103
JA0100



July 23, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
716 Washington Place #1102
Baltimore, MD 21201

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property. Please be advised that the current sale date is 08/25/2015.

Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. All Payments must be in the form of a cashier's check or money order. Please ensure the account number is listed on any payments remitted to our office. If we receive partial payments, they will be credited to the account, however, we will continue with the collection process on the balance owed as described above.

Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HQA0104
JA0101

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m. at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089

File Number: R23167

Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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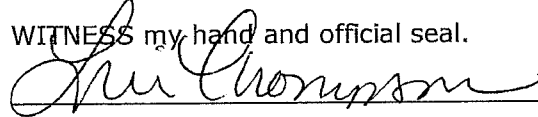
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

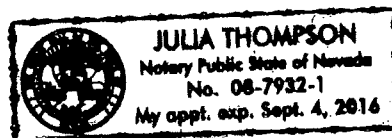
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WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0106
JA0103



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
9881 Liberty View Road
Las Vegas, NV 89148

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. All Payments must be in the form of a cashier's check or money order. Please ensure the account number is listed on any payments remitted to our office. If we receive partial payments, they will be credited to the account, however, we will continue with the collection process on the balance owed as described above.

Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0107
JA0104

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on **05/20/2015**, at **10:00 a.m.** at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089

File Number: R23167

Property Address: 548 Primrose Hill Ave

Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

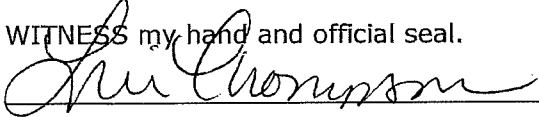
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

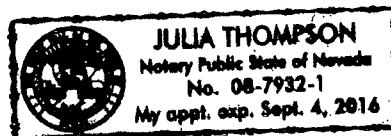
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0109
JA0106



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
548 Primrose Hill Avenue
Las Vegas, NV 89178

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

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Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0110
JA0107

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on **05/20/2015**, at **10:00 a.m.** at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

Dated: April 24, 2015

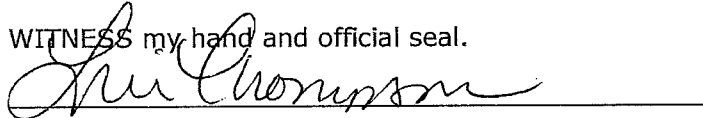


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

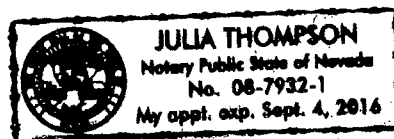
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0112
JA0109



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

COUNTRYWIDE KB HOME LOANS
MIN 1000157-0008021988-0
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear COUNTRYWIDE KB HOME LOANS ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. All Payments must be in the form of a cashier's check or money order. Please ensure the account number is listed on any payments remitted to our office. If we receive partial payments, they will be credited to the account, however, we will continue with the collection process on the balance owed as described above.

Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0113
JA0110

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pg: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on **05/20/2015**, at **10:00 a.m.** at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

HOA0114
JA0111

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

Dated: April 24, 2015

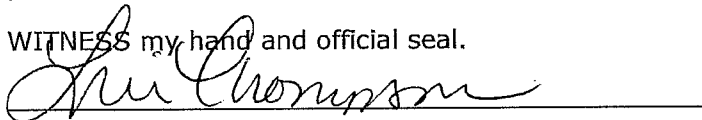


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

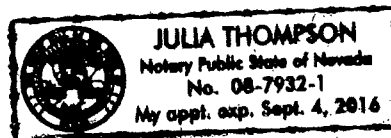
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0115
JA0112



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

COUNTRYWIDE KB HOME LOANS
MIN 1000157-0008021989-8
27001 AGOURA RD., #200
CALABASAS HILLS, CA 91301

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear COUNTRYWIDE KB HOME LOANS ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

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Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0116
JA0113

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2016 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE

UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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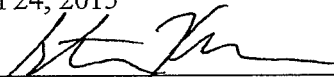
NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m. at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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Dated: April 24, 2015

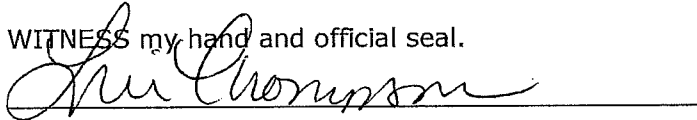


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

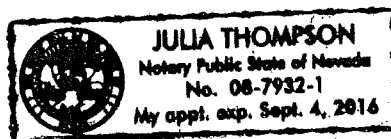
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0118
JA0115



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
c/o Doriz Vilchis
548 Primrose Hill Avenue
Las Vegas, NV 89178

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0119
JA0116

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2016 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on **05/20/2015**, at **10:00 a.m.** at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089

File Number: R23167

Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

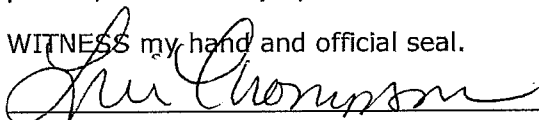
Dated: April 24, 2015



Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

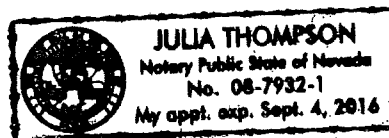
STATE OF NEVADA)
COUNTY OF CLARK)

On April 24, 2015, before me, personally appeared Steven Koerner, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.


Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0121
JA0118



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillio
645 Port Talbot Ave
Las Vegas, NV 89178

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillio,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the *Notice of Sale* being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the *Notice of Sale*. This notice is being sent to any parties that may have an interest in the property.

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Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

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HQA0122
JA0119

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

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N/C Fee: \$0.00
04/24/2015 11:40:53 AM
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Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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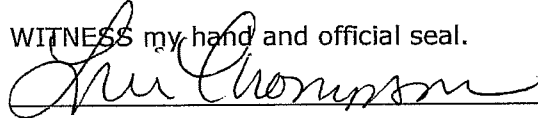
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

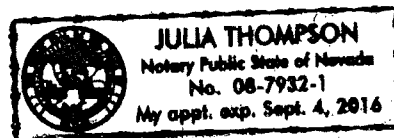
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0124
JA0121



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

Rogelio Cedillo
2934 Lindell Road
Las Vegas, NV 89146

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear Rogelio Cedillo,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

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Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

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HQA0125
JA0122

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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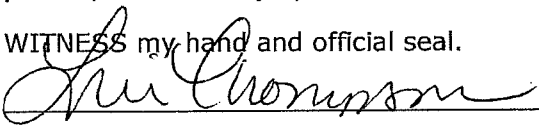
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

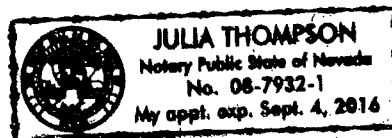
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0127
JA0124



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

State of Nevada Ombudsman for Common-Interest Communities
Attention: Sharon Jackson
2501 East Sahara Avenue, Suite 202
Las Vegas, NV 89104-4137

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear State of Nevada Ombudsman for Common-Interest Communities ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

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HOA0128
JA0125

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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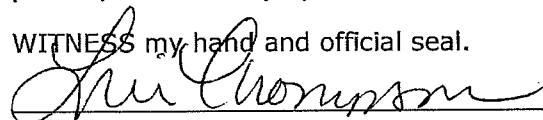
Dated: April 24, 2015



Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

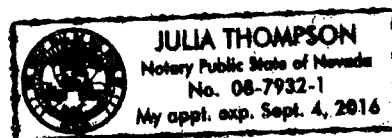
STATE OF NEVADA)
COUNTY OF CLARK)

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Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887





April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

QUALITY LOAN SERVICE CORPORATION
TS NO NV-14-639943-JP
411 IVY STREET
MERS MIN NO 1000157-0008021988-0
SAN DIEGO, CA 92101

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear QUALITY LOAN SERVICE CORPORATION ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

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HOA0131
JA0128

Assessor Parcel Number: 176-18-516-089
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Las Vegas NV 89178

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N/C Fee: \$0.00
04/24/2015 11:40:53 AM
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Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m. at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

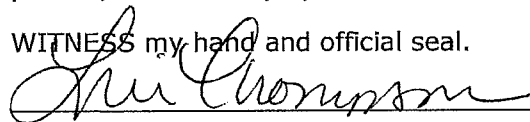
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

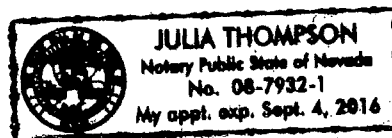
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0133
JA0130



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

REPUBLIC SERVICES
ACCOUNT NO 620-385318
PO BOX 98508
LAS VEGAS, NV 89193-8508

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear REPUBLIC SERVICES ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

Please contact Red Rock Financial Services to obtain an "up to date" account balance or to discuss alternative payment arrangements. All Payments must be in the form of a cashier's check or money order. Please ensure the account number is listed on any payments remitted to our office. If we receive partial payments, they will be credited to the account, however, we will continue with the collection process on the balance owed as described above.

Additional information regarding this account can be obtained at www.rrfs.com. Please contact Red Rock Financial Services at 702-483-2996 with any questions.

Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0134
JA0131

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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NOTICE IS HEREBY GIVEN: That on 05/20/2015, at 10:00 a.m. at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

Dated: April 24, 2015

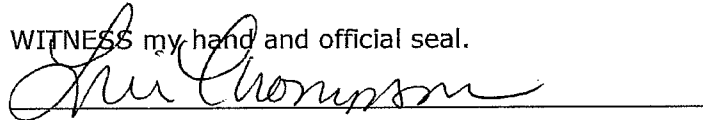


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

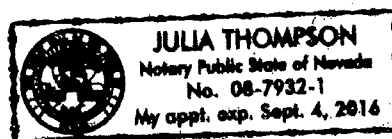
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0136
JA0133



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

OCWEN LOAN SERVICING LLC
APN 176-18-516-089; 557036277718
1661 WORTHINGTON ROAD SUITE 100
ATTORNEY CODE: 24117
WEST PALM BEACH, FL 33409

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear OCWEN LOAN SERVICING LLC ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

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Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

By sending your check, please be aware that you are authorizing Red Rock Financial Services to use the information on your check to make a one-time electronic debit from your account at the financial institution indicated on your check. This electronic debit will be for the amount of your check; no additional amount will be added to the amount. (If we cannot collect your electronic payment, we will issue a draft against your account.) Please contact the Accounts Receivable department at (702) 932-6887 to learn about other payment options should you prefer to not have your payment processed in this manner.

HOA0137
JA0134

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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Dated: April 24, 2015

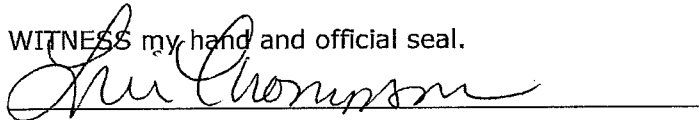


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

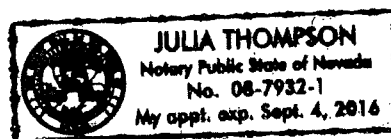
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0139
JA0136



April 27, 2015

VIA CERTIFIED AND FIRST CLASS MAIL

THE COOPER CASTLE LAW FIRM LLP
TS NO 09-06-5047; LOAN NO 70362777
820 SOUTH VALLEY VIEW BLVD
TAX PARCEL NO 176-18-516-089; TITLE REPORT NO 4190733 AJ
LAS VEGAS, NV 89107

Re: 548 Primrose Hill Ave, Las Vegas, NV 89178
Liberty at Huntington Homeowners Association / R23167

Dear THE COOPER CASTLE LAW FIRM LLP ,

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

Red Rock Financial Services previous correspondence stated that the failure to reinstate the above account would result in the ***Notice of Sale*** being prepared and recorded on the above referenced property. Noted in the correspondence, additional fees and costs have been added to the account balance. Enclosed, please find a copy of the ***Notice of Sale***. This notice is being sent to any parties that may have an interest in the property.

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Regards,

Red Rock Financial Services

702.932.6887 | fax 702.341.7733 | 4775 W. Teco Avenue, Suite 140, Las Vegas, Nevada 89118 | www.rrfs.com

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HOA0140
JA0137

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

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Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

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Dated: April 24, 2015

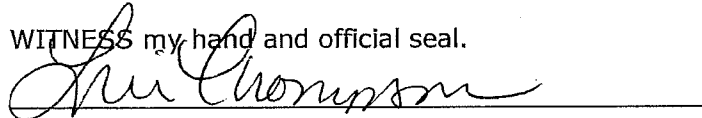


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

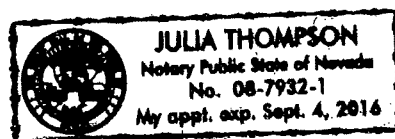
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WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



HOA0142
JA0139

Exhibit G

Exhibit G

Exhibit G

Mail Tax statement to:
Parcelnomics, LLC
3157 N. Rainbow Blvd #248
Las Vegas, NV 89108

APN # 176-18-516-089

(3)
-1

Inst #: 20150901-0000488
Fees: \$18.00 N/C Fee: \$0.00
RPTT: \$754.80 Ex: #
09/01/2015 09:51:51 AM
Receipt #: 2542344
Requestor:
PARCELNOMICS LLC
Recorded By: ARO Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

FORECLOSURE DEED

The undersigned declares:

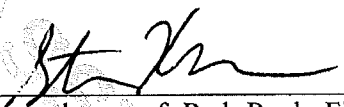
Red Rock Financial Services, herein called agent for (Liberty at Huntington Homeowners Association), was the duly appointed agent under that certain Lien for Delinquent Assessments, recorded 07/09/2008 as instrument number 0001377 Book 20080709, in Clark County. The previous owner as reflected on said lien is ROGELIO CEDILLO. Red Rock Financial Services as agent for Liberty at Huntington Homeowners Association does hereby grant and convey, but without warranty expressed or implied to: **Parcelnomics, LLC** (herein called grantee), pursuant to NRS 116.3116 through NRS 116.31168, all its right, title and interest in and to that certain property legally described as: HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 which is commonly known as **548 Primrose Hill Ave, Las Vegas, NV 89178.**

AGENT STATES THAT:

This conveyance is made pursuant to the powers conferred upon agent by Nevada Revised Statutes, the Liberty at Huntington Homeowners Association governing documents (CC&R's) and that certain Lien for Delinquent Assessments, described herein. Default occurred as set forth in a Notice of Default and Election to Sell, recorded on 08/29/2008 as instrument number 0002732 Book 20080829 which was recorded in the office of the recorder of said county. Red Rock Financial Services has complied with all requirements of law including, but not limited to, the elapsing of 90 days, mailing of copies of Lien for Delinquent Assessments and Notice of Default and the posting and publication of the Notice of Sale. Said property was sold by said agent, on behalf of Liberty at Huntington Homeowners Association at public auction on **August 25, 2015**, at the place indicated on the Notice of Sale. Grantee being the highest bidder at such sale became the purchaser of said property and paid therefore to said agent the amount bid **\$4,470.00** in lawful money of the United States, or by satisfaction, pro tanto, of the obligations then secured by the Lien for Delinquent Assessment.

JA0141

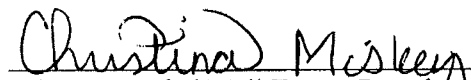
Dated: August 27, 2015

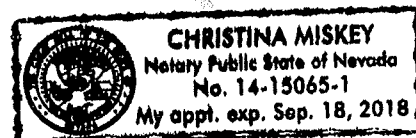

By: Steven Koerner, employee of Red Rock Financial Services, agent for Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

On August 27, 2015, before me, personally appeared Steven Koerner, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

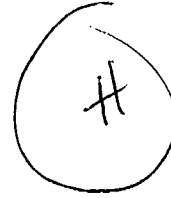
WITNESS my hand and official seal.


When Recorded Mail To: Parcelnomics, LLC
3157 N. Rainbow Blvd #248
Las Vegas, NV 89108



JA0142

STATE OF NEVADA DECLARATION OF VALUE



1. Assessor Parcel Number (s)

- a) 176-18-516-089
b) _____
c) _____
d) _____

2. Type of Property:

a) ☐	Vacant Land	b) ☒	Single Fam Res.
c) ☐	Condo/Twnhse	d) ☐	2-4 Plex
e) ☐	Apt. Bldg.	f) ☐	Comm'l/Ind'l
g) ☐	Agricultural	h) ☐	Mobile Home
i) ☐	Other		

FOR RECORDERS OPTIONAL USE ONLY

Notes: _____

3. Total Value/Sales Price of Property:

Deed in Lieu of Foreclosure Only (value of property) \$

Transfer Tax Value: \$

Real Property Transfer Tax Due: \$

\$ 147,543⁰⁰ J.C.
\$ 147,543⁰⁰ J.C.
\$ 754⁸⁰ J.C.

4. If Exemption Claimed:

- a. Transfer Tax Exemption, per NRS 375.090, Section: _____
b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

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

Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity AGENT
Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION

(REQUIRED)

Print Name: Red Rock Financial Services
Address: 4775 West Teco Ave #140
City: Las Vegas
State: NV Zip: 89118

BUYER (GRANTEE) INFORMATION

(REQUIRED)

Print Name: Parcelnomics, LLC
Address: 3157 N. Rainbow Blvd #248
City: Las Vegas
State: NV Zip: 89108

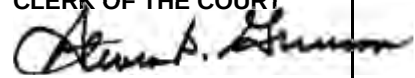
COMPANY/PERSON REQUESTING RECORDING

(REQUIRED IF NOT THE SELLER OR BUYER)

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

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED)

JA0143



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*Attorneys for Defendant U.S. Bank Trust,
Trustee for LSF9 Master Participation Trust*

**DISTRICT COURT
CLARK COUNTY, NEVADA**

DANIEL LAKES, an Individual;

Plaintiff,

v.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive,

Defendants.

Case No.: A-17-759016-C

Dept No. 28

HEARING REQUESTED

**DEFENDANT U.S. BANK TRUST, N.A., TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST'S MOTION FOR SUMMARY JUDGMENT**

Pursuant to Nevada Rule of Civil Procedure 56, U.S. Bank Trust, N.A., as
Trustee for LSF9 Master Participation Trust ("U.S. Bank") moves for summary
judgment on all claims between it and Plaintiff Daniel Lakes.

JA0144

PLEASE TAKE NOTICE that Defendant U.S. Bank will bring its **MOTION FOR SUMMARY JUDGMENT**, for hearing before the Eighth Judicial District Court, located at the Regional Justice Center, 200 Lewis Avenue, Las Vegas, Nevada 89155, on the ____ day of _____, 2019, at the hour of ____:____ a.m.

DATED April 10, 2019.

BALLARD SPAHR LLP

By: /s/ Holly Ann Priest

Joel E. Tasca, Esq.
Russell J. Burke, Esq.
Holly Ann Priest, Esq.
1980 Festival Plaza Drive, Suite 900
Las Vegas, Nevada 89134

*Attorneys for U.S. Bank Trust, Trustee
for LSF9 Mater Participation Trust*

MEMORANDUM OF POINTS AND AUTHORITIES

INTRODUCTION

Plaintiff Daniel Lakes alleges that a homeowners' association foreclosure sale ("HOA Sale") extinguished a deed of trust then encumbering the property that Lakes subsequently purchased. Lakes relies on NRS 116.3116(2) (the "State Foreclosure Statute"), which allows properly conducted HOA foreclosure sales to extinguish all junior interests.

But at the time of the HOA Sale, Ocwen Loan Servicing, LLC ("Ocwen") was beneficiary of record of that deed of trust as a contractually authorized servicer for the Federal Home Loan Mortgage Corporation ("Freddie Mac"), which owned the deed of trust and therefore had a property interest in the collateral. A federal statute provides that while Freddie Mac is in conservatorship of the Federal Housing Finance Agency ("FHFA"), none of its property "shall be subject to . . . foreclosure . . . without the consent of [FHFA]." 12 U.S.C. § 4617(j)(3) (the "Federal Foreclosure Bar").

The Nevada Supreme Court has confirmed that the Federal Foreclosure Bar preempts the State Foreclosure Statute. *See, e.g., Saticoy Bay LLC Series 9641 Christine View v. Fannie Mae*, 417 P.3d 363 (Nev. 2018). The Ninth Circuit and many state and federal trial courts have held the same, and further concluded that the Federal Foreclosure Bar protects Freddie Mac's property interests under circumstances, like here, where a servicer appeared as record beneficiary of a deed of trust Freddie Mac owns. *See, e.g., FHFA v. SFR Invs. Pool 1, LLC*, 893 F.3d 1136 (9th Cir. 2018); *Berezovsky v. Moniz*, 869 F.3d 923 (9th Cir. 2017); *Saticoy Bay, LLC v. Flagstar Bank, FSB*, 699 F. App'x 658 (9th Cir. 2017); *Elmer v. JPMorgan Chase & Co.*, 707 F. App'x 426 (9th Cir. 2017); *Williston Inv. Grp., LLC v. JPMorgan Chase Bank, NA*, 736 F. App'x 168 (9th Cir. 2018); *G&P Inv. Enterps., LLC v. Barney*, 730 F. App'x 563 (9th Cir. 2018); *JPMorgan Chase Bank, N.A. v. Las Vegas Dev. Grp.*, 740 F. App'x 153 (9th Cir. 2018).

Here, Freddie Mac has been in FHFA conservatorship at all relevant times, and FHFA did not consent to extinguish Freddie Mac's property interest. Under the Supremacy Clause, the Federal Foreclosure Bar preempts the State Foreclosure Statute, and the HOA Sale did not extinguish Freddie Mac's interest.

Summary judgment is also appropriate because Ocwen paid the superpriority component of the lien prior to the HOA sale. In *Bank of America, N.A. v. SFR Investments Pool 1, LLC*, 427 P.3d 113, 2018 WL 4403296 (Nev. Sept. 13, 2018), the Nevada Supreme Court confirmed the same tender evidence as that presented here was sufficient and effective to protect the senior deed of trust. Ocwen's tender renders Lakes' *bona fide* purchaser claim irrelevant. In any event, it cannot qualify on the merits.

For these reasons, summary judgment should be entered in U.S. Bank Trust's ("U.S. Bank's") favor.

BACKGROUND

I. The Secondary Mortgage Market

In 1970, Congress chartered Freddie Mac to facilitate the nationwide secondary mortgage market, and thereby to enhance the equitable distribution of mortgage credit throughout the nation. See *City of Spokane v. Fannie Mae*, 775 F.3d 1113, 1114 (9th Cir. 2014). Congress has confirmed that "the continued ability of [Fannie Mae] and [Freddie Mac] to accomplish their public missions is important to providing housing in the United States and the health of the Nation's economy." 12 U.S.C. § 4501. Freddie Mac's federal statutory charter authorizes it to purchase and deal only in secured "mortgages," not unsecured loans. See 12 U.S.C. §§ 1415(d), 1454; see also *Lightfoot v. Cendant Mortg. Corp.*, 137 S. Ct. 553, 557 (2017) (discussing similarly situated Fannie Mae's role as a purchaser of mortgages); *FHFA v. Nomura Holding Am., Inc.*, 873 F.3d 85, 105 (2d Cir. 2017) (same); *Perry Capital LLC v. Mnuchin*, 864 F.3d 591, 599-600 (D.C. Cir. 2017) (same).

Freddie Mac has purchased millions of mortgages nationwide, including hundreds of thousands in Nevada. In 2012, “the value of the combined debt and mortgage-related assets of [Fannie Mae and Freddie Mac] along with the Federal Home Loan Banks . . . exceed[ed] \$5.9 trillion” nationwide. *Town of Babylon v. FHFA*, 699 F.3d 221, 225 (2d Cir. 2012). Indeed, “[t]he position held in the home mortgage business by Fannie Mae and Freddie Mac make[s] them the dominant force in the market.” *Id.* Their dominant position continues to today. *See Nomura*, 873 F.3d at 105; *Perry*, 864 F.3d at 599.

Although Freddie Mac owns a large number of mortgage loans through its purchases on the secondary market, it is not in the business of managing the mortgages themselves, such as handling day-to-day borrower communications. Rather, like other investors in loans, Freddie Mac contracts with servicers to act on its behalf, and these servicers often are assigned deeds of trust as record beneficiary to facilitate their efficient management of those loans. *See Cervantes v. Countrywide Home Loans, Inc.*, 656 F.3d 1034, 1038-39 (9th Cir. 2011) (describing how loan owners contract with servicers and the servicers’ role); Restatement (Third) of Prop.: Mortgages § 5.4 cmt. c (“Restatement”) (discussing the common practice where investors in the secondary mortgage market designate their servicer to be assignee of the mortgage); Freddie Mac’s Single-Family Seller/Servicer Guide (“Guide”) at 1101.2(a) (discussing Freddie Mac’s relationship with servicers to manage the loans Freddie Mac purchases).¹ The Nevada Supreme Court has recognized the importance of these relationships by adopting the Restatement

¹ The Guide is publicly available on Freddie Mac’s website. An interactive version is available at www.freddiemac.com/singlefamily/guide, and archived prior versions of the Guide are available at www.freddiemac.com/singlefamily/guide/bulletins/snapshot.html. While the cited sections of the Guide have been amended over the course of Freddie Mac’s ownership of the Loan, none of these amendments have materially changed the relevant sections. A static, PDF copy of the most recent version of the Guide is available at <http://www.freddiemac.com/singlefamily/pdf/guide.pdf>. The Court may take judicial notice of the Guide. *See, e.g., Berezovsky*, 869 F.3d at 932, n.9 (taking judicial notice of Freddie Mac’s servicing guide); *Charest v. Fannie Mae*, 9 F. Supp. 3d 114, 118 & n.1 (D. Mass. 2014); *Cirino v. Bank of Am., N.A.*, No. CV 13-8829, 2014 WL 9894432, at *7 (C.D. Cal. Oct. 1, 2014).

1 approach. *See In re Montierth*, 354 P.3d 648, 650-51 (Nev. 2015). *Montierth* holds
2 that when a loan owner has an agency or contractual relationship with an entity
3 who acts as the beneficiary of record of a deed of trust, the loan owner (though not
4 the recorded beneficiary) maintains a secured property interest. *Id.*

5 Freddie Mac and its servicers also work with Mortgage Electronic
6 Registration Systems, Inc. (“MERS”). The Ninth Circuit has noted that while
7 “MERS, as the ‘nominee’ of the lender and of any assignee of the lender, is
8 designated . . . as the ‘beneficiary’ . . . under the deed of trust,” a “lender *owns* the
9 home loan borrower’s . . . promissory note.” *In re Mortg. Elec. Registration Sys.,*
10 *Inc.*, 754 F.3d 772, 776 (9th Cir. 2014) (emphasis added). The “obvious advantage”
11 of the system is that “it allows residential lenders to avoid the bother and expense
12 of recording every change of *ownership* of promissory notes.” *Id.* at 776-77
13 (emphasis added); *see also Higgins v. BAC Home Loans Servicing, LP*, 793 F.3d
14 688, 689 (6th Cir. 2015) (holding that sale of note to new owner while MERS
15 remains beneficiary of record of a mortgage does not trigger Kentucky recordation
16 requirement). The true owner of the loan is the lender, its successor, or its
17 assignee—not MERS. *See Cervantes*, 656 F.3d at 1039.

18 **II. FHFA and Freddie Mac in Conservatorship**

19 In July 2008, Congress passed the Housing and Economic Recovery Act of
20 2008, Pub. L. No. 110-289, 122 Stat. 2654 (codified as 12 U.S.C. § 4511 *et seq.*),
21 which established FHFA as an independent federal agency with regulatory and
22 oversight authority over Freddie Mac, the Federal National Mortgage Association
23 (“Fannie Mae”), and the Federal Home Loan Banks. In September 2008, FHFA
24 placed Freddie Mac and Fannie Mae (together, “the Enterprises”) into
25 conservatorships “for the purpose of reorganizing, rehabilitating, or winding up
26 [their] affairs.” 12 U.S.C. § 4617(a)(2). Congress had authorized the Conservator
27 “to undertake extraordinary economic measures” out of a concern that “a default by
28 Fannie and Freddie would imperil the already fragile national economy.” *Perry*,

864 F.3d at 599. Accordingly, Congress granted FHFA an array of powers, privileges, and exemptions from otherwise applicable laws when acting as Conservator. Among these is the Federal Foreclosure Bar, which provides that “[n]o property” of FHFA conservatorships “shall be subject to . . . foreclosure . . . without the consent of [FHFA].” 12 U.S.C. § 4617(j)(3).

III. Undisputed Facts Specific to this Case

A. The Subject Property, Note, and Deed of Trust

1. A deed of trust listing Rogelio Cedillo as the borrower (“Borrower”); Countrywide KB Home Loans, a Countrywide Mortgage Ventures, LLC series as the lender (“Lender”); and MERS, as beneficiary solely as nominee for Lender and Lender’s successors and assigns, was executed on April 12, 2007, and recorded on April 16, 2007 (“Deed of Trust”). **Ex. A.** The Deed of Trust granted Lender a security interest in real property known as 548 Primrose Hill Ave in Las Vegas (the “Property”) to secure the repayment of a loan in the original amount of \$213,121.00 to the Borrower (the promissory note and Deed of Trust together are the “Loan”). *Id.*
2. In May 2007, Freddie Mac purchased the Loan, thereby becoming successor to the Lender and acquiring ownership of the Deed of Trust. **Ex. B.** and **Ex. M.** Freddie Mac maintained that ownership at the time of the HOA Sale on August 25, 2015. *Id.*
3. On August 19, 2009, MERS, as nominee for Lender and Lender’s successors and assigns, recorded an assignment of the Deed of Trust to Ocwen. **Ex. C.**
4. At the time of the HOA Sale on August 25, 2015, Ocwen was the servicer of the Loan for Freddie Mac. **Ex. B and Ex. C.**
5. On or about December 6, 2015, U.S. Bank acquired the Loan from Freddie Mac. **Ex. M.** On May 27, 2016, Ocwen recorded an assignment of the Deed of Trust to U.S. Bank. **Ex. D.** U.S. Bank is currently the beneficiary of record of the Deed of Trust and owner of the Loan. **Ex M.**

B. Freddie Mac's Contract with Its Servicers, Including Ocwen

6. The relationship between Ocwen, as the servicer of the Loan, and Freddie Mac, as owner of the Loan, is governed by the Guide, a document central to Freddie Mac's relationship with servicers nationwide. **Ex. B.** (Guide at 1101.2(a)). Among other things, the Guide provides that Freddie Mac's servicers may act as record beneficiaries for the deeds of trust Freddie Mac owns and requires that servicers assign these deeds of trust to Freddie Mac upon Freddie Mac's demand.

7. Specifically, the Guide provides that:

For each Mortgage purchased by Freddie Mac, the Seller and the Servicer agree that Freddie Mac may, at any time and without limitation, require the Seller or the Servicer, at the Seller's or the Servicer's expense, to make such endorsements to and assignments and recordations of any of the Mortgage documents so as to reflect the interests of Freddie Mac.

Ex. B. (Guide at 1301.10).

8. The Guide also provides that:

The Seller/Servicer is not required to prepare an assignment of the Security Instrument to Freddie Mac. However, *Freddie Mac may, at its sole discretion and at any time, require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute and/or record assignments of the Security Instrument to Freddie Mac.*

Ex. B. (Guide at 6301.6) (emphasis added).

9. The Guide authorizes servicers to foreclose on the Deed of Trust on behalf of Freddie Mac. *See, e.g., Ex. B.* (Guide at 8105.3, 9301.1, 9301.12).

10. Accordingly, the Guide also provides for a temporary transfer of possession of the note when necessary for servicing, including foreclosure. *See Ex. B.* (Guide at 8107.1, 8107.2, 9301.11). When in "physical or constructive possession of a Note," the Servicer must "follow prudent business practices" to ensure that the note is "identif[ied] as a Freddie Mac asset." *Id.* at 8107.1(b). Furthermore, when transferring documents in a mortgage file,

including a note, the servicer must ensure the receiver acknowledges that the note is “Freddie Mac’s property.” **Ex. B.** (Guide at 3302.5).

11. The Guide also includes chapters regarding how and when servicers should appear as parties to litigation involving Freddie Mac loans. *See* Guide at 9402.2 (“Routine and non-routine litigation”), 9501 (“Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters.”).

12. The Guide provides that:

All documents in the Mortgage file, . . . and all other documents and records related to the Mortgage of whatever kind or description . . . will be, and will remain at all times, the property of Freddie Mac. All of these records and Mortgage data in the possession of the Servicer are retained by the Servicer in a custodial capacity only.

Ex. B. (Guide at 1201.9(a)).

13. The Guide provides that a transferee servicer undertakes all responsibilities under the Guide. *See* **Ex. B.** (Guide at 7101.15(c)).

14. Finally, the Guide provides that:

When a Transfer of Servicing occurs, the Transferor Servicer may not . . . further endorse the Note, but must prepare and complete assignments according to the [Guide’s] requirements. . . .

To prepare and complete an assignment of a Security Instrument for a Mortgage related to a Subsequent Transfer of Servicing if that Mortgage is not registered with MERS, the Transferor Servicer must . . . [a]ssign the Security Instrument to the Transferee Servicer and record the assignment.

Ex. B. (Guide at 7101.6).

C. The HOA Foreclosure Sale and Lakes’ Purported Acquisition of the Property

15. In July 2008 through April 2015, the HOA recorded a Lien for Delinquent Assessments concerning past-due assessments, followed by a Notice of Default and Election to Sell, and a Notice of Foreclosure Sale against the Property. **Exs. E-G.** Then, on August 25, 2015, the HOA foreclosed on its

lien and sold the Property to Parcelnomics, LLC, which paid \$4,470.00 according to the Foreclosure Deed recorded on September 1, 2015. **Ex. H.**

16. At no time did the Conservator consent to the HOA Sale extinguishing or foreclosing Freddie Mac's interest in the Property. **Ex. I.** (FHFA's Statement on HOA Super-Priority Lien Foreclosures (Apr. 21, 2015), www.fhfa.gov/Media/PublicAffairs/Pages/Statement-on-HOA-Super-Priority-Lien-Foreclosures.aspx).

17. On September 1, 2015, Parcelnomics recorded a Grant, Bargain, Sale Deed purporting to convey its interest in the property to Investment Deals. **Ex. J.**

18. On October 23, 2015, Investment Deals recorded a Grant, Bargain, Sale Deed purporting to convey its interest in the property to Nouné Graeff. **Ex. K.**

19. On January 20, 2016, Nouné Graeff recorded a Grant, Bargain, Sale Deed purporting to convey her interest in the property to Daniel Lakes. **Ex. L.**

D. Ocwen's Superpriority Tender to the HOA

20. After the HOA recorded its notice of default and prior to the foreclosure sale, Ocwen, then servicer of the Loan, tendered the superpriority portion of the HOA lien to the HOA. **Ex. M.**

21. On May 13, 2015, Ocwen tendered \$3,241.52 to Red Rocks Financial Services, Agent for the HOA which was negotiated by the HOA on May 19, 2015. *Id.*

LEGAL STANDARD

"Summary judgment is appropriate . . . when the pleadings, depositions, answers to interrogatories, admissions, and affidavits, if any, that are properly before the court demonstrate that no genuine issue of material fact exists, and that the moving party is entitled to judgment as a matter of law." *Wood v. Safeway, Inc.*, 121 P.3d 1026, 1031 (Nev. 2005). "While the pleadings and other evidence must be construed in the light most favorable to the nonmoving party, that party has the burden to 'do more than simply show that there is some metaphysical doubt' as to the operative facts to defeat a motion for summary judgment." *Id.* at 1031 (quoting

1 *Matsushita Elec. Indus. Co. v. Zenith Radio*, 475 U.S. 574, 586 (1986)). The
2 governing law determines which “factual disputes are material and will preclude
3 summary judgment; other factual disputes are irrelevant.” *Id.* Accordingly, Nevada
4 courts follow the federal summary judgment standard, not the “slightest doubt”
5 standard previously applicable before *Wood*. *Id.* at 1031, 1037.

6 ARGUMENT

7 **I. The Federal Foreclosure Bar Defeats Lakes’ Claim to an Interest in the** 8 **Property Free and Clear of the Deed of Trust**

9 The law is settled: the Federal Foreclosure Bar preempts the State
10 Foreclosure Statute. As the Nevada Supreme Court has held, “the [State
11 Foreclosure Statute] is in direct conflict with Congress’s clear and manifest goal to
12 protect Freddie Mac’s property interest while under the FHFA’s conservatorship
13 from threats arising from state foreclosure law. As the two statutes conflict, the
14 Federal Foreclosure Bar implicitly preempts [the State Foreclosure Statute] to the
15 extent that a foreclosure sale extinguishes the deed of trust.” *Christine View*, 417
16 P.3d at 367; *see also Nevada New Builds, LLC v. Nationstar Mortg. LLC*, No.
17 72243, 2019 WL 1245616, at *1 (Nev. Mar. 15, 2019) (unpublished disposition);
18 *CitiMortgage, Inc. v. TRP Fund VI, LLC*, No. 71318, 2019 WL 1245886, at *1 (Nev.
19 Mar. 14, 2019) (unpublished disposition); *A&I Series 3, LLC v. Fannie Mae*, No.
20 71124, 2018 WL 3387787, at *1 (Nev. July 10, 2018) (unpublished disposition); *SFR*
21 *Invs. Pool 1, LLC v. Green Tree Serv’g, LLC*, No. 72010, 2018 WL 6721370, at *2
22 (Nev. Dec. 17, 2018) (unpublished disposition); *OneWest Bank FSB v. Holm Int’l*
23 *Props., LLC*, No. 72933, 2018 WL 6817052, at *2 (Nev. Dec. 20, 2018) (unpublished
24 disposition). The Federal Foreclosure Bar necessarily protects the Deed of Trust
25 because the Conservator has succeeded by law to all of Freddie Mac’s “rights, titles,
26 powers, and privileges,” 12 U.S.C. § 4617(b)(2)(A)(i). Accordingly, “[Freddie Mac]’s
27 property interest effectively becomes the FHFA’s while the conservatorship exists.”
28 *Christine View*, 417 P.3d at 367 (citing 12 U.S.C. § 4617(b)(2)(A)(i)).

The Ninth Circuit has held the same. *See, e.g., Berezovsky*, 869 F.3d at 930 (“[T]he Federal Foreclosure Bar implicitly demonstrates a clear intent to preempt [the State Foreclosure Statute].”); *FHFA v. SFR*, 893 F.3d at 1146-47 (following *Berezovsky*). Moreover, numerous courts in the U.S. District Court of Nevada² and Nevada state courts³ have followed the Ninth Circuit and Nevada Supreme Court precedent to resolve claims legally identical and factually similar to those in this case in favor of the Enterprises and their servicers.

Given the weight of authority, Lakes cannot challenge either the preemptive effect of the Federal Foreclosure Bar or that Freddie Mac’s loan ownership is a

² *See, e.g., Skylights v. Byron*, 112 F. Supp. 3d 1145, 1153 (D. Nev. 2015); *Opportunity Homes, LLC v. Freddie Mac*, 169 F. Supp. 3d 1073 (D. Nev. 2016); *My Glob. Vill., LLC v. Fannie Mae*, No. 2:15-cv-00211-RCJ-NJK, 2015 WL 4523501 (D. Nev. July 27, 2015); *Saticoy Bay, LLC Series 1702 Empire Mine v. Fannie Mae*, No. 2:14-CV-01975-KJD-NJK, 2015 WL 5709484 (D. Nev. Sept. 29, 2015); *FHFA v. SFR Investments Pool 1, LLC*, No. 2:15-cv-1338-GMN-CWH, 2016 WL 2350121 (D. Nev. May 2, 2016); *FHFA v. Nevada New Builds, LLC*, No. 2:16-cv-1188-GMN-CWH, 2017 WL 888480 (D. Nev. Mar. 6, 2017); *Springland Vill. Homeowners Ass’n v. Pearman*, No. 3:16-cv-00423-MMD-WGC, 2018 WL 357853 (D. Nev. Jan. 10, 2018); *MRT Assets LLC v. Nationstar Mortg., LLC*, No. 2:17-cv-0070-JCM-CWH, 2018 WL 1245501 (D. Nev. Mar. 9, 2018); *Nationstar Mortg., LLC v. Tow Props. LLC II*, No. 2:17-cv-01770-APG-VCF, 2018 WL 2014064 (D. Nev. Apr. 27, 2018); *Fannie Mae v. Kree, LLC*, No. 3:17-cv-730-LRH-WGC, 2018 WL 2697406 (D. Nev. June 5, 2018); *Ditech Fin. LLC v. Paradise Springs One Homeowners Ass’n*, No. 2:16-cv-2900-APG-GWF, 2018 WL 3429676 (D. Nev. July 16, 2018).

³ *See, e.g., Order, RLP-Buckwood Court, LLC, v. GMAC Mortg., LLC*, No. A-13-686438-C (Nev. Dist. Ct. May 24, 2016); *Order, Saticoy Bay LLC Series 4930 Miners Ridge v. JPMorgan Chase Bank N.A.*, No. A-13-681090-C (Nev. Dist. Ct. June 27, 2017); *Order, RJRN Holdings, LLC v. Green Tree Servicing LLC*, A-14-704682-C (Nev. Dist. Ct. July 21, 2017); *Hampton & Hampton Collections, LLC v. Pan*, No. 14-A-706519-C, 2017 WL 5660707 (Nev. Dist. Ct. Oct. 6, 2017); *Nationstar Mortg., LLC v. Kincer*, No. 14-A-698443-C, 2017 WL 6940444 (Nev. Dist. Ct. Nov. 27, 2017); *Nevada New Builds, LLC v. JPMorgan Chase Bank*, No. 13-A-690954, 2017 WL 7058170 (Nev. Dist. Ct. Dec. 14, 2017); *J&K USA, Inc. v. BAC Home Loans Servicing, LP*, No. 14-A-702573, 2018 WL 1612075 (Nev. Dist. Ct. Feb. 27, 2018); *Saticoy Bay 10021 Via Toro v. Chase*, A-14-694140-C, 2018 WL 1995672 (Nev. Dist. Ct. March 15, 2018); *NV Eagles, LLC v. BAC Home Loan Servicing*, No. A-16-733337, 2018 WL 1989741 (Nev. Dist. Ct. Mar. 15, 2018); *Renfroe v. Bank of America, N.A.*, No. 14-A-701932, 2018 WL 1995668 (Nev. Dist. Ct. Mar. 21, 2018); *Gutierrez v. SFR Investments Pool 1, LLC*, No. 13-A-684715-C, 2018 WL 2336188 (Nev. Dist. Ct. Apr. 11, 2018); *TRP Fund IV, LLC v. Fannie Mae*, No. A-16-735893, 2018 WL 2338239 (Nev. Dist. Ct. Apr. 13, 2018); *SFR v. First Horizon Home Loans*, No. A-13-685826-C, 2018 WL 3702059 (Nev. Dist. Ct. Jun. 14, 2018); *Alessi & Koenig, LLC v. Storm*, No. A-14-699883-C, 2018 WL 3702051 (Nev. Dist. Ct. Jun. 27, 2018). U.S. Bank does not cite these cases as precedential authority but rather, consistent with Nev. R. App. P. 36(c)(3), cites them for their persuasive value.

property interest the Federal Foreclosure Bar protects. Thus, the only issues for the Court to decide is whether (1) Freddie Mac had a property interest at the time of the HOA Sale, (2) FHFA consented to extinguish Freddie Mac's property interest, and (3) U.S. Bank can assert the protections of the Federal Foreclosure Bar in this case. As explained below, Freddie Mac had a protected property interest that FHFA did not consent to extinguish, and U.S. Bank can raise the Federal Foreclosure Bar here because it is an assignee of Freddie Mac's ownership interest. Because the Federal Foreclosure Bar protected Freddie Mac's property interest from extinguishment by the HOA Sale, that property interest continues to encumber the property under U.S. Bank's ownership.

A. Freddie Mac Had a Property Interest at the Time of the HOA Sale

1. Uncontradicted Evidence Confirms Freddie Mac's Property Interest

The Nevada Supreme Court has held that "business records and testimony from employees" constitute "ample evidence" to "demonstrate [Freddie Mac's] ownership" of a loan. *SFR Invs. Pool 1, LLC v. Green Tree Servicing, LLC*, No. 72010, 2018 WL 6721370, at *1 (Nev. Dec. 17, 2018) (unpublished disposition); see also *CitiMortgage, Inc. v. SFR Invs. Pool 1, LLC*, No. 70237, 2019 WL 289690, at *1 n.1 (Nev. Jan. 18, 2019) (unpublished disposition) (holding that Fannie Mae's business records, supported by employee testimony, "establish[ed] that Fannie Mae owned the loan at the time of the HOA foreclosure sale"). Similarly, the Ninth Circuit has repeatedly confirmed that Freddie Mac's property interest may be established by Freddie Mac's business records and a declaration from a Freddie Mac employee explaining that the records show when Freddie Mac owned the Loan. See, e.g., *FHFA v. SFR*, 893 F.3d 1136; *Berezovsky*, 869 F.3d at 933; *Elmer*, 707 F. App'x at 428; *Williston*, 736 F. App'x at 169; *G&P*, 740 F. App'x at 564; *Las Vegas Dev. Grp.*, 740 F. App'x at 154.⁴

⁴ This Ninth Circuit precedent should be highly persuasive here, as federal courts and Nevada courts have adopted the same standard for what evidence is

1 Here, U.S. Bank has submitted materially identical evidence to that which
2 the Nevada Supreme Court said was sufficient to prove the Enterprises' ownership
3 interest in *SFR v. Green Tree* and *CitiMortgage*, and that which the many Ninth
4 Circuit decisions cited above have held is sufficient to grant summary judgment to
5 the Enterprises and their servicers. In fact, U.S. Bank has gone beyond what was
6 required by the Ninth Circuit, also submitting Caliber Home Loans, Inc.'s,
7 ("Caliber") the current servicer, business records, derived from a database Caliber
8 uses to track the loans that it services, and a declaration of _____, a Caliber
9 employee. See Exhibit ____.

10 These business records and employee declarations support the fact that
11 Freddie Mac acquired the Loan in May 2007 and continued to own the Loan at the
12 time of the HOA Sale in August 2015. **Exs. B and M.** As explained in Dean
13 Meyer's declaration, Freddie Mac maintains its business records in its MIDAS
14 system, which Freddie Mac uses in the course of its everyday business to manage
15 and record information about the mortgage loans it owns. **Ex. B.** The mortgage
16 payment history report, among other elements in Freddie Mac's records, shows that
17 the servicer continued to report monthly to Freddie Mac about the Loan in August
18 2015 and that no event ending Freddie Mac's ownership of the Loan had occurred
19 prior to that date. *Id.*

20 The business records and declarations also show that Ocwen was Freddie
21 Mac's servicer for the Loan at the time of the HOA Sale. The declarations explain
22 how the business records identify the servicer for the Loan and how one can
23 determine that Ocwen was the servicer at the time of the HOA Sale in August 2015.
24 **Exs. B-C.**

25
26 _____
27 (...continued)
28 sufficient for summary judgment. *See Wood v. Safeway, Inc.*, 121 P.3d 1026, 1031
(Nev. 2005) (citing *Matsushita Elec. Indus. Co. v. Zenith Radio Corp.*, 475 U.S. 574
(1986) for Nevada's standard for summary judgment).

Under the applicable rules of evidence, business records are, by their nature, admissible to prove the truth of their contents when introduced by a qualified witness, as they are here. *See* NRS 51.135; Fed. R. Evid. 803 (advisory committee’s note to 1972 proposed rules) (noting that business records, including electronic database records, have “unusual reliability”). The Nevada Supreme Court and the Ninth Circuit have held that Enterprise business records are admissible and sufficient to support the Enterprises’ property interests on summary judgment. *See CitiMortgage*, 2019 WL 289690, at *2 (holding that substantially similar evidence “demonstrates that Fannie Mae owns the loan”); *Green Tree*, 2018 WL 6721370, at *1 (finding that “Fannie Mae presented ample evidence in the form of business records and testimony from employees, demonstrating its ownership.”); *Berezovsky*, 869 F.3d at 932 & n.8 (holding that Freddie Mac “database printouts” were sufficient to support a “valid and enforceable” property interest under Nevada law); *Elmer*, 707 F. App’x at 428 (finding that a declaration from a Freddie Mac employee and records from Freddie Mac’s database were “reliable and uncontroverted evidence of its interest in the property on the date of the foreclosure”); *Williston*, 736 F. App’x at 169 (confirming business records are “sufficient” evidence for summary judgment); *G&P*, 740 F. App’x at 564 (same); *Las Vegas Dev. Grp.*, 740 F. App’x at 154 (same). The same analysis applies to the evidence U.S. Bank has submitted here.

2. Freddie Mac Owned the Note and Deed of Trust Under Nevada Law

a. Nevada Adopts the Restatement Approach that Acknowledges the Loan Owner-Servicer Relationship

Under Nevada law, when Freddie Mac purchased the Loan in May 2007, Freddie Mac acquired ownership of the note and Deed of Trust. Nevada law incorporates the Restatement, which describes the typical arrangement between investors in mortgages, such as Freddie Mac, and their servicers:

1 Institutional purchasers of loans in the secondary mortgage
2 market often designate a third party, not the originating
3 mortgagee, to collect payments on and otherwise “service” the
4 loan for the investor. In such cases the promissory note is
5 typically transferred to the purchaser, but an assignment of the
6 mortgage from the originating mortgagee *to the servicer* may be
7 executed and recorded. This assignment is convenient because
8 it facilitates actions that the servicer might take, such as
9 releasing the mortgage, at the instruction of the purchaser.

6 Restatement § 5.4 cmt. c (emphasis added). The Restatement then emphasizes that
7 this arrangement preserves the investor’s ownership interest: “*It is clear in this*
8 *situation that the owner of both the note and mortgage is the investor and not the*
9 *servicer.*” *Id.* (emphasis added). Thus, the Restatement acknowledges that the
10 assignment of a deed of trust to a servicer does not alter the fact that the loan
11 purchaser remains the owner of the note and deed of trust. The Restatement
12 approach also is a recognition of the realities of the mortgage industry: Freddie
13 Mac and Fannie Mae can more efficiently support the national secondary mortgage
14 market if they can contract with servicers to manage loans without relinquishing
15 ownership of the corresponding deeds of trust.

16 The Nevada Supreme Court reaffirmed that it adopted the entirety of the
17 Restatement approach to ownership and assignment of deeds of trust described
18 above. *See Montierth*, 354 P.3d at 650-51. *Montierth* explains that where the
19 record beneficiary of the deed of trust has contractual or agency authority to
20 foreclose on the note owner’s behalf, the note owner maintains a property interest in
21 the collateral. *See id.*

22 In *Montierth*, the Nevada Supreme Court applied the Restatement to a
23 situation where MERS, as nominee for the original lender and its successors and
24 assigns, served as record beneficiary of a deed of trust, while Deutsche Bank had
25 acquired the related promissory note from the original lender. *Id.* at 649. The
26 Nevada Supreme Court concluded that the relationship between MERS and
27 Deutsche Bank, wherein MERS had authority to foreclose on Deutsche Bank’s
28 behalf, ensured that Deutsche Bank remained a “secured creditor” with a “fully-

1 secured, first priority deed” that could be enforced. *Id.* at 650-51. Deutsche Bank,
2 like Freddie Mac here, accordingly retained a property interest while another entity
3 was beneficiary of record of the deed of trust.

4 *Montierth’s* analysis begins by stating an uncontroversial point of Nevada
5 law—that “perfection of a deed of trust occurs upon proper execution and
6 recordation,” and thus “a security interest attaches to the property as between the
7 mortgagor and mortgagee upon execution and as against third parties upon
8 recordation.” 354 P.3d at 650 (quotation marks and citation omitted). Next,
9 *Montierth* explains that at the relevant time, Deutsche Bank owned the note, while
10 MERS appeared as the corresponding deed of trust’s beneficiary of record. Finally,
11 *Montierth* concludes that Deutsche Bank’s “security interest attached *and was*
12 *perfected* before bankruptcy,” while MERS was still record beneficiary. *Id.*
13 (emphasis added). *Montierth’s* holding that Deutsche Bank’s interest “was
14 perfected” under Nevada law necessarily means that Deutsche Bank’s interest was
15 properly recorded and therefore effective “*against third parties.*” The same is true
16 here.

17 The Nevada Supreme Court has since confirmed that *Montierth’s* holding
18 applies in a case involving materially the same facts and legal issues as here. In
19 *CitiMortgage*, the court held that “[a servicer’s] status as the recorded deed of trust
20 beneficiary does not create a question of material fact regarding whether Fannie
21 Mae owns the subject loan, as this court has recognized that such an arrangement
22 is acceptable and common.” 2019 WL 289690, at *2. And in *TRP Fund VI*, the
23 Nevada Supreme Court confirmed that “this court has recognized that the record
24 beneficiary need not be the actual owner of the loan.” 2019 WL 1245886, at *1.

25 In *Nationstar Mortgage, LLC v. Guberland LLC-Series 3*, the Nevada
26 Supreme Court cited *Montierth* and the Restatement and “conclude[d] that the
27 district court erred in determining that the Federal Foreclosure Bar does not apply”
28 in a situation when “Fannie Mae was not the beneficiary of the deed of trust” at the

1 time of the HOA foreclosure sale. No. 70546, 2018 WL 3025919, at *2 (Nev. June
2 15, 2018) (unpublished disposition). In so doing, the Nevada Supreme Court
3 emphasized that “different parties may hold the note and the deed of trust. Where
4 that is the case, the note remains secured ‘if there is *either* a principal-agent
5 relationship between the note holder and the mortgage holder, *or* the mortgage
6 holder ‘otherwise has authority to foreclose in the [note holder]’s behalf.” *Id.*
7 (quoting *Montierth*, 354 P.3d at 650-51) (emphasis and alteration in original); *see*
8 *also Noonan v. Bayview Loan Servicing, LLC*, No. 73665, slip op. at 2 (Nev. Apr. 8,
9 2019) (characterizing *Montierth* as “recognizing that it is an acceptable practice for
10 a loan servicer to serve as the beneficiary of record for the actual deed of trust
11 beneficiary”); *Ohfuji Invs., LLC v. Nationstar Mortg., LLC*, No. 72676, 2018 WL
12 1448729, at *1 (Nev. Mar. 15, 2018) (unpublished disposition) (same).

13 The Ninth Circuit, in addition to various state and federal trial courts, has
14 recognized that under the approach articulated by *Montierth* and the Restatement,
15 Freddie Mac need not have been beneficiary of record of a deed of trust in order to
16 have a protected property interest. *See, e.g., FHFA v. SFR*, 893 F.3d at 1149-50;
17 *Berezovsky*, 869 F.3d at 932; *Flagstar*, 699 F. App’x at 658-59; *Elmer*, 707 F. App’x
18 at 427-28; *G&P*, 740 F. App’x at 564; *Las Vegas Dev. Grp.*, 740 F. App’x at 154. The
19 Ninth Circuit rejected any argument that, under Nevada law, a loan owner’s
20 property interest depends on its name appearing in the public property records:
21 “[a]lthough the recorded deed of trust here omitted Freddie Mac’s name, Freddie
22 Mac’s property interest is valid and enforceable under Nevada law” because Freddie
23 Mac owned the note and its servicer was beneficiary of record of the deed of trust.
24 *Berezovsky*, 869 F.3d at 932; *see also FHFA v. SFR*, 893 F.3d at 1149-50. This
25 Court should do the same here.

b. Nevada Adopts the Uniform Commercial Code, Which Is Consistent with the Restatement Approach

The Restatement's acknowledgment that different entities might be *owner* or *record beneficiary* of a Deed of Trust is consistent with Nevada's adoption of Uniform Commercial Code Article 3, which provides that "[a] person may be a person entitled to enforce [a promissory note] even though the person is not the owner of the [that note]." NRS 104.3301. A "person entitled to enforce" a note may be a "holder" of the note or even a "nonholder in possession of the [note] who has the rights of the holder." *Id.* Accordingly, "the status of holder merely pertains to one who may enforce the debt and is a separate concept from that of ownership." *Thomas v. BAC Home Loans Servicing, LP*, No. 56587, 2011 WL 6743044, at *3 n.9 (Nev. Dec. 20, 2011). That is because "[o]wnership rights in instruments may be determined by principles of the law of property . . . which do not depend upon whether the instrument was transferred." UCC § 3-203 cmt. 1. For that reason, a transfer of a note has no bearing on ownership, but instead "vests in the transferee any right of the transferor to enforce the instrument." NRS 104.3203.⁵

In fact, the Nevada Supreme Court has applied this principle in a similar circumstance, where Freddie Mac claimed to own a note while its servicer was the holder of the note and the record beneficiary of the associated deed of trust. The court held there was nothing inconsistent with this situation under Nevada law. *See Thomas*, 2011 WL 6743044, at *1, 3 & n.9. Here, too, there is nothing inconsistent with Freddie Mac being the owner of the note and the Deed of Trust, while Ocwen, its servicer, was beneficiary of record of the Deed of Trust.

⁵ Similarly, Uniform Commercial Code Article 9 provides that "[t]he attachment of a security interest in a right to payment or performance secured by a security interest or other lien on personal or real property is also attachment of a security interest in the security, mortgage or other lien." NRS 104.9203(7). Thus, "a transferee of a mortgage note" such as Freddie Mac "whose property right in the note has attached also automatically *has an attached property right in the mortgage* that secures the note." Report of the Permanent Editorial Board for the UCC, Application of the UCC to Selected Issues Relating to Mortgage Notes at 14 (Nov. 14, 2011) (emphasis added).

1 **3. The Guide Confirms that Freddie Mac Retained Ownership of**
2 **the Deed of Trust While Ocwen Was Record Beneficiary**

3 The Guide serves as a central document governing the contractual
4 relationship between Freddie Mac and its servicers nationwide, including Ocwen.
5 See **Ex. B.** (Guide at 1101.2(a)). The provisions of the Guide demonstrate that
6 Freddie Mac and its loan servicers maintain the type of relationship described in
7 the Restatement and *Montierth* that secures Freddie Mac’s ownership interest in
8 the Deed of Trust. See *Berezovsky*, 869 F.3d at 932-33; *Montierth*, 354 P.3d at 651
9 (looking to whether a loan owner can “compel an assignment of the deed of trust”);
10 *Guberland*, 2018 WL 3025919, at *2 (recognizing Fannie Mae’s relationship with its
11 servicers as dictated by Fannie Mae’s Guide). For example, the Guide provides that
12 “Freddie Mac may, at any time and without limitation, require the Seller or the
13 Servicer . . . to make such . . . assignments and recordations of any of the Mortgage
14 documents so as to reflect the interests of Freddie Mac.” Guide at 1301.10; see also
15 Guide at 6301.6 (similar).

16 As the Guide confirms, the fact that Ocwen was the beneficiary of record of
17 the Deed of Trust at the time of the HOA Sale does not negate the fact that Freddie
18 Mac owned both the note and the Deed of Trust. Accordingly, the Federal
19 Foreclosure Bar protected the Deed of Trust from extinguishment, and Freddie Mac
20 retained its property interest after the HOA Sale.

21 **B. FHFA Did Not Consent to the Extinguishment of the Deed of Trust**

22 While it is not U.S. Bank’s burden to establish this fact, it is undisputed that
23 FHFA has not consented to extinguish Freddie Mac’s property interest in this case.
24 Because Freddie Mac had a protected property interest at the time of the HOA
25 foreclosure sale, the Federal Foreclosure Bar precluded Parcelnomics, Investment
26 Deals, Noune Graeff, or Lakes from acquiring free-and-clear title unless any of
27 those entities or persons obtained FHFA’s consent to extinguish Freddie Mac’s
28 interest. Indeed, “[t]he Federal Foreclosure Bar cloaks the FHFA’s ‘property with

1 Congressional protection unless or until the Agency affirmatively relinquishes it.”
2 *Christine View*, 417 P.3d at 368 (quoting *Berezovsky*, 869 F.3d at 929).

3 Neither Parcelnomics, Investment Deals, Noun Graeff, nor Lakes can show
4 that they received such consent. To the contrary, the Conservator has publicly
5 announced that it “has not consented, and will not consent in the future, to the
6 foreclosure or other extinguishment of any Fannie Mae or Freddie Mac lien or other
7 property interest in connection with HOA foreclosures of super-priority liens.” **Ex.**
8 **I.**⁶ Thus, “it is clear that FHFA did not consent to the extinguishment of [the
9 Enterprise’s] property interest through the HOA’s foreclosure sale.” *Alessi &*
10 *Koenig*, 2017 WL 773872, at *3 (citing and relying on cases in which FHFA’s
11 statement was sufficient to show FHFA’s lack of consent).

12 **C. U.S. Bank May Assert the Federal Foreclosure Bar to Protect Its**
13 **Interest in the Deed of Trust**

14 The Federal Foreclosure Bar works automatically by operation of law,
15 protecting the Deed of Trust and thereby limiting the property rights Parcelnomics
16 or any subsequent purchaser—including Lakes—could have acquired in the HOA
17 Sale. When the Federal Foreclosure Bar prevented the extinguishment of the Deed
18 of Trust, it preserved Freddie Mac’s ownership interest. When Freddie Mac
19 assigned the loan to U.S. Bank on or about December 2015, U.S. Bank became the
20 successor to Freddie Mac’s ownership interest. Because the Federal Foreclosure
21 Bar protected the Deed of Trust from extinguishment, Freddie Mac was able to
22 assign that protected interest to U.S. Bank. Thus, U.S. Bank has a concrete
23 interest in this case.

24 “It is axiomatic that an assignee takes all of the rights of the assignor, no
25 greater and no less.” *Beal Bank, SSB v. Nassau Cty.*, 973 F. Supp. 130, 134
26 (E.D.N.Y. 1997). As the assignee of Freddie Mac’s ownership interest in the

27
28 ⁶ This public statement on a government website is subject to judicial
notice. *See Daniels-Hall v. Nat’l Educ. Ass’n*, 629 F.3d 992, 998-99 (9th Cir. 2010).

1 property at issue, U.S. Bank “stands in the shoes” of Freddie Mac and may raise
2 any defense that Freddie Mac could have asserted if it still owned the Loan. 6A
3 C.J.S. Assignments § 111; *see also* 55 Am. Jur. 2d Mortgages § 944 (An “assignee of
4 a mortgagee’s interest in a mortgage gains only the rights the assignor had at the
5 time of the assignment.”). Courts evaluating this topic in the context of Federal
6 Deposit Insurance Corporation (FDIC) receiverships have held that an assignee can
7 assert federal statutory protections applicable to receivership property.

8 In *Beal Bank*, a case involving FDIC’s assignment of a mortgage interest in
9 receivership to a private party, the court found that FDIC’s assignee obtained the
10 right to raise the defenses applicable to the FDIC. 973 F. Supp. at 130, 134. Like
11 HERA, the statute protecting the FDIC receivership property states that “[n]o
12 property of the [FDIC] shall be subject to . . . foreclosure, or sale without the consent
13 of the [FDIC].”⁷ *Id.* at 132 (citing 12 U.S.C. § 1825(b)(2) (“FIRREA”)). In *Beal*
14 *Bank*, FDIC acquired the mortgage at issue when it was appointed receiver of the
15 lender bank, and it later assigned its interest in the mortgage to Beal Bank. The
16 court concluded that Beal Bank could “assert all rights and privileges that the FDIC
17 would have been permitted to rely upon,” including the protections conferred by the
18 federal statute. It reasoned:

19 [T]o find otherwise would undermine the entire purpose of
20 § 1825(b)(2) because providing the FDIC’s successors in
21 interest with less rights than the FDIC would effectively
22 deprive the FDIC of the ability to market the loans it
takes over in order to recoup whatever funds it can.
Congress’ purpose in creating the Financial Institutions

23
24 ⁷ When analyzing HERA’s provisions, courts have frequently turned to
25 precedent interpreting the analogous receivership authority of the FDIC. *See, e.g.,*
26 *Cty. of Sonoma v. FHFA*, 710 F.3d 987, 993 (9th Cir. 2013) (referring to the FDIC’s
27 statutory authority in a related area as “analogous to 12 U.S.C. § 4617(f)”; *In re*
28 *Fed. Home Loan Mortg. Corp. Derivative Litig.*, 643 F. Supp. 2d 790, 795 (E.D. Va.
2009) (“[T]he Court is persuaded by decisions that have reached the same
conclusion when interpreting [FIRREA], whose provisions regarding the powers of
federal bank receivers and conservators are substantially identical to those of
HERA.”), *aff’d sub nom. La. Mun. Police Ret. Sys. v. FHFA*, 434 F. App’x 188 (4th
Cir. 2011).

Reform, Recovery and Enforcement Act [FIRREA] would be frustrated if the FDIC's lien protections disappeared as soon as the FDIC attempted to sell its property interests.

Id. at 134.

Other courts evaluating the FDIC's property protection statute have reached similar conclusions. In *RTC Commercial Assets Trust 1995-NP3-1 v. Phoenix Bond & Indemnity Co.*, a federal court held that the assignee of property sold from an FDIC appointed receiver could assert a defense based on the FDIC's rights. 169 F.3d 448, 458 (C.D. Cal. 1999). The court held that, because the assignee acquired "whatever it was that [the assignor] held at the time of assignment" it enjoyed the effects the assignor possessed as a result of FIRREA. *Id.* Analyzing FIRREA, the court further reasoned that the statutory scheme not only encourages, but "practically begs" the federal receiver to sell or assign the interest it acquires to third parties. *Id.* The court concluded that restricting assignees from asserting the property protection statute would "seriously undermine the entire system" created by the FIRREA. *Id.*

Because the language of the Federal Foreclosure Bar is nearly identical to the FIRREA provision protecting the property of FDIC receiverships, the same "axiomatic" principles of assignment apply to sales of property by the Enterprises to third parties. The protections of the Federal Foreclosure Bar survived Freddie Mac's assignment of its rights to U.S. Bank, and U.S. Bank may raise those rights to protect its property interest.

II. Ocwen's Tender Discharged the Superpriority Lien and Renders any *Bona Fide* Purchaser Argument Irrelevant

A. Ocwen satisfied the superpriority lien.

The Deed of Trust survived the HOA's foreclosure sale because the record evidence shows Ocwen tendered and satisfied the super-priority portion of the HOA lien prior to the HOA Sale. Under NRS 116.3116(1), an HOA has a lien for unpaid assessments. Generally, the HOA lien is prior to all other liens, with limited

1 exceptions, including a first deed of trust, but, as to the deed of trust, only nine-
2 months of HOA assessments are entitled to this “superpriority” status. NRS
3 116.3116(2)(b)-(c). The Nevada Supreme Court in *SFR Investments* confirmed this
4 interpretation. “As to first deeds of trust, NRS 116.3116(2) thus splits an HOA lien
5 into two pieces, a superpriority piece and a subpriority piece.” *SFR Investments*
6 *Pool 1, LLC v. U.S. Bank, N.A.*, 334 P.3d 408, 411 (Nev. September 18, 2014.) As
7 explained by the Nevada Supreme Court, “NRS 116.3116 gives a homeowners’
8 association (HOA) a superpriority lien on an individual homeowners’ property for up
9 to nine months of unpaid HOA dues.” *Id.* at 409 (emphasis added). *SFR*
10 *Investments* further provides that the beneficiary of record of a deed of trust can
11 preserve its interest by “determining the precise superpriority amount” and
12 tendering it “in advance of the sale.” *Id.* at 418.

13 The Nevada Supreme Court also clarified the issue of “whether a
14 superpriority lien for common expense assessments pursuant to NRS 116.3116(2)2
15 includes collection fees and foreclosure costs incurred by a homeowners’ association
16 (HOA).” *Horizons at Seven Hills v. Ikon Holdings*, 2016 WL 1704199, at *1 (Nev.
17 April 28, 2016). The *Ikon Holdings* court held that the super-priority amount “does
18 not include an amount for collection fees and foreclosure costs incurred; rather it is
19 limited to an amount equal to the common expense assessments due during the
20 nine months before foreclosure.” *Id.* at *6 (emphasis added).

21 Here, Ocwen, the servicer for Freddie Mac, forwarded a check to the HOA
22 Trustee, representing the super-priority amount of the HOA's lien. **Ex. M**, ¶ 11, and
23 Ex. 2 thereto. The HOA Trustee accepted Ocwen’s tender and negotiated the check.
24 *Id.* The HOA Sale could not extinguish the Deed of Trust because Ocwen tendered
25 an amount in excess of the super-priority portion of the HOA lien prior to the HOA
26 Sale.

27 Consequently, the HOA could only foreclose on the sub-priority portion of the
28 HOA lien. Because the HOA cannot transfer any greater interest than it possesses,

Parcelnomics acquired only the sub-priority portion of the HOA lien and took the property subject to the Deed of Trust. By extension, Parcelnomics (and its successors, Investment Deals and Noune Graeff) conveyed their interest in the Property to Lakes subject to the Deed of Trust. Accordingly, U.S. Bank is entitled to summary judgment.

CONCLUSION

For these reasons, the Court should grant U.S. Bank's motion for summary judgment and enter a declaration that Lakes' interest in the Property, if any, is subject to the Deed of Trust.

Dated: April 10, 2019.

BALLARD SPAHR LLP

By: /s/ Holly Ann Priest

Joel E. Tasca, Esq.
Russell J. Burke, Esq.
Holly Ann Priest, Esq.
1980 Festival Plaza Drive, Suite 900
Las Vegas, Nevada 89134

*Attorneys for U.S. Bank Trust, Trustee
for LSF9 Mater Participation Trust*

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5, I certify that on 10th day of April, 2019, an electronic
3 copy of the foregoing **U.S. BANK TRUST, TRUSTEE FOR LSF9 MASTER**
4 **PARTICIPATION TRUST MOTION FOR SUMMARY JUDGMENT** was filed and
5 served on the following counsel of record via the Court's electronic service system:

6
7 Doreen Spears Hartwell, Esq.
8 HARTWELL THALACKER, LTD
9 11920 Southern Highlands Parkway, Suite 201
10 Las Vegas, Nevada 89141
11 Attorney for Plaintiff Daniel Lakes

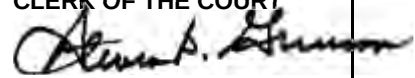
12 Sean L. Anderson, Esq.
13 T. Chase Pittsenbarger, Esq.
14 LEACH KERN GRUCHOW ANDERSON SONG
15 2525 Box Canyon Drive
16 Las Vegas, Nevada 89128
17 *Attorneys for Liberty at Huntington HOA*

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15 /s/ Mary Kay Carlton
16 An Employee of BALLARD SPAHR LLP



Abran E. Vigil
Nevada Bar No. 7548
Joel E. Tasca
Nevada Bar No. 14124
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*Attorneys for Defendant U.S. Bank Trust,
Trustee for LSF9 Mater Participation Trust*

**DISTRICT COURT
CLARK COUNTY, NEVADA**

DANIEL LAKES, an Individual;

Plaintiff,

v.

Case No.: A-17-759016-C

Dept No. 28

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive,

Defendants.

**APPENDIX OF EXHIBITS IN
SUPPORT OF DEFENDANT U.S.
BANK, N.A., AS TRUSTEE FOR LSF9
MASTER PARTICIPATION TRUST'S
MOTION FOR SUMMARY JUDGMENT**

1 U.S. BANK TRUST, TRUSTEE FOR
2 LSF9 MASTER PARTICIPATION
TRUST;

3 Counter-claimant

4 v.

5 DANIEL LAKES, an individual;
6 PARCELNOMICS, LLC; NOUNE
7 GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

8 Counter-defendants
9

Tab	Document	Document No.
A	Deed of Trust	001-012
B	Declaration of Federal Home Loan Mortgage Corporation	013-190
C	August 19, 2009 Assignment	191-194
D	May 27, 2016 Assignment	195-198
E	Notice of Delinquent Assessment Lien	199-201
F	Notice of Default and Election to Sell	202-204
G	Notice of Foreclosure Sale	205-208
H	Foreclosure Deed	209-213
I	FHFA Statement	214-215
J	September 1, 2015 Deed	216-221
K	October 23, 2015 Deed	222-227
L	January 20, 2016 Deed	228-233
M	Declaration of Ryan Bennett, Caliber	234-242

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Dated: April 10, 2019.

BALLARD SPAHR LLP

By: /s/ Holly Priest
Joel E. Tasca, Esq.
Holly Ann Priest, Esq.
1980 Festival Plaza Drive, Suite 900
Las Vegas, Nevada 89134

*Attorneys for U.S. Bank Trust, Trustee
for LSF9 Mater Participation Trust*

1 **CERTIFICATE OF SERVICE**

2 Pursuant to NRCP 5, I certify that on 10th day of April, 2019, I served a true
3 copy of the foregoing **APPENDIX OF EXHIBITS IN SUPPORT OF U.S. BANK**
4 **TRUST, TRUSTEE FOR LSF9 MASTER PARTICIPATION TRUST'S MOTION**
5 **FOR SUMMARY JUDGMENT** via e-service through the Eighth Judicial District
6 Court's Odyssey E-File & Serve system on the following parties:

7 Doreen Spears Hartwell, Esq.
8 HARTWELL THALACKER, LTD
9 11920 Southern Highlands Parkway, Suite 201
Las Vegas, Nevada 89141
Attorney for Plaintiff Daniel Lakes

10 Sean L. Anderson, Esq.
11 T. Chase Pittsenbarger, Esq.
12 LEACH KERN GRUCHOW ANDERSON SONG
13 2525 Box Canyon Drive
Las Vegas, Nevada 89128
Attorneys for Liberty at Huntington HOA

14
15 /s/ Mary Kay Carlton
16 An Employee of BALLARD SPAHR LLP
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EXHIBIT A

EXHIBIT A

10

20070416-0001098

Assessor's Parcel Number:
176-18-516-089
After Recording Return To:

Fee: \$23.00
N/C Fee: \$0.00

04/16/2007 09:33:45
T20070064866

Requestor:
FIRST AMERICAN TITLE COMPANY OF NEVADA

Debbie Conway MSH
Clark County Recorder Pgs: 10

MS SV-79 DOCUMENT PROCESSING
P.O. Box 10423
Van Nuys, CA 91410-0423
Prepared By:
LING TING
Recording Requested By:
J. BOLICH

Countrywide KB Home Loans, a
Countrywide Mortgage
Ventures, LLC series
7660 DEAN MARTIN DR, STE
#201A
LAS VEGAS
NV 89139

[Space Above This Line For Recording Data]

112-2290070 [REDACTED] 329804007
[Escrow/Closing #] [Doc ID #]

DEED OF TRUST

(Line of Credit)

MIN 1000157-0008021989-8

THIS DEED OF TRUST, dated APRIL 11, 2007, is between
ROGELIO CEDILLO, AN UNMARRIED MAN

residing at
548 PRIMROSE HILL AVE, LAS VEGAS, NV 89178-2412

• MERS HELOC - Deed of Trust
1E019-NV (11/05)(d)

Page 1 of 7



* 2 3 9 9 1 *



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JA0175

DOC ID #: [REDACTED] 329804007

the person or persons signing as "Grantor(s)" below and hereinafter referred to as "we," "our," or "us" and
FIRST AMERICAN TITLE COMPANY OF NEVADA

as trustee and hereinafter referred to as the "Trustee," with an address at
180 CASSIA WAY, #502

HENDERSON, NV 89014

for the benefit of MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., ("MERS") a Delaware
corporation, with an address of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS. MERS is the
"Beneficiary" under this Deed of Trust and is acting solely as nominee for

Countrywide KB Home Loans, a Countrywide Mortgage Ventures,
LLC series

("Lender" or "you") and its successors and assigns, with an address of

27001 Agoura Road, Suite 200, Calabasas Hills, CA 91301

PREMISES: In consideration of the loan hereinafter described, we hereby mortgage, grant and convey to
the Trustee the premises located at:

548 PRIMROSE HILL AVE, LAS VEGAS

Street, Municipality

CLARK

Nevada 89178-2412 (the "Premises").

County

ZIP

and further described as:

Parcel I: Lot 120 of Huntington Village B Unit 3 at Rhodes
Ranch, as shown by map thereof on file in Book 129 of Plats,
Page 58, in the Office of the County Recorder of Clark County,
Nevada and amended by Certificate of Amendment recorded August
1, 2006 in Book 20060801 as Document No. 05319. Reserving
therefrom a private access easement over the West five (5)
feet of said land for the benefit of Lot 119. Parcel II: An
easement for ingress over and across all those areas shown as
private drives on the final of Huntington Village B Unit 1 at
Rhodes Ranch.

The Premises includes all buildings and other improvements now or in the future on the Premises and all
rights and interests which derive from our ownership, use or possession of the Premises and all appurtenances
thereto.

WE UNDERSTAND and agree that MERS is a separate corporation acting solely as nominee for Lender and Lender's successors and assigns, and holds only legal title to the interests granted by us in this Deed of Trust, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property, and to take any action required of Lender including, but not limited to, releasing or canceling this Deed of Trust.

LOAN: This Deed of Trust will secure your loan to us in the principal amount of
\$ 53,281.00 or so much thereof as may be advanced and readvanced from time to time to
ROGELIO CEDILLO

the Borrower(s) under the Home Equity Credit Line Agreement And Disclosure Statement (the "Note") dated
APRIL 11, 2007, plus interest and costs, late charges and all other charges related to
the loan, all of which sums are repayable according to the Note. This Deed of Trust will also secure the
performance of all of the promises and agreements made by us and each Borrower and Co-Signer in the Note,
all of our promises and agreements in this Deed of Trust, any extensions, renewals, amendments, supplements
and other modifications of the Note, and any amounts advanced by you under the terms of the section of this
Deed of Trust entitled "Our Authority To You." Loans under the Note may be made, repaid and remade from
time to time in accordance with the terms of the Note and subject to the Credit Limit set forth in the Note.

OWNERSHIP: We are the sole owner(s) of the Premises. We have the legal right to mortgage, grant and
convey the Premises to the Trustee.

OUR IMPORTANT OBLIGATIONS:

(a) TAXES: We will pay all real estate taxes, assessments, water charges and sewer rents relating to the
Premises when they become due. We will not claim any credit on, or make deduction from, the loan under the
Note because we pay these taxes and charges. We will provide you with proof of payment upon request.

(b) MAINTENANCE: We will maintain the building(s) on the Premises in good condition. We will not
make major changes in the building(s) except for normal repairs. We will not tear down any of the building(s)
on the Premises without first getting your consent. We will not use the Premises illegally.

If this Deed of Trust is on a unit in a condominium or a planned unit development, we shall perform all of our
obligations under the declaration or covenants creating or governing the condominium or planned unit
development, the by-laws and regulations of the condominium or planned unit development and constituent
documents.

(c) INSURANCE: We will keep the building(s) on the Premises insured at all times against loss by fire,
flood and any other hazards you may specify. We may choose the insurance company, but our choice is
subject to your reasonable approval. The policies must be for at least the amounts and the time periods that
you specify. We will deliver to you upon your request the policies or other proof of the insurance. The
policies must name you as "mortgagee" and "loss-payee" so that you will receive payment on all insurance
claims, to the extent of your interest under this Deed of Trust, before we do. The insurance policies must also
provide that you be given not less than 10 days prior written notice of any cancellation or reduction in
coverage, for any reason. Upon request, we shall deliver the policies, certificates or other evidence of
insurance to you. In the event of loss or damage to the Premises, we will immediately notify you in writing

and file a proof of loss with the insurer. You may file a proof of loss on our behalf if we fail or refuse to do so. You may also sign our name to any check, draft or other order for the payment of insurance proceeds in the event of loss or damage to the Premises. If you receive payment of a claim, you will have the right to choose to use the money either to repair the Premises or to reduce the amount owing on the Note.

(d) CONDEMNATION: We assign to you the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Premises, or part thereof, or for conveyance in lieu of condemnation, all of which shall be paid to you, subject to the terms of any Prior Deed of Trust.

(e) SECURITY INTEREST: We will join with you in signing and filing documents and, at our expense, in doing whatever you believe is necessary to perfect and continue the perfection of your lien and security interest in the Premises. It is agreed that the Lender shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the Note secured hereby.

(f) OUR AUTHORITY TO YOU: If we fail to perform our obligations under this Deed of Trust, you may, if you choose, perform our obligations and pay such costs and expenses. You will add the amounts you advance to the sums owing on the Note, on which you will charge interest at the interest rate set forth in the Note. If, for example, we fail to honor our promises to maintain insurance in effect, or to pay filing fees, taxes or the costs necessary to keep the Premises in good condition and repair or to perform any of our other agreements with you, you may, if you choose, advance any sums to satisfy any of our agreements with you and charge us interest on such advances at the interest rate set forth in the Note. This Deed of Trust secures all such advances. Your payments on our behalf will not cure our failure to perform our promises in this Deed of Trust. Any replacement insurance that you obtain to cover loss or damages to the Premises may be limited to the amount owing on the Note plus the amount of any Prior Deeds of Trust.

(g) PRIOR DEED OF TRUST: If the provisions of this paragraph are completed, this Deed of Trust is subject and subordinate to a prior deed of trust dated APRIL 11, 2007 and given by us for the benefit of
COUNTRYWIDE KB HOME LOANS

as beneficiary, in the original amount of \$ 213,121.00 (the "Prior Deed of Trust"). We shall not increase, amend or modify the Prior Deed of Trust without your prior written consent and shall upon receipt of any written notice from the holder of the Prior Deed of Trust promptly deliver a copy of such notice to you. We shall pay and perform all of our obligations under the Prior Deed of Trust as and when required under the Prior Deed of Trust.

(h) HAZARDOUS SUBSTANCES: We shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Premises. We shall not do, nor allow anyone else to do, anything affecting the Premises that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Premises of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Premises. As used in this paragraph, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph, "Environmental Law" means federal laws and laws of the jurisdiction where the Premises are located that relate to health, safety or environmental

(i) **SALE OF PREMISES:** We will not sell, transfer ownership of, mortgage or otherwise dispose of our interest in the Premises, in whole or in part, or permit any other lien or claim against the Premises without your prior written consent.

(j) **INSPECTION:** We will permit you to inspect the Premises at any reasonable time.

NO LOSS OF RIGHTS: The Note and this Deed of Trust may be negotiated or assigned by you without releasing us or the Premises. You may add or release any person or property obligated under the Note and this Deed of Trust without losing your rights in the Premises.

DEFAULT; ACCELERATION: Except as may be prohibited by applicable law, and subject to any advance notice and cure period if required by applicable law, if any event or condition of default as described in the Note occurs, you may declare all amounts secured by this Deed of Trust immediately due and payable and the Trustee may foreclose upon this Deed of Trust or sell the Premises at a public sale. This means that you or the Trustee may arrange for the Premises to be sold, as provided by law, in order to pay off what we owe on the Note and under this Deed of Trust. If the money you receive from the sale is not enough to pay off what we owe you, we will still owe you the difference which you may seek to collect from us in accordance with applicable law. In addition, you or the Trustee may, in accordance with applicable law, (i) enter on and take possession of the Premises; (ii) collect the rental payments, including over-due rental payments, directly from tenants; (iii) manage the Premises; and (iv) sign, cancel and change leases. We agree that the interest rate set forth in the Note will continue before and after a default, entry of a judgment and foreclosure or public sale. In addition, you shall be entitled to collect all reasonable fees and costs actually incurred by you in proceeding to foreclosure or to public sale, including, but not limited to, trustee's fees, reasonable attorneys fees and costs of documentary evidence, abstracts and title reports.

ABSOLUTE ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER: We hereby unconditionally assign to you the rents of the Premises. Nevertheless, you will allow us to use the rents, if any, until such time as any event or condition of default as described in Paragraph 12.A of the Note occurs. You or a receiver appointed by the courts shall be entitled to enter upon, take possession of and manage the Premises and collect the rents of the Premises including those past due.

WAIVERS: To the extent permitted by applicable law, we waive and release any error or defects in proceedings to enforce this Deed of Trust and hereby waive the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale and homestead exemption.

BINDING EFFECT: Each of us shall be fully responsible for all of the promises and agreements in this Deed of Trust. Until the Note has been paid in full and your obligation to make further advances under the Note has been terminated, the provisions of this Deed of Trust will be binding on us, our legal representatives, our heirs and all future owners of the Premises. This Deed of Trust is for your benefit and for the benefit of anyone to whom you may assign it. Upon payment in full of all amounts owing to you under the Note and this Deed of Trust, and provided any obligation to make further advances under the Note has terminated, this Deed of Trust and your rights in the Premises shall end.

NOTICE: Except for any notice required under applicable law to be given in another manner, (a) any notice to us provided for in this Deed of Trust shall be given by delivering it or by mailing such notice by regular first class mail addressed to us at the last address appearing in your records or at such other address as we may designate by notice to you as provided herein, and (b) any notice to you shall be given by certified mail, return receipt requested, to your address at

For MERS:

P.O. Box 2026, Flint, MI 48051-2026

For Lender:

Countrywide KB Home Loans, a Countrywide Mortgage Ventures,
LLC series

27001 Agoura Road, Suite 200, Calabasas Hills, CA 91301

or to such other address as you may designate by notice to us. Any notice provided for in this Deed of Trust shall be deemed to have been given to us or you when given in the manner designated herein.

RELEASE: Upon payment of all sums secured by this Deed of Trust and provided your obligation to make further advances under the Note has terminated, the Trustee shall discharge this Deed of Trust without charge to us, except that we shall pay any fees for recording of a satisfaction of this Deed of Trust.

GENERAL: You or the Trustee can waive or delay enforcing any of your rights under this Deed of Trust without losing them. Any waiver by you of any provisions of this Deed of Trust will not be a waiver of that or any other provision on any other occasion.

TRUSTEE: Trustee accepts the trusts herein created when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee, by its acceptance hereof, agrees to perform and fulfill the trusts herein created, and shall be liable only for its negligence or misconduct. The Trustee waives any statutory fee and agrees to accept reasonable compensation from Grantor for any services rendered by it in accordance with the terms of this Deed of Trust. Upon receipt by Trustee of instructions from Beneficiary at any time or from time to time, Trustee shall (a) give any notice or direction or exercise any right, remedy or power hereunder or in respect of the Premises as shall be specified in such instructions, and (b) approve as satisfactory all matters required by the terms hereof to be satisfactory to Trustee or Beneficiary. Trustee may, but need not, take any of such actions in the absence of such instructions. Trustee may resign at any time upon giving of not less than 30 days' prior notice to Beneficiary, but will continue to act as trustee until its successor shall have been chosen and qualified. In the event of the death, removal, resignation, or refusal or inability to act of Trustee, Beneficiary shall have the irrevocable power, with or without cause, without notice of any kind, without specifying any reason therefor, and without applying to any court, to select and appoint a successor trustee by filing a deed or other instrument of appointment for record in each office in which this Deed of Trust is recorded, and upon such recordation the successor trustee shall become vested with the same powers, rights, duties and authority of the Trustee with the same effect as if originally made Trustee hereunder. Such successor shall not be required to give bond for the faithful performance of its duties unless required by Beneficiary.

DOC ID #: [REDACTED] 329804007

THIS DEED OF TRUST has been signed by each of us under seal on the date first above written.


Grantor: ROGELIO CEDILLO

Grantor:

Grantor:

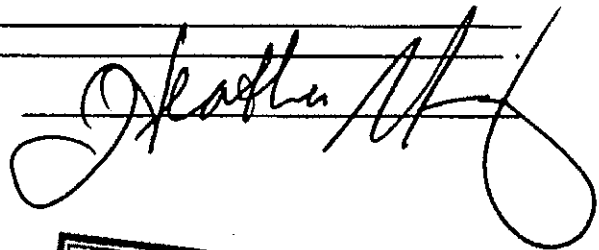
Grantor:

STATE OF NEVADA
COUNTY OF

Clark

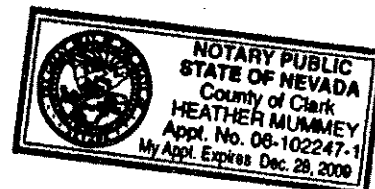
This instrument was acknowledged before me on 4/12/2007 by

Rogelio Cedillo



Mail Tax Statements To:
ROGELIO CEDILLO

548 PRIMROSE HILL AVE
LAS VEGAS, NV 89178-2412



DOC ID #: [REDACTED] 329804007

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this ELEVENTH day of APRIL, 2007, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to Countrywide KB Home Loans, a Countrywide Mortgage Ventures, LLC series (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

548 PRIMROSE HILL AVE, LAS VEGAS, NV 89178-2412

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in

THE COVENANTS, CONDITIONS, AND RESTRICTIONS FILED OF RECORD
THAT AFFECT THE PROPERTY

MULTISTATE PUD RIDER - Single Family/Second Mortgage

Page 1 of 3

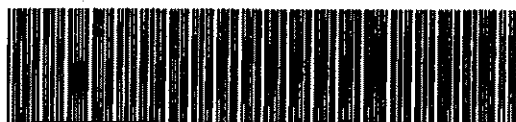
VMP -207R (0411) CHL (12/05)(d)

VMP Mortgage Solutions, Inc.

3/99



* 23991 *



* [REDACTED] 3298000001207R *

JA0182

(the "Declaration"). The Property is a part of a planned unit development known as
LIBERTY AT HUNTINGTON

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

PUD COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the: (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Hazard Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Uniform Covenant 2 for the monthly payment to Lender of the yearly premium installments for hazard insurance on the Property; and (ii) Borrower's obligation under Uniform Covenant 5 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan. Borrower shall give Lender prompt notice of any lapse in required hazard insurance coverage provided by the master or blanket policy.

In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Uniform Covenant 9.

DOC ID #: [REDACTED] 329804007

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this PUD Rider.



ROGELIO CEDILLO

(Seal)
- Borrower

(Seal)
- Borrower

(Seal)
- Borrower

(Seal)
- Borrower

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Debbie Conway
RECORDED

JA0185

EXHIBIT B

EXHIBIT B

1 Abran E. Vigil
Nevada Bar No. 7548
2 Joel E. Tasca
Nevada Bar No. 14124
3 Holly Ann Priest
Nevada Bar No. 13226
4 BALLARD SPAHR LLP
1980 Festival Plaza Drive, Suite 900
5 Las Vegas, Nevada 89135
6 Telephone: (702) 471-7000
7 Facsimile: (702) 471-7070
vigila@ballardspahr.com
8 tasca@ballardspahr.com
priesth@ballardspahr.com
9

10 *Attorneys for Defendant U.S. Bank Trust,*
Trustee for LSF9 Master Participation Trust

11 **DISTRICT COURT**

12 **CLARK COUNTY, NEVADA**

13 DANIEL LAKES, an Individual;

14 Plaintiff,

15 v.

16
17 BANK OF AMERICA, N.A., successor-
by merger to Countrywide Mortgage
18 Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
19 PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
20 PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
21 DEALS; NOUNE GRAEFF, an individual;
22 DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive,
23

24 Defendants.

Case No.: A-17-759016-C

Dept. No. 28

**DECLARATION OF FEDERAL HOME
LOAN MORTGAGE CORPORATION IN
SUPPORT OF U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST'S MOTION
FOR SUMMARY JUDGMENT**

25 I, Dean Meyer, under penalty of perjury, declare as follows:

26 1. My name is Dean Meyer. I have personal knowledge of and am competent to testify
27 as to the matters stated herein by virtue of my position as Director, Loss Mitigation for Federal
28

1 Home Loan Mortgage Corporation ("Freddie Mac"), a corporation organized and existing under the
2 laws of the United States.

3 2. As Director, Loss Mitigation for Freddie Mac, I am familiar with certain Freddie
4 Mac systems and databases that contain data regarding loans acquired and owned by Freddie Mac.
5 The systems and databases include Freddie Mac's Loan Status Manager and MIDAS system, which
6 includes and stores information concerning Freddie Mac's servicers and the purchase of loans. I
7 also am familiar with Freddie Mac's Single-Family Seller/Servicer Guide (the "Guide"). This
8 declaration is based upon my review of Freddie Mac's systems, databases containing loan
9 information and data, and the Guide.

10 3. Entries in Freddie Mac's systems and corresponding databases are made at or near
11 the time of the events recorded by, or from information transmitted by, persons with knowledge.
12 Freddie Mac's systems and databases are maintained and kept in the course of Freddie Mac's
13 regularly conducted business activity, and it is the regular practice of Freddie Mac to keep and
14 maintain information regarding loans owned by Freddie Mac in Freddie Mac's databases. Freddie
15 Mac's systems and databases consist of records that were made and kept by Freddie Mac in the
16 course of its regularly conducted activities pursuant to its regular business practice of creating such
17 records. These systems and databases are Freddie Mac's business records.

18 4. I have reviewed US Bank Trust, Trustee for LSF9 Master Participation Trust's
19 Motion for Summary Judgment and accompanying exhibits (collectively, the "Documents"). I have
20 also reviewed Freddie Mac's systems and corresponding databases, including the documents
21 referenced below, which are print-outs from Freddie Mac systems reflecting the contents of those
22 databases, as well as portions of the Guide.

23 5. Freddie Mac's systems, corresponding databases, and the Documents reflect the
24 following:

- 25 a. On or about April 11, 2007, Rogelio Cedillo ("Borrower") obtained a loan
26 from Countrywide KB Home Loans, a Countrywide Mortgage Ventures,
27 LLC Series ("Lender") in the amount of \$213,121. As part of the loan,
28 Borrower executed a note dated April 11, 2007 in favor of Lender (the

1 "Note"). The Note is secured by real property located at 548 Primrose Hill
2 Avenue, Las Vegas, Nevada 89178 (the "Property").

3 b. Borrower executed a deed of trust (the "Deed of Trust" and collectively with
4 the Note and any other documents executed by Borrower in connection with
5 the loan, the "Loan") on or about April 12, 2007 in connection with the Note,
6 which was recorded on or about April 16, 2007.

7 c. Mortgage Electronic Registration Systems, Inc. ("MERS") was beneficiary
8 under the Deed of Trust in a nominee capacity for the Lender and the
9 Lender's successors and assigns.

10 d. As indicated by the "Funding Date" appearing midway down on the second
11 column of Page 1 of 3 of the print-out from Freddie Mac's MIDAS system
12 pertaining to Freddie Mac's purchase of the Loan, Freddie Mac acquired
13 ownership of the Loan, which specifically includes the Note and the Deed of
14 Trust, on or about May 15, 2007. A true and correct copy of the print-out
15 from Freddie Mac's MIDAS system pertaining to Freddie Mac's purchase of
16 the Loan is attached hereto as **Exhibit 1**. The Guide defines "Funding Date"
17 as the date when Freddie Mac disburses payment to the seller for a Loan
18 Freddie Mac purchased.

19 e. As indicated by the "Pay Off Date" appearing four rows down from the
20 "Funding Date" on Page 1 of 3 of the print-out from Freddie Mac's MIDAS
21 system attached hereto as **Exhibit 1**, Freddie Mac sold the Loan on or about
22 November 12, 2015.

23 f. As indicated by the "Seller Nbr 204305" appearing near the top of the first
24 column of Page 1 of 3 of the print-out from Freddie Mac's MIDAS system
25 attached hereto as **Exhibit 1**, which identifies the entity that sold Freddie Mac
26 the loan by "Seller Number," Bank of America, N.A. ("Bank of America")
27 sold the Loan to Freddie Mac. A true and correct copy of the print-out from
28

Freddie Mac's MIDAS system identifying Bank of America by Seller Number 204305 is attached hereto as **Exhibit 2**.

- g. The "Part. Pct." or "Participation Percentage" appearing above the Funding Date on Page 1 of 3 of the print-out from Freddie Mac's MIDAS system attached hereto as **Exhibit 1**, reflects "1.0," which means that Freddie Mac owns 100% of the Loan. If the Participation Percentage was anything less than 100%, then a number less than 1.0 would appear on the print-out from Freddie Mac's MIDAS system.
- h. On August 19, 2009, an Assignment of Deed of Trust Nevada was recorded, whereby MERS, in its capacity as nominee, assigned the Deed of Trust to Ocwen Loan Servicing, LLC ("Ocwen").
- i. On May 27, 2016, an Assignment of Deed of Trust was recorded, whereby Ocwen assigned the Deed of Trust to U.S. Bank Trust, N.A., as Trustee for LSF9 Master Participation Trust.
- j. Ocwen was servicing the Loan, pursuant to the Guide, on behalf of Freddie Mac on August 25, 2015. A true and correct copy of the print-out from Freddie Mac's Loan Status Manager is attached hereto as **Exhibit 3**, which reflects Countrywide Home Loans Servicing, L.P. ("Countrywide") serviced the Loan, pursuant to the Guide, on behalf of Freddie Mac from on or about May 15, 2007 when Freddie Mac purchased the Loan until January 16, 2009 when servicing of the Loan was transferred from Countrywide to CHL, Inc. CHL, Inc. serviced the Loan, pursuant to the Guide, on behalf of Freddie Mac from on or about January 16, 2009 to on or about March 16, 2010 when servicing of the Loan was transferred from CHL, Inc. to Bank of America. Bank of America serviced the Loan, pursuant to the Guide, on behalf of Freddie Mac from on or about March 16, 2010 to on or about October 16, 2014 when servicing of the Loan was transferred from Bank of America to Ocwen. Ocwen serviced the Loan, pursuant to the Guide, on behalf of

1 Freddie Mac until on or about November 12, 2015 when Freddie Mac sold
2 the Loan. If there had been any other change in servicer after October 16,
3 2014, the change would have been entered into and would be reflected in
4 Freddie Mac's Loan Status Manager. Consistent with the fact that no change
5 in servicer occurred after October 16, 2014, no such information appears in
6 Loan Status Manager, which evidences the fact that the Loan was serviced
7 by Ocwen from on or about October 16, 2014 until on or about November
8 12, 2015 when Freddie Mac sold the Loan. Additionally, as indicated by the
9 "Servicer Nbr 171475" appearing near the top of the first column of Page 1
10 of 3 of the print-out from Freddie Mac's MIDAS system attached hereto as
11 **Exhibit 1**, which identifies the current servicer (or in cases where Freddie
12 Mac has sold the loan, the servicer who was servicing the loan on Freddie
13 Mac's behalf at the time of such sale) by "Servicer Number," Ocwen serviced
14 the Loan, pursuant to the Guide, on behalf of Freddie Mac, until Freddie Mac
15 sold the Loan on or about November 12, 2015. A true and correct copy of
16 the print-out from Freddie Mac's MIDAS system identifying Ocwen by
17 Servicer Number 171475 is attached hereto as **Exhibit 4**.

- 18 k. A true and correct copy of the print-out from Freddie Mac's Loan Status
19 Manager is attached hereto as **Exhibit 5**, which reflects the mortgage
20 payment history (the "Mortgage Payment History") for the Loan. The "Date
21 Reported" in the second column of **Exhibit 5** indicates the date that Freddie
22 Mac's servicer reported information on the Loan to Freddie Mac. The
23 Mortgage Payment History reflects that the servicer provided Freddie Mac
24 with reports on the Loan, pursuant to the Guide which requires servicers to
25 report regularly to Freddie Mac on Freddie Mac-owned loans, on a monthly
26 basis from May 2007 through October 2015, consistent with when Freddie
27 Mac sold the Loan. The fact that the servicer stopped reporting after October
28 2015 is consistent with the fact that the servicer would not send regular

1 monthly reports on the Loan to Freddie Mac if Freddie Mac did not own the
2 Loan.

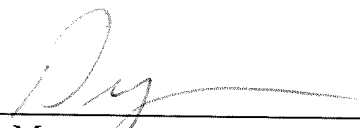
3 l. The Guide, a publicly accessible document found at
4 www.freddiemac.com/singlefamily/guide, serves as a central document
5 governing the contractual relationship between Freddie Mac and its servicers
6 nationwide, including Countrywide, CHL, Inc., Bank of America, and
7 Ocwen. Archived prior versions of the Guide are available at
8 www.freddiemac.com/singlefamily/guide/bulletins/snapshot.html. Attached
9 hereto as **Exhibit 6** are copies of relevant sections of the Guide that were in
10 effect on August 25, 2015. Copies of the current version of each of the
11 relevant sections of the Guide are attached hereto as **Exhibit 7**.

12 m. At the time Freddie Mac acquired the Loan and at all times thereafter, the
13 Guide was in effect and governed the relationship between Freddie Mac, on
14 the one hand, and Countrywide, CHL, Inc., Bank of America, and Ocwen on
15 the other, with respect to the Loan.

16 n. Since it acquired the Loan on or about May 15, 2007, Freddie Mac did not
17 sell the Loan and has never authorized MERS, Countrywide, CHL, Inc., Bank
18 of America, or Ocwen to convey the Loan to any other entity until Freddie
19 Mac sold the Loan on or about November 12, 2015.

20 I declare under penalty of perjury under the laws of the State of Nevada that the foregoing
21 is true and correct.

22 Executed on April 18, 2019.

23
24 
25 Dean Meyer
26 Director, Loss Mitigation
27 Federal Home Loan Mortgage Corporation
28

115232975

Exhibit 1

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

F <==FUNCTION LOAN BASIC INQUIRY OAU200IE 0045
PAGE 1 OF 2 (OAU0010S) 12/12/18 1141

LOAN NUMBER	: [REDACTED] 1501	SSR LOAN NBR	: [REDACTED] 2777
SERVICER NBR	: 171475	ORIG AMT PRIN	: 213,121
SELLER NBR	: 204305	PURCHASE UPB	: 213,121.00
APPROVAL STATE	: CA	INT BRG UPB	: 0.00
FHLMC REGION	: 11	DFRD UPB	: 0.00
PRODUCT	: K23	NOTE RATE	: 05.500
GROUP NBR	: Q942024	PART. PCT.	: 1.00
CONTRACT NBR	: 0705150051	FUNDING DATE (YYMMDD)	: 070515
LOAN DATA TYPE	: S	NOTE DATE (YYMMDD)	: 070411
LOAN TYPE	: 3	MATURITY DATE (YYMMDD)	: 370501
LOAN PROPERTY TYPE	: P1	LOAN ACCTNG NET YIELD	: [REDACTED]
LOAN STATUS	: 5	PAY OFF DATE (YYMMDD)	: 151112
OWNERSHIP CODE	: W	PAY OFF TYPE	: 0
REF CODE	: 0012	LTV RATIO	: 0.80
LOAN ORIGINATOR	:	ASSOC FM LOAN NBR	: 0000000000
APPR ST LIC :		LN ORIGINATION COMPANY :	
LAST CHG DATE (YYMMDD) : 151103		SPVR APPR ST LIC :	
		MOD/CONV DATE (YYMMDD) : 170601	

F - PAGE FORWARD R - RETURN TO LOAN DATABASE INQUIRY ONLY MENU
M - RETURN TO LOAN / GROUP / POOL DATABASES INQUIRY ONLY MENU
PF4/16 GSE/HMDA

1 Sess-1 172.24.166.229 FMAC2095 1/2

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

R <==FUNCTION LOAN BASIC INQUIRY 0AU205IE 0045
PAGE 2 OF 2 (0AU0010S) 12/12/18 1141

LOAN NUMBER : 1501

BORROWER NAME : CEDILLO, R
PROPERTY STREET : 548 PRIMROSE HILL AVE
CITY : LAS VEGAS
STATE : NV
ZIP : 891780000

CENSUS TRACT : ORIG COMMITMENT FEE TAX : 00000000.00
LOAN DATE INTEREST PAID TO: 070501
MONTHLY PRIN AND INT : 000976.80
BALLOON TERM : 000
DATE BALLOON DUE (YYMMDD) : 000000
SF MORTGAGE INS CODE : 000
GUAR MORTGAGE INS CODE :
INITIAL ADJ. DATE (YYMMDD): 000000
DISCOUNT : 000000.00
PREMIUM : 000000.00

INDEX SOURCE : 041
INDEX VALUE : 00.000
ADJ. PERIOD : 12
ADJ. NOTE RATE : 00.000
LL SERV FEE : 00.125
CAP AMOUNT : 0.0
FLEX MONTHS : 000
FLEX PAYMT DATE (YYMMDD) : 000000

R - RETURN TO LOAN DATABASE INQUIRY ONLY MENU
M - RETURN TO LOAN / GROUP / POOL DATABASES INQUIRY ONLY MENU
PF4/16 GSE/HMDA

1 Sess-1 172.24.166.229 FMAC2095 1/2

Exhibit 2

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

P <==FUNCTION S/S PROFILE INQUIRY LSC60IK 0045
PAGE 001 OF 001 AS OF: 12/12/18 1144

S/S NUMBER: 204305 STATUS: ACTIVE
S/S NAME: BANK OF AMERICA, N.A.
S/S ADDRESS: MARK A. RAMSEY SR., SENIOR VICPASADENA CA 91302
S/S PHONE: 980 388 7934 POWER OF ATTORNEY: YES

APPROVAL STATES (FORM 100 ENTRY)

FUNCTIONS: F=PAGE FORWARD B=PAGE BACKWARD R=RETURN TO MENU
0176W- NO LOAN PROD STATS FOR THIS S/S

1 Sess-1 172.24.166.229 FMAC2095 1/2

Exhibit 3

**Loan StatusManager
TOS Summary Report**

Report generated on Wednesday, December 12, 2018 at 12:07 pm.

SQL returned 3 rows

Fhlmc Loan Number: 1501									
Date Requested	Status	Status Date	Date Effective	Servicer From	Servicer To	Servicer Family From	Servicer Family To	Global Family From	Global Family To
01/21/2009	APPROVED	01/28/2009	01/16/2009	125949 - COUNTRYWIDE HOME LOANS SERVICING, L.P.	153528 - CHL, INC. - OCWEN SUB-SERVICER	204305 - COUNTRYWIDE HOME LOANS, INC.	153528 - CHL, INC. - OCWEN SUB-SERVICER	121898 - BANK OF AMERICA, N.A.	153528 - CHL, INC. - OCWEN SUB-SERVICER
02/16/2010	APPROVED	03/11/2010	03/16/2010	153528 - CHL, INC. - OCWEN SUB-SERVICER	154972 - BAC HOME LOANS SERVICING, LP	153528 - CHL, INC. - OCWEN SUB-SERVICER	154972 - BAC HOME LOANS SERVICING, LP	153528 - CHL, INC. - OCWEN SUB-SERVICER	121898 - BANK OF AMERICA, N.A.
09/18/2014	APPROVED	10/16/2014	10/16/2014	154972 - BANK OF AMERICA, N.A.	171475 - OCWEN LOAN SERVICING, LLC	154972 - BANK OF AMERICA, N.A.	107242 - OCWEN LOAN SERVICING, LLC	121898 - BANK OF AMERICA, N.A.	107242 - OCWEN LOAN SERVICING, LLC

**JA0199**

Exhibit 4

1 - Default 3270 (172.24.166.229)

File Edit Transfer Fonts Options Tools View Window Help

F <==FUNCTION S/S PROFILE INQUIRY LSC60IK 0045
PAGE 001 OF 002 AS OF: 1810 12/12/18 1144

S/S NUMBER: 171475 STATUS: SERVONLY
S/S NAME: DCWEN LOAN SERVICING, LLC
S/S ADDRESS: 1661 WORTHINGTON ROAD, SUITE 1WEST PALM BEACH FL 33409
S/S PHONE: 561 682 7535 POWER OF ATTORNEY: NO

APPROVAL STATES (FORM 100 ENTRY)
AR AZ CA CO FL GA HI IL IN LA MA MD MN MO NC NE NJ NV NY OH
PA SC TN TX VA WI

SVCG	PRD	DTL	PRD	#LOANS	#GROUPS	\$ VOLUME	TOT REO	REO \$ VOL

FUNCTIONS: F=PAGE FORWARD B=PAGE BACKWARD R=RETURN TO MENU

1 Sess-1 172.24.166.229 FMAC2095 1/2

Exhibit 5

Loan StatusManager
Mortgage Payment History Report
Report generated on Wednesday, December 12, 2018 at 12:12 pm.

SQL returned 103 rows

Fhlmc Loan Number: 1501																			
Accounting Cycle	Date Reported	Date DDLPI Reported	Last Payment Received	Monthly P&I Due Date	Monthly P&I	Principal Due	Interest Due	Ending UPB	Int Bearing UPB	Non-Int Bearing UPB	Non-Int Bearing Principal Curtailment	Borrower Incentive	Negam Balance	Prepay Penalty	Proceeds	ANY Rate	Note Rate	Code Exception	Date Exception
10/15/2015	10/21/2015	06/01/2008	06/01/2015	10/20/2015	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	3.000%	3.000%		
09/15/2015	09/17/2015	06/01/2008	06/01/2008	09/18/2015	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
08/15/2015	08/20/2015	06/01/2008	06/01/2008	08/19/2015	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
07/15/2015	07/17/2015	06/01/2008	06/01/2008	07/20/2015	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
06/15/2015	06/18/2015	06/01/2008	06/01/2008	06/18/2015	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
05/15/2015	05/19/2015	06/01/2008	06/01/2008	05/20/2015	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
04/15/2015	04/17/2015	06/01/2008	06/01/2008	04/20/2015	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
03/15/2015	03/17/2015	06/01/2008	06/01/2008	03/18/2015	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
02/15/2015	02/20/2015	06/01/2008	06/01/2008	02/19/2015	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
01/15/2015	01/22/2015	06/01/2008	06/01/2008	01/21/2015	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
12/15/2014	12/18/2014	06/01/2008	06/01/2008	12/18/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
11/15/2014	11/20/2014	06/01/2008	06/01/2008	11/19/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
10/15/2014	10/21/2014	06/01/2008	06/01/2008	10/20/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
09/15/2014	09/17/2014	06/01/2008	06/01/2008	09/18/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
08/15/2014	08/21/2014	06/01/2008	06/01/2008	08/20/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
07/15/2014	07/18/2014	06/01/2008	06/01/2008	07/18/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
06/15/2014	06/18/2014	06/01/2008	06/01/2008	06/18/2014	\$488.40	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		2.750%		
05/15/2014	05/20/2014	06/01/2008	06/01/2008	05/20/2014	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
04/15/2014	04/18/2014	06/01/2008	06/01/2008	04/18/2014	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
03/15/2014	03/18/2014	06/01/2008	06/01/2008	03/19/2014	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
02/15/2014	02/21/2014	06/01/2008	06/01/2008	02/20/2014	\$532.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
01/15/2014	01/17/2014	06/01/2008	06/01/2008	01/21/2014	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
12/15/2013	12/18/2013	06/01/2008	06/01/2008	12/18/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
11/15/2013	11/20/2013	06/01/2008	06/01/2008	11/20/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
10/15/2013	10/21/2013	06/01/2008	06/01/2008	10/18/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
09/15/2013	09/17/2013	06/01/2008	06/01/2008	09/18/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
08/15/2013	08/19/2013	06/01/2008	06/01/2008	08/20/2013	\$0.00	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
07/15/2013	07/17/2013	06/01/2008	06/01/2008	07/18/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
06/15/2013	06/21/2013	06/01/2008	06/01/2008	06/19/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.000%		
05/15/2013	05/20/2013	06/01/2008	06/01/2008	05/20/2013	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		3.250%		

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https://sasgrid.fhlmc.com/SASStoredProcess/do?lnno=1501&id=2609& PROGRAM=/ReportWorks/Servicing/Non Performing L... 12/12/2018

Loan Status Manager - Mortgage Payment History Report

02/15/2010	02/16/2010	06/01/2008	06/01/2008	02/18/2010	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
01/15/2010	01/19/2010	06/01/2008	06/01/2008	01/21/2010	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
12/15/2009	12/17/2009	06/01/2008	06/01/2008	12/18/2009	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
11/15/2009	11/16/2009	06/01/2008	06/01/2008	11/18/2009	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
10/15/2009	10/16/2009	06/01/2008	06/01/2008	10/20/2009	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
09/15/2009	09/16/2009	06/01/2008	06/01/2008	09/18/2009	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		5.500%
08/15/2009	08/17/2009	06/01/2008	06/01/2008	08/19/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
07/15/2009	07/16/2009	06/01/2008	06/01/2008	07/20/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
06/15/2009	06/16/2009	06/01/2008	06/01/2008	06/18/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
05/15/2009	05/18/2009	06/01/2008	06/01/2008	05/20/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
04/15/2009	04/16/2009	06/01/2008	06/01/2008	04/20/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
03/15/2009	03/16/2009	06/01/2008	06/01/2008	03/18/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
02/15/2009	02/17/2009	06/01/2008	06/01/2008	02/19/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
01/15/2009	01/22/2009	06/01/2008	07/28/2008	01/21/2009	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
12/15/2008	12/19/2008	06/01/2008	07/28/2008	12/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
11/15/2008	11/19/2008	06/01/2008	07/28/2008	11/19/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
10/15/2008	10/21/2008	06/01/2008	07/28/2008	10/20/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
09/15/2008	09/19/2008	06/01/2008	07/28/2008	09/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
08/15/2008	08/20/2008	06/01/2008	07/28/2008	08/20/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
07/15/2008	07/18/2008	04/01/2008	05/12/2008	07/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
06/15/2008	06/18/2008	04/01/2008	05/12/2008	06/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
05/15/2008	05/20/2008	04/01/2008	05/12/2008	05/20/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
04/15/2008	04/21/2008	03/01/2008	04/14/2008	04/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
03/15/2008	03/18/2008	02/01/2008	02/13/2008	03/19/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
02/15/2008	02/21/2008	02/01/2008	02/13/2008	02/21/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
01/15/2008	01/18/2008	01/01/2008	01/15/2008	01/18/2008	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
12/15/2007	12/18/2007	12/01/2007	12/12/2007	12/19/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
11/15/2007	11/20/2007	11/01/2007	11/07/2007	11/20/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
10/15/2007	10/18/2007	10/01/2007	10/10/2007	10/18/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
09/15/2007	09/19/2007	09/01/2007	08/29/2007	09/19/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
08/15/2007	08/20/2007	07/01/2007	07/03/2007	08/20/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
07/15/2007	07/18/2007	07/01/2007	07/03/2007	07/18/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
06/15/2007	06/20/2007	06/01/2007	05/31/2007	06/20/2007	\$976.80	\$0.00	\$954.60	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
05/15/2007	05/18/2007	05/01/2007	05/15/2007	05/18/2007	\$976.80	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		5.500%
04/15/2007	05/15/2007				\$0.00	\$0.00	\$0.00	\$213,121.00	\$213,121.00	\$0.00			\$0.00	\$0.00	\$0.00		

Inactivate
loan



Download Data to an Excel Spreadsheet

JA0205

https://sasgrid.fhlmc.com/SASStoredProcess/do?Inno 1501&id= 2609&_PROGRAM=/ReportWorks/Servicing/Non Performing L... 12/12/2018

Exhibit 6

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 1-A1: Introduction / Chapter 1: Introduction / 1.2: Legal effect of the Single-Family Seller/Servicer Guide (09/24/13)

1.2: Legal effect of the *Single-Family Seller/Servicer Guide* (09/24/13)

ARCHIVED VERSION

(a) Status as a contract

1. **Effect of the Guide.** The Guide governs the business relationship between a Seller/Servicer and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 3, and is in compliance with all requirements of the Purchase Documents.
2. **Volume 1 of the Guide.** In connection with the sale of Mortgages to Freddie Mac, the Seller/Servicer agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.
3. **Volume 2 of the Guide.** A Seller/Servicer must service all Mortgages that the Seller/Servicer has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller/Servicer's Purchase Documents. All of a Seller/Servicer's obligations to service Mortgages for Freddie Mac are considered to constitute, and must be performed pursuant to a unitary, indivisible master Servicing contract, and the Servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac are deemed to be merged into, and must be performed pursuant to, such unitary, indivisible master Servicing contract.

A Seller/Servicer acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller/Servicer pursuant to any individual Purchase Contract is based upon the Seller/Servicer's agreement that the Mortgages purchased will be serviced by the Seller/Servicer pursuant to the unitary, indivisible master Servicing contract. The Seller/Servicer agrees that any failure to service any Mortgage in accordance with the terms of the unitary, indivisible master Servicing contract, or any breach of any of the Seller/Servicer's obligations under any aspect of the unitary, indivisible master Servicing contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the Servicing. The termination of a portion of the Servicing shall not alter the unitary, indivisible nature of the Servicing contract.

If a Servicer who services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the unitary, indivisible master Servicing contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

4. **Amendments to the Guide.** Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 3. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Servicers, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the Guide. An amendment, supplement, revision or termination of a provision in Volume 1 or Volume 2 of the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 12.3(d) for information about how amendments and supplements to Volume 1 of the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

5. **Publication of Guide and Bulletins.** The Guide is posted on the AllRegs® web site of Mortgage Resource Center, Inc. (MRC), which posts the Guide under license from and with the express permission of Freddie Mac. MRC is the exclusive third-party electronic publisher of the Guide. Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site. The Guide is also available through FreddieMac.com.

By using the web site, Seller/Servicers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor MRC shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and MRC expressly disclaims any warranty as to the results to be obtained by Seller/Servicers (and the entity for which Seller/Servicers access the Guide) from use of the AllRegs web site, and MRC shall not be liable to Seller/Servicers (and the entity for which Seller/Servicers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

Bulletins are published on AllRegs and FreddieMac.com. Sellers and Servicers with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller or Servicer does not receive notice of Bulletins through AllRegs, the Seller or Servicer must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Sellers and Servicers of Bulletin publications. A Seller or Servicer's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller or Servicer of its legal obligations to comply with the terms of the Bulletins.

6. **Effective Date.** The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Copyright

The Guide (including related supplements and Bulletins) and Industry Letters are copyrighted. Limited permission to photocopy the Guide is granted to Seller/Servicers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac **(see Directory 1)**.

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

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(c) Reliance

By entering into a Purchase Contract or into the unitary, indivisible master Servicing contract with Freddie Mac, the Seller or Servicer acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the unitary, indivisible master Servicing contract.

(d) Assignments; security interests

A Seller or Servicer shall not, in whole or in part, assign or transfer or grant a security interest in, any of its obligations, rights or interest under any Purchase Contract or under the unitary, indivisible master Servicing contract, including any of its rights or obligations under this Guide or any of the Purchase Documents, without Freddie Mac's prior written consent. Any purported or attempted assignment or transfer of, or grant of a security interest in, any such obligations, rights or interest is prohibited and shall be null and void.

Freddie Mac has the right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its interest under the Purchase Documents with respect to any Mortgage it purchases.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Construction of Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(g) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller or Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.

(h) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller or Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

Related Guide Bulletins	Issue Date
Bulletin 2013-18	September 24, 2013

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 52: Mortgage File Retention / 52.5: The Mortgage file, Mortgage data and related records (05/17/11)

52.5: The Mortgage file, Mortgage data and related records (05/17/11)

ARCHIVED VERSION

(a) Ownership

All documents in the Mortgage file, all data related to Mortgages owned or guaranteed by Freddie Mac to which the Servicer obtains access in connection with any agreement with Freddie Mac, including, without limitation, data in the documents in the Mortgage file (collectively, Mortgage data) and all other documents and records related to the Mortgage of whatever kind or description (whether prepared or originated by the Servicer or others, or whether prepared or maintained or held by the Servicer or others acting for and on behalf of the Servicer), including all current and historical computerized data files, will be, and will remain at all times, the property of Freddie Mac. All of these records and Mortgage data in the possession of the Servicer are retained by the Servicer in a custodial capacity only.

(b) Permitted use of Mortgage data

The Servicer may use these records and Mortgage data only for the following purposes:

- Servicing Mortgages (and, in compliance with the provisions of the Guide, retaining subservicers to service Mortgages) on behalf of, and in the interest of, Freddie Mac;
- As background information for the Servicer's use related to marketing or cross-selling of the Servicer's own primary market products and services in compliance with applicable laws, provided that such marketing and cross-selling does not involve disclosure of these records or Mortgage data to any third parties, other than vendors assisting the Servicer in its marketing activities who are themselves bound by these requirements;
- As necessary to enable a vendor to provide analytic services to the Servicer with respect to the Servicer's Servicing portfolio, for the Servicer's internal use only, provided the vendor is bound by these requirements; and
- As necessary to enable the Servicer to comply with its obligations under applicable law, including, without limitation, any disclosures required in connection with audits by regulatory agencies with jurisdiction over the Servicer's operations.

Except as expressly authorized by Freddie Mac in writing, Servicers may not use or disclose, or authorize or permit third parties to use or disclose, these records or Mortgage data for any other purpose, including, without limitation, resale or licensing of Mortgage data, either alone or with other data. See Section 53.3, Confidential Information; Privacy; Conflicts of Interest, Misuse of Material Information; Security of Information, for additional requirements related to confidentiality.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 4-7: Seller/Servicer Requirements and Warranties / Chapter 6: General Warranties and Responsibilities of the Seller/Servicer / 6.6: Survival of warranties; remedies (05/05/00)

6.6: Survival of warranties; remedies (05/05/00)

ARCHIVED VERSION

The warranties and representations in the Purchase Documents for any Mortgage purchased by Freddie Mac survive payment of the purchase price by Freddie Mac. The warranties and representations are not affected by any investigation made by, or on behalf of, Freddie Mac, except when expressly waived in writing by Freddie Mac.

When any party has purchased a Mortgage from Freddie Mac that Freddie Mac previously purchased from a Seller, Freddie Mac may exercise any rights or remedies at law or in equity on behalf of the party to the extent that the party does not affirmatively do so. Freddie Mac may also exercise its discretion to disqualify or suspend a Seller or a Servicer pursuant to Chapter 5 or 53.

For each Mortgage purchased by Freddie Mac, the Seller and the Servicer agree that Freddie Mac may, at any time and without limitation, require the Seller or the Servicer, at the Seller's or the Servicer's expense, to make such endorsements to and assignments and recordings of any of the Mortgage documents so as to reflect the interests of Freddie Mac and/or its successors and assigns.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 52: Mortgage File Retention / 52.7: Transfer of file custody; security of file information (10/01/09)

52.7: Transfer of file custody; security of file information (10/01/09)

ARCHIVED VERSION

Freddie Mac may at any time require the Servicer to deliver the following documents to a Document Custodian approved by Freddie Mac or a transferee designated by Freddie Mac:

- Any original Note, Security Instrument, assignment and modifying instrument still in the Servicer's custody
- Any Mortgage file, document within a Mortgage file or other related documents and records in the Servicer's or its Document Custodian's custody, whether maintained as originals or as copies in accordance with Section 52.2

The Servicer may, without Freddie Mac's prior approval, entrust custody of all or part of the Mortgage file to the Document Custodian holding Notes and assignments under Section 18.2. When requested, the Servicer must be able to identify to Freddie Mac those file items held by the Document Custodian and document to Freddie Mac the Document Custodian's acknowledgment that such file items:

- Are Freddie Mac's property
- Will be maintained by the Document Custodian according to standards at least equal to those set in this chapter
- Will be maintained in such a way as to ensure the security and confidentiality of the information; protect against anticipated threats or hazards to the security or integrity of the information; and protect against unauthorized access to or use of such information
- Will be surrendered to Freddie Mac at any time Freddie Mac may request them

The Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Document Custodian's holding all or part of the Mortgage file.

The Servicer must maintain a copy (in a form allowable under Section 52.2) of any original document that has been entrusted to the Document Custodian for safekeeping. If all or part of the Mortgage file is held by the Servicer's Document Custodian, the Servicer agrees to recover from the Document Custodian (at the Servicer's expense) and provide to Freddie Mac (at the place and within the timeframe specified by Freddie Mac) any Document Custodian-held original document requested by Freddie Mac for the postfunding quality control detailed in Chapter 47 or in conjunction with a Freddie Mac desktop or on-site review of the Servicer's Servicing operations.

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 22-28: General Mortgage Eligibility / Chapter 22: General Mortgage Eligibility / 22.14: Assignment of Security Instrument (10/15/14)

22.14: Assignment of Security Instrument (10/15/14)

ARCHIVED VERSION

The Seller/Servicer is not required to prepare an assignment of the Security Instrument to the Federal Home Loan Mortgage Corporation (Freddie Mac). However, Freddie Mac may, at its sole discretion and at any time, require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute and/or record assignments of the Security Instrument to Freddie Mac.

If an assignment of the Security Instrument to Freddie Mac has been prepared, Seller/Servicer must not record it unless directed to do so by Freddie Mac. Any statement in the assignment to the effect that the assignment is made without recourse will in no way affect the Seller/Servicer's repurchase obligations under the Purchase Documents.

Intervening Assignments must be prepared as required in Sections 22.14(a), 22.14(b) or 22.14(c) below.

Special provisions for preparing assignments for Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section H33.7(c), paragraph 3. Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title may not be registered with MERS®.

(a) Preparation and completion of assignments for Mortgages not registered with MERS

For a Mortgage not registered with MERS, the Seller/Servicer must ensure that the chain of assignments is complete and recorded from the original mortgagee on the Security Instrument to the Seller. If the Seller concurrently or subsequently transfers the Servicing, an assignment to the new Servicer must be completed and recorded where required, thus keeping the chain complete.

If a State does not accept assignments for recordation, the Seller must so state in an affidavit maintained with the unrecorded assignment.

(b) Preparation and completion of assignments for Mortgages registered with MERS

For a Mortgage registered with MERS, if MERS is not the original mortgagee of record, the Seller/Servicer must ensure that:

- An assignment of the Security Instrument to MERS has been prepared, duly executed and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns. Mortgages subsequently assigned to MERS in the States of Montana, Oregon and Washington are not eligible for sale to Freddie Mac.
- The chain of assignments is complete and recorded from the original mortgagee to MERS

If the Seller/Servicer concurrently or subsequently transfers the Servicing of a Mortgage registered with MERS, no further assignments are required if the Transferee Servicer is a MERS Member. If the Transferee Servicer is not a MERS Member, or if the Mortgage has not been, or is no longer, registered with MERS, the Seller/Servicer must complete the assignments in accordance with the requirements in Section 22.14(a).

(c) Mortgages registered with MERS naming MERS as original mortgagee of record

No assignments are required for a Mortgage registered with MERS if:

- The Mortgage is originated naming MERS as the original mortgagee of record, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns, and
- The Seller/Servicer has ensured that the Security Instrument is properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns

(d) Concurrent Transfers of Servicing

If the Mortgage is registered with MERS, and the Transferee Seller/Servicer is not a MERS Member, then the requirements for Mortgages not registered with MERS in the first paragraph of Section 22.14(a) must be followed.

For a Concurrent Transfer of Servicing when a Mortgage is registered with MERS:

- The Transferor Servicer must notify MERS of the Transfer of Servicing and reflect such Transfer of Servicing on the MERS System
- The Transferee Seller/Servicer must follow the document custodial procedures in Section 56.9, and deliver the assignments to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5, unless the Transferee Seller/Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Transferee Seller/Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments in the Mortgage files

For a Concurrent Transfers of Servicing when a Mortgage is not registered with MERS:

- The Transferor Seller must record any Intervening Assignments to complete the chain of assignments from the original mortgagee to the Transferor Seller, in accordance with Section 22.14(a)
- The Transferor Servicer must then assign the Security Instruments to the Transferee Servicer and record the assignments
- The Transferee Servicer must follow the document custodial procedures set forth in Section 56.9, and deliver the assignments to the Transferee Document Custodian, to be verified and certified in accordance with the requirements of Section 18.5

Special provisions for Concurrent Transfers of Servicing of Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancellation of the certificate of title are set forth in Section H33.7 (c), paragraph 3.

(e) Delivery to a Document Custodian

The Seller/Servicer must deliver all Intervening Assignments for each Mortgage to the Document Custodian, unless the Mortgage is registered with MERS and the Seller/Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Seller/Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine if it should expect to receive assignments for MERS-registered Mortgages.

If a recorder's office has not yet returned a recorded Intervening Assignment to the Seller/Servicer, the Seller/Servicer must deliver a certified copy of the assignment sent for recordation to the Document Custodian.

The original recorded assignment must be delivered to the Document Custodian immediately after the Seller/Servicer receives it from the recorder's office. If a jurisdiction does not accept assignments for recordation, the Seller/Servicer must so indicate in an affidavit delivered to the Document Custodian with the unrecorded Intervening Assignment.

(f) Transfer or assignment of Freddie Mac's interests

For transfer or assignment of Freddie Mac's interest in the Mortgage, the Seller/Service shall prepare at its own expense any assignment necessary to transfer the Security Instrument to Freddie Mac's assignee, designee or transferee.

(g) Transfer of Servicing

See Sections 56.7 and 56.9.

Related Guide Bulletins	Issue Date
Bulletin 2014-12	June 19, 2014

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 51-57: General Freddie Mac Policies / Chapter 56: Transfers of Servicing / 56.7: Endorsement of Notes and assignment of Security Instruments (10/01/09)

56.7: Endorsement of Notes and assignment of Security Instruments (10/01/09)

ARCHIVED VERSION

When a Mortgage is sold to Freddie Mac, the Seller must endorse the Note in blank in accordance with Section 16.4. When a Transfer of Servicing occurs, the Transferor Servicer may not complete the blank endorsement or further endorse the Note, but must prepare and complete assignments according to the following requirements:

(a) Concurrent Transfer of Servicing for a Mortgage not registered with the Mortgage Electronic Registration Systems Inc. (MERS)

To prepare and complete assignment of the Security Instrument for a Concurrent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Record any Intervening Assignments to complete the chain of assignments to it from the original mortgagee, in accordance with Section 22.14(a)
- Assign the Security Instruments to the Transferee Servicer, and record the assignment
- Follow the document custodial procedures set forth in Section 56.9 and deliver the assignment to the Transferee Document Custodian to be verified in accordance with the requirements of Section 18.5

See Section 22.14(a) for additional information.

(b) Concurrent Transfer of Servicing for a Mortgage registered with MERS

To prepare and complete an assignment of the Security Instrument for a Concurrent Transfer of Servicing of a Mortgage that is registered with MERS:

- If the **Transferee Servicer is a MERS Member**, no further assignment is needed. The Transferor Servicer must notify MERS of the Transfer of Servicing.
- If the **Transferee Servicer is not a MERS Member**, then for a Concurrent Transfer of Servicing:
 - The Transferor Servicer must prepare and record an assignment of the Security Instrument (on behalf of MERS) from MERS to the Transferee Servicer
 - The Transferor Servicer must follow the document custodial procedures set forth in Section 56.9, and deliver the assignment to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5

See Section 22.14(b) for additional information.

(c) Subsequent Transfer of Servicing for a Mortgage not registered with MERS

To prepare and complete an assignment of a Security Instrument for a Subsequent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Recover and destroy any original unrecorded assignments to Freddie Mac that may have been prepared
- Assign the Security Instrument to the Transferee Servicer and record the assignment
- Follow the document custody procedures set forth in Section 56.9, and deliver the assignment(s) to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 18.5

If an original assignment to Freddie Mac was recorded, no additional assignment need be made.

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56.15: Liabilities of the Transferor Servicer and Transferee Servicer (10/03/12)

ARCHIVED VERSION

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer is liable to Freddie Mac for all sale and Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and Real Estate Owned (REO) for which Servicing is transferred, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their responsibilities, representations, covenants and warranties with respect to the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

For Mortgages sold through Gold Cash Xtra[®] and the Servicing Released Sales Process, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages for which Servicing is transferred. The Transferee Servicer is liable to Freddie Mac for all servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages for which Servicing is transferred. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages for which Servicing is transferred; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and Real Estate Owned (REO) for which Servicing is transferred, but the Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the subsequent Transferor Servicer or any prior Servicer of their responsibilities, representations, covenants and warranties with respect to Servicing of the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 56.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

The Transferee Servicer hereby agrees to service the Mortgages in accordance with the terms of the unitary, indivisible master Servicing contract comprising the Guide, applicable bulletins, applicable *users' guides* and any other applicable Purchase Documents, all of which are fully incorporated herein by reference.

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54.4: Servicing obligations to be performed for the Servicing compensation (10/20/14)

ARCHIVED VERSION

In consideration for the Servicing Spread, a Servicer is responsible for the performance of all of its Servicing obligations described in the Guide and other Purchase Documents for each of the Mortgages purchased by Freddie Mac. The Servicer's Servicing obligations compensated by the Servicing Spread include, among other things, undertaking all activities required to protect Freddie Mac's interest in the Mortgage in the event of a foreclosure of the property or a bankruptcy of the Borrower, such as:

- Preparing and delivering foreclosure and bankruptcy referrals to attorneys
- Providing all documents and information necessary for the attorneys to prosecute foreclosure or bankruptcy cases (including, but not limited to, missing documents such as Notes, title insurance policies, and Intervening Assignments)
- When necessary, paying for the preparation and recordation of missing documents, such as Intervening Assignments, necessary for the prosecution of foreclosure or bankruptcy cases
- Resolving any title issues that are the result of the Seller's or Servicer's action or inaction
- Managing attorneys, including but not limited to:
 - Collecting, receiving, processing, reviewing and paying attorneys' invoices
 - Supervising and providing necessary assistance to attorneys in the foreclosure and bankruptcy proceedings
 - Making available any monitoring, management, reporting, information and document delivery processes or systems, and paying the fees and costs for such processes or systems (refer to Section 69.9 for information on connectivity and invoice processing systems)
- Continuing to work with the Borrower to resolve the delinquency through loss mitigation activities
- Handling the bankruptcy management activities specified in Chapter 67

Nothing in the Guide is intended to prohibit a foreclosure or bankruptcy attorney from assisting a Servicer by working with a Borrower to facilitate a reinstatement of the Mortgage or loss mitigation activity.

Related Guide Bulletins	Issue Date
Bulletin 2014-14	July 15, 2014

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 1 / Chs. 16-21: Delivery / Chapter 18: Document Custody / 18.4: Seller/Servicer responsibilities (04/24/14)

18.4: Seller/Servicer responsibilities (04/24/14)

ARCHIVED VERSION

(a) Responsibility for documents and Document Custodian compliance

The Seller/Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Seller/Servicer's Document Custodian holding Notes and any other documents.

The Seller/Servicer is responsible for ensuring that its Document Custodian complies with all applicable Freddie Mac requirements regarding Note custody. Freddie Mac's Document Custody Procedures Handbook is located and available to Seller/Servicers and Document Custodians on the Internet at AllRegs.com, or at <http://www.freddiemac.com/cim/handbook.html>. Seller/Servicers and Document Custodians will find this handbook to be a useful resource in fulfilling these requirements.

(b) Monitoring the eligibility status of the Document Custodian

The Seller/Servicer is responsible for monitoring the Document Custodian for compliance with Freddie Mac's Document Custodian eligibility requirements, and must ensure that the Document Custodian is in compliance with all eligibility requirements at all times, provided, however, that Freddie Mac will perform this monitoring for the Designated Custodian.

If, at any time, the Document Custodian fails to comply with any eligibility requirement, the Seller/Servicer must contact Freddie Mac (**see Directory 1**) in writing within one day of the Seller/Servicer learning of the noncompliance. Freddie Mac, at its discretion, may allow the Seller/Servicer a period of time to work with its Document Custodian to ensure that the Document Custodian takes all necessary steps to meet the requirements. However, Freddie Mac reserves the right to immediately terminate a custodial agreement. Further, Freddie Mac may direct the Seller/Servicer to transfer the Notes to the Designated Custodian or a new Document Custodian pursuant to Sections 18.1 through 18.3, and transfer all Notes and assignments for Mortgages serviced for Freddie Mac from the old Document Custodian to the new Document Custodian, pursuant to the requirements of Section 18.6.

(c) Transit insurance requirements

If the Seller/Servicer has not contractually agreed with the Document Custodian to have the Document Custodian assume liability for Notes and assignments while in transit, the Seller/Servicer must obtain insurance covering physical damage or destruction to, or loss of, any Notes and assignments while such documents are in transit between the Document Custodian's vault and anywhere, regardless of the means by which they are transported. For the purpose of this insurance, Mortgage Notes are to be referred to as "Negotiable Instruments" as that term is defined in Section 3-104 of the model Uniform Commercial Code (UCC), promulgated by the National Conference of Commissioners on Uniform State Laws, and enacted in the applicable State.

At a minimum, the required insurance coverage must:

- Be underwritten by an insurer that has an A- (A minus) or better rating according to the A.M. Best Company
- Be maintained in amounts that are deemed adequate for the number of Notes and assignments held in custody and that are deemed appropriate based on prudent business practice
- Each have a deductible amount no more than the greater of 5% of the Seller/Servicer's GAAP net worth or \$100,000, but in no case greater than \$10,000,000

In the event that a Seller/Servicer is covered under its parent's insurance program rather than by its own insurance:

- The acceptable deductible amount for each insurance coverage may be no more than the greater of 5% of the parent's GAAP net worth or \$100,000, but in no case greater than \$10,000,000
- The Seller/Servicer must be a named insured
- The parent's insurance policy(ies) must meet requirements as stated in this subsection

In the event of cancellation or non-renewal of any of the required insurance coverages, the Seller/Servicer or the Seller/Servicer's insurer, insurance broker or agent must provide Freddie Mac (**see Directory 1**) a minimum of 30 days advance written notice thereof.

Freddie Mac's insurance requirements as stated in this subsection do not diminish, restrict or otherwise limit the Seller/Servicer's responsibilities and obligations as stated in the Form 1035, Form 1035DC, or otherwise in the Purchase Documents.

(d) Transfers of Servicing

For Transfers of Servicing pursuant to Chapter 56, the Seller/Servicer must meet the document custody requirements of Section 18.7 and Section 56.9, including the transfer of the Notes from the Transferor Servicer's Document Custodian to the Transferee Servicer's Document Custodian.

(e) Obtaining physical or constructive possession of documents

Seller/Servicers may need to obtain physical or constructive possession of a Note or other documents from a Document Custodian to take appropriate action in conjunction with the payoff, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage:

- To obtain physical or constructive possession of a Note and/or other documents from the Designated Custodian, the Seller/Servicer may complete and send the Form 1036 or make an electronic request ("Web Release Request") using the Designated Custodian's specified Internet web site. Contact the Designated Custodian for further information (**see Directory 4**). The Seller/Servicer must promptly: (i) if physical possession was obtained by Seller/Servicer, return the Note and any other documents to the Designated Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Designated Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained, send notice (a copy of the original Form 1036, Request for Physical or Constructive Possession of Documents, with a notice of termination of constructive possession or otherwise as instructed by the Designated Custodian's specified Internet web site) to the Designated Custodian, when the reason for constructive possession is no longer required for Servicing the Mortgage. Seller/Servicers using the Designated Custodian's Internet web site Asset Repository and Collateral System (ARK) to request physical or constructive possession of Notes and other documents must include a copy of the 1036 Release Receipt Report when returning such items to the Designated Custodian. The Release Receipt Report can be electronically generated from the Designated Custodian's ARK web site.
- To obtain physical or constructive possession of a Note and/or other documents from a Document Custodian (excluding the Designated Custodian), the Seller/Servicer must complete Form 1036, and send the Form 1036 to the Document Custodian. The Seller/Servicer must promptly: (i) if physical possession was obtained by the Seller/Servicer, return the Note and any other documents to the Document Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Document Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained by the Seller/Servicer, send notice (copy of the original Form 1036 with a request for termination of constructive possession) to the Document Custodian, when constructive possession is no longer required for Servicing the Mortgage.

Seller/Servicers must follow prudent business practices in protecting and safeguarding all Notes and documents physically transferred and delivered to them by the Document Custodian until these documents are returned to the Document Custodian. These practices include protection from external elements, such as fire, and identification as a Freddie Mac asset and segregation from other non-related documents.

See Section 18.6(d) when Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), and the Document Custodian has physical custody of the Note.

Related Guide Bulletins	Issue Date
Bulletin 2014-6	April 24, 2014

Freddie Mac Single Family / Archive of Single-Family Seller/Service Guide / Archive of Single-Family Seller/Service Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Service Guide, Volume 1 / Chs. 16-21: Delivery / Chapter 18: Document Custody / 18.6: Document Custodian's functions and duties (02/17/15)

REVISION HISTORY 04/24/14 [SHOW]

18.6: Document Custodian's functions and duties (02/17/15)

ARCHIVED VERSION

JA0226

(a) General duties

Each Document Custodian is responsible for maintaining custody of the original Notes and assignments, in trust, for the benefit of Freddie Mac by:

- Storing the original Notes and assignments in secure, fire-resistant facilities as required by Section 18.2(b). If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related Note.
- Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.
- Making available for review by Freddie Mac or its designee, at any time during normal business hours, with or without prior notice, Notes and assignments and the facilities in which they are stored, maintenance and release procedures, and control and tracking systems, and other evidence of compliance with eligibility requirements as requested
- Making the custodial staff available for interview by Freddie Mac or its designee, at any time during normal business hours, with or without prior notice, for an assessment of the staff's familiarity with and adherence to Freddie Mac's custodial requirements and the Document Custodian's internal controls
- Indemnifying Freddie Mac for such losses as may occur as a result of any negligence by the Document Custodian in the performance of its duties under the Guide and the Form 1035, Document Custodial Agreement: Single-Family Mortgages, or Form 1035DC, Designated Custodial Agreement: Single-Family Mortgages, pertaining to Freddie Mac Notes and assignments in the custody of the Document Custodian or Designated Custodian, as applicable
- Maintaining physical custody of the Note and assignments, in trust, for the benefit of the Seller/Servicer in circumstances when the Document Custodian receives a completed and signed Form 1036 from the Seller/Servicer requesting constructive possession
- Providing, in an electronic format acceptable to Freddie Mac, an accounting of all Notes and assignments that the Document Custodian has in its physical custody: (i) in trust for the benefit of Freddie Mac as described in Section 18.2(b)(9), or (ii) in trust for the benefit of the Seller/Servicer when the Seller/Servicer has constructive possession of the Notes
- Consenting and agreeing to conduct Electronic Transactions, as defined in Chapter 3, with the Seller/Servicer and Freddie Mac in connection with its functions, duties and obligations under this Section 18.6 and Form 1035
- Adopting, as its signature and its Electronic Signature, as defined in Chapter 3, its Freddie Mac Document Custodian number and complying with the applicable requirements of Chapter 3 as if each reference to the word "Seller/Servicer" were a reference to the words "Document Custodian" and/or "Designated Custodian," as applicable

Freddie Mac may, at any time, and in its sole discretion, require a Document Custodian to segregate the Notes and assignments that it maintains, in trust, for the benefit of Freddie Mac from those it maintains for other investors.

(b) Verifications

Upon receiving the Notes and assignments from the Seller/Servicer for Mortgages delivered for purchase by Freddie Mac, the Document Custodian must verify and certify that the following requirements have been met:

- The Note: The information on each Note matches all corresponding loan data for the related Mortgage contained in the Selling System. The Document Custodian is not required to verify the Seller/Servicer number.
- Note endorsement: Each Note is endorsed as required by Section 16.4. If the Seller/Servicer delivering the Note is not the original payee on the Note, the Document Custodian must verify that the chain of endorsements is proper and complete from the original payee on the Note to the Seller delivering the Note to Freddie Mac — not to the Servicer.
- Assignments: The assignments of the Security Instruments from the original Mortgagee to the Seller/Servicer or to MERS[®] are prepared, executed and recorded where required, in accordance with Sections 22.14 and 56.7. The Seller/Servicer must provide its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to retain physical custody of all assignments for Mortgages registered with MERS and store the assignments in the Mortgage files, as provided in Section 22.14.

(c) Certification

The Document Custodian must comply with the applicable requirements of the Purchase Documents when certifying Mortgages delivered for purchase by Freddie Mac.

The Document Custodian must not execute the Custodian Certification for a Mortgage if any of the information on the related Note, required to be verified and certified, does not match the corresponding loan data for the related Mortgage in the Selling System as set forth in Section 18.6(b) or if any discrepancy is not sufficiently justified. The Document Custodian must notify the delivering Seller/Servicer of any error, omission or other discrepancy that requires corrective action.

(d) Duties to Freddie Mac

Upon certification of the Notes, the Document Custodian must maintain physical custody of the Notes and any assignments, in trust, for the benefit of Freddie Mac. The Document Custodian may not enter into any understanding, agreement, or relationship with any party by which any such party would obtain, retain or claim any interest (including an ownership or security interest) in the Notes and any assignments or the underlying Mortgages, unless otherwise specifically and expressly approved by Freddie Mac in writing.

The Seller/Servicer may be required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), in connection with Servicing a Mortgage. If the Seller/Servicer concludes that constructive possession is the appropriate type of possession for the Legal Action, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be in constructive possession of the Note upon the earlier of: (i) that date such Legal Action commences, or (ii) the date the Document Custodian receives the Seller/Servicer's Form 1036 requesting constructive possession of the Note, until the Legal Action is concluded.

When the Document Custodian, during any such Legal Action, maintains physical custody of the Note, it does so in trust for the benefit of the Seller/Servicer. For the duration of the Legal Action, the Seller/Servicer shall be: (i) in constructive possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage. When the Legal Action is concluded, the Document Custodian shall automatically and immediately cease maintaining physical custody of the Note, in trust, for the benefit of the Seller/Servicer and resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac.

The Seller/Servicer must complete, sign and submit a Form 1036, or its equivalent, including the Designated Custodian's Web Release Request described in Section 18.4 (e) (Form 1036 and such the Designated Custodian's Web Release Request, collectively referred to herein as "Form 1036") requesting constructive possession from the Document Custodian or Designated Custodian, as applicable. The date that the constructive possession commences shall be the earlier of the date: (i) the Document Custodian receives the Form 1036 from the Seller/Servicer requesting constructive possession, or (ii) the Seller/Servicer commences the Legal Action. A single Form 1036 may be used to request multiple Notes, provided that each Note is separately listed and identified.

If the Document Custodian's facilities are affected by a disaster, the Document Custodian must promptly notify Freddie Mac (**see Directory 9**), but such notification shall occur no later than 24 hours after the discovery of such disaster, time being of the essence.

(e) Delivery of possession of documents to the Seller/Servicer

The Seller/Servicer may require physical possession of a Note and other documents in connection with Servicing a Mortgage, including, but not limited to, bringing or defending a Legal Action or conducting a foreclosure or in connection with the maturity, prepayment, repurchase, substitution, conversion, modification or assumption of a Mortgage. In such circumstances, Freddie Mac will deliver physical possession of the Note to the Seller/Servicer as set forth in this Section 18.6(e).

When Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical possession of the Note, the Seller/Servicer shall deliver a Form 1036 to the Document Custodian.

To use an Electronic, as defined in Chapter 3, or system-generated version of the Form 1036, the Seller/Servicer must enter into an electronic transaction agreement with the Document Custodian that:

- Defines Electronic Signature and the type(s) of electronic transmission(s) permitted
- States the Document Custodian's requirements for accepting an Electronic Signature
- States the Seller/Servicer's requirements for maintaining and controlling access to Electronic Signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated by the Seller/Servicer to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the Seller/Servicer's designated individuals.

An Electronic or system-generated Form 1036 must contain all of the information required on the paper Form 1036. A single electronic form may be used to request multiple Notes, provided that the Note is separately listed and identified.

Upon receipt of a signed Form 1036 from the Seller/Servicer, the Document Custodian maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, shall transfer and deliver physical possession of the Note to the Seller/Servicer. Upon receipt of the Note, Seller/Servicer shall automatically, immediately and conclusively be deemed to be: (i) in physical possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage.

If a document is no longer needed for the reason originally cited on the request, or when the Legal Action is concluded, the Seller/Servicer must promptly return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and related other documents required by the Designated Custodian. Upon receipt of the returned Note, the Document Custodian and/or Designated Custodian, as applicable, shall immediately resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, as set forth in the Custodial Agreement, and update its note tracking system to reflect receipt of the Note and any other documents.

See Section 18.4(e) for additional information on returning Notes to the Document Custodian.

See Section 18.6(f) for additional information on imaging and retention requirements for Form 1036 or its equivalent.

(f) Form imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of the Form 1036 or its equivalent for at least three months after the date the Mortgage is paid off. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Requests for Release after making imaged copies that meet the above criteria and updating Document Custodian's Note tracking system to indicate the date of and reason for release of the related documents
- All original or imaged copies of Certification Schedules and Requests for Release after expiration of the retention period

In disposing of such documents, Document Custodian must have in place and follow procedures to ensure the confidentiality of Borrowers' private personal information and must use disposal methods that safeguard such confidentiality.

Related Guide Bulletins	Issue Date
Bulletin 2015-2	February 17, 2015
Bulletin 2014-6	April 24, 2014

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 66: Foreclosure / 66.1: Introduction (01/10/14)

66.1: Introduction (01/10/14)

ARCHIVED VERSION

The Servicer must refer to, manage and complete foreclosure in accordance with this chapter when there is no available alternative to foreclosure. Additionally, Freddie Mac requires the Servicer to manage the foreclosure process to acquire clear and marketable title to the property in a cost-effective, expeditious and efficient manner.

Related Guide Bulletins	Issue Date
Bulletin 2013-21	October 11, 2013

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 66: Foreclosure / 66.10: Obtaining the original Note (09/15/14)

66.10: Obtaining the original Note (09/15/14)

ARCHIVED VERSION

If physical or constructive possession of the original Note is needed to perform the foreclosure, the Servicer must request the Note from the Document Custodian maintaining the Note by submitting to the Document Custodian a completed Form 1036, Request for Physical or Constructive Possession of Documents, or an electronic or system-generated version of the form (or, in the case of the Designated Custodian, a copy of the electronically generated 1036 Release Receipt Report) in accordance with the requirements of Section 18.4(e).

If there is a full or partial reinstatement of the Mortgage, the Servicer must return the Note to the Document Custodian with either the original Form 1036 or a copy.

Related Guide Bulletins	Issue Date
Bulletin 2014-16	September 15, 2014

Freddie Mac Single Family / Archive of Single-Family Seller/Servicer Guide / Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin / Single-Family Seller/Servicer Guide, Volume 2 / Chs. 63-A69: Servicing Nonperforming Mortgages / Chapter 66: Foreclosure / 66.11: Foreclosing in the Servicer's name (09/15/14)

66.11: Foreclosing in the Servicer's name (09/15/14)

ARCHIVED VERSION

(a) Conducting the foreclosure

The Servicer must instruct the foreclosure counsel to process the foreclosure in the Servicer's name and in a manner that would avoid any obligation to pay a transfer tax. However, the Servicer may instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name if applicable law:

- Precludes the Servicer from conducting the foreclosure in its name because it owns or services a subordinate Mortgage on the Mortgaged Premises, or
- Requires the foreclosure to be processed in Freddie Mac's name to avoid any obligation to pay a transfer tax and foreclosure counsel could not otherwise process the foreclosure in a manner that would successfully avoid imposition of the transfer tax obligation

For these special circumstances, the Servicer does not need to obtain written approval but must notify Freddie Mac within two Business Days of the Servicer's determination to foreclose in Freddie Mac's name and record the basis of the decision in the Mortgage file. All notifications must be sent via e-mail (**see Directory 5**). For all other circumstances in which the Servicer may need to instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name, the Servicer must obtain written approval from Freddie Mac (refer to Section 67.17 regarding initiating legal actions on Freddie Mac's behalf).

When processing the foreclosure in Freddie Mac's name, all pleadings and related documents must comply with Section 67.17(c). The Servicer remains obligated to notify Freddie Mac pursuant to Section 69.12(a) in the event that any foreclosure conducted in Freddie Mac's name evolves into a non-routine litigation matter (see Section 67.17).

When a Servicer conducts the foreclosure in Freddie Mac's name, the Servicer is not permitted to have the same foreclosure counsel represent the Servicer or another lien holder in the same proceeding. Freddie Mac does not consent to dual representation of Freddie Mac and another lien holder on the same property.

(b) Executing documents

If Freddie Mac needs to execute a document for the Servicer to process the foreclosure, or execute a document related to a foreclosure sale, the Servicer must submit Form 105, Multipurpose Loan Servicing Transmittal, to Freddie Mac (**see Directory 5**) with all supporting documentation, which may include, but is not limited to, the last recorded document in the chain of title, and include the document Freddie Mac needs to execute.

If an assignment of the Security Instrument to Freddie Mac has been recorded and the Servicer is conducting the foreclosure in its name, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel files the first legal action. Refer to Section 66.15 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with a Request for Assistance Form (available at: <http://www.freddiemac.com/cim/docex.html>), to Freddie Mac (**see Directory 9**). Freddie Mac will endeavor to execute the assignment and return it to the Servicer within 10-12 Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable foreclosure counsel fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, Rural Housing Service (RHS) or VA guidelines to determine in whose name the foreclosure action should be brought.

Refer to Section 22.14 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

Related Guide Bulletins	Issue Date
Bulletin 2014-16	September 15, 2014

CERTIFICATE OF SERVICE

I certify that on the 25th day of March 2020, I served a copy of the above Appellant's Appendix Volume I upon counsel of record:

- ☐ By personally serving it upon him/her; or
- ☐ By mailing it by first class mail with sufficient postage prepaid to the following address(es); or
- ☒ By email to the following email addresses:

tasca@ballardspahr.com

sakaij@ballardspahr.com

Joel E. Tasca, Esq.

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1980 Festival Plaza Dr. #900

Las Vegas, NV 89135

U.S. Bank Trust, Trustee for LSF9 Master Participation Trust

/s/Doreen Spears Hartwell
An Employee of Hartwell Thalacker, Ltd

NEVADA SUPREME COURT

DANIEL LAKES,

Appellant,

v.

U.S. BANK TRUST, Trustee for LSF9
Master Participation Trust,

Respondent.

Docket No. 79324

APPELLANT'S APPENDIX

VOLUME II

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67.6: Introduction (11/09/12)

ARCHIVED VERSION

This part of the chapter provides Servicers with Freddie Mac's requirements for Servicing Mortgages subject to bankruptcy proceedings or litigation. The Servicer must take appropriate action to protect Freddie Mac's interest during bankruptcy proceedings in which the Borrower is the debtor or when there is litigation of either a routine or non-routine nature (Refer to Section 67.17 for information regarding routine and non-routine litigation).

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67.17: Non-routine default-related legal matters (09/15/14)

ARCHIVED VERSION

Freddie Mac reserves the right to direct and control all litigation involving a Freddie Mac-owned or guaranteed Mortgage, regardless of whether Freddie Mac is a named party. The Servicer and any law firm handling the litigation must cooperate fully with Freddie Mac in the prosecution, defense and handling of the matter.

(a) Definition of routine and non-routine litigation

1. **Routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues which, if successful, would not create negative legal precedent beyond the immediate case
2. **Non-routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues, which, if successful, would create negative legal precedent beyond the immediate case

Examples of non-routine litigation that must be reported to Freddie Mac as non-routine litigation include, but are not limited to, the following:

1. Actions that name Freddie Mac as a party
2. Action that seeks monetary relief against Freddie Mac, including any claim (including counterclaims, cross-claims, or third-party claims in foreclosure or bankruptcy actions) for damages against Freddie Mac or its officers, directors, or employees
3. Actions that challenge the validity, priority, or enforceability of a Freddie Mac-owned or guaranteed Mortgage or seek to impair Freddie Mac's interest in an REO including, by way of example:
 - An action seeking to demolish a structure on the property or the property as a result of a code violation;
 - An action seeking to avoid a lien based on a failure to comply with a law or regulation;
 - An attempt by a junior lienholder to assert priority over a Freddie Mac-owned or guaranteed Mortgage or extinguish Freddie Mac's interests;
 - A quiet title action seeking to declare Freddie Mac's lien void; and
 - An attempt by a Borrower to effect a cramdown of a Mortgage in bankruptcy as to which Freddie Mac has not delegated authority to the Servicer or law firm to address

4. Actions that present an issue that may pose significant legal or reputational risk to Freddie Mac include, by way of example:
- Any issue involving Freddie Mac's conservatorship, its conservator (Federal Housing Finance Agency (FHFA)), Freddie Mac's status as a federal instrumentality, or an interpretation of Freddie Mac's charter;
 - Any assertion that Freddie Mac is a federal agency or otherwise part of the United States Government;
 - Any "due process" or other constitutional challenge;
 - Any challenge to the methods by which Freddie Mac does business;
 - Any putative class actions involving a Freddie Mac-owned or guaranteed Mortgage;
 - Challenges to the standing of the Servicer to conduct foreclosures or bankruptcies which, if successful, could create negative legal precedent with an impact beyond the immediate case;
 - Challenges to the methods by which MERS® does business or its ability to act as nominee under a Mortgage;
 - Any "show cause orders" or motions for sanctions relating to a Freddie Mac-owned or guaranteed Mortgage, whether against Freddie Mac, the Servicer, a law firm, or a vendor of the Servicer or law firm;
 - Foreclosures on HUD-Guaranteed Section 184 Native American Mortgages
 - Any environmental litigation relating to a Freddie Mac-owned or guaranteed Mortgage;
 - A need to foreclose judicially in a State where non-judicial foreclosures predominate;
 - Any claim invoking Home Affordable Modification Program (HAMP) as a basis to challenge a foreclosure;
 - Any claim brought by a governmental body;
 - Cross-border insolvency proceedings under Chapter 15 of the Bankruptcy Code;
 - Any claim of predatory lending or discrimination in Mortgage origination or Servicing; and
 - Any claim implicating the interpretation of the terms of the Fannie Mae/Freddie Mac Uniform Mortgage Instruments

Given the evolving nature of default-related litigation, it is not possible to provide an exhaustive list of non-routine litigation. Each contested action presents unique circumstances, and the Servicer should evaluate each action on a case-by-case basis to determine whether a contested action is routine or non-routine.

(b) Legal actions initiated by the Servicer

A Servicer may not initiate legal actions on Freddie Mac's behalf or intervene in legal actions on Freddie Mac's behalf, other than for Freddie Mac Default Legal Matters, unless it obtains written approval (**see Directory 5**) from the Freddie Mac Legal Division. Servicers must comply with Section 66.11 regarding foreclosing in the Servicer's name.

A Servicer must obtain Freddie Mac's prior written approval (**see Directory 5**) before appealing or otherwise challenging a judgment in any foreclosure or bankruptcy proceeding. A Servicer must also notify Freddie Mac if a Borrower files an appeal or seeks other post-judgment relief in any foreclosure or bankruptcy proceeding.

(c) Referring to Freddie Mac in litigation

Freddie Mac must be described in legal proceedings as "Federal Home Loan Mortgage Corporation ("Freddie Mac"), a corporation organized and existing under the laws of the United States of America." Freddie Mac may not be referred to as a "government agency."

(d) MERS-registered Mortgages

See Section 53.15(d) for additional requirements relating to notices from MERS and MERS-registered Mortgages.

Related Guide Bulletins	Issue Date
Bulletin 2014-16	September 15, 2014

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Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters

ARCHIVED VERSION

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69.1: Overview (06/01/13)

ARCHIVED VERSION

This chapter sets forth requirements for the Servicer's review and evaluation, selection, retention and management of law firms (referred to throughout this chapter as "firms") for Freddie Mac Default Legal Matters.

Effective June 1, 2013, all referrals of Freddie Mac Default Legal Matters must be conducted in accordance with the requirements of either Chapter 69 or A69. Chapter 69 governs the referral of Freddie Mac Default Legal Matters to law firms selected by the Servicer under the requirements of Section 69.7.

During the period of June 1, 2013 through July 31, 2013, Servicers may also refer Freddie Mac Default Legal Matters to law firms selected by Servicers pursuant to the new requirements of Chapter A69 and must comply with the requirements of Sections 69.10 through 69.14.

Effective August 1, 2013, Servicers must comply with all requirements of this chapter in order to refer Freddie Mac Default Legal Matters to law firms.

Each Servicer is responsible for retaining firms for Freddie Mac Default Legal Matters. Freddie Mac will continue to retain firms directly for REO-related legal services: eviction, REO closing, and related litigation (refer to Chapter 67 for more information relating to litigation).

Related Guide Bulletins	Issue Date
Bulletin 2013-9	May 28, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.2: Review and evaluation of firms (06/01/13)

69.2: Review and evaluation of firms (06/01/13)

ARCHIVED VERSION

JA0240

(a) Due diligence

As part of its selection process, each Servicer is responsible for obtaining and evaluating documentation and information from firms, and conducting due diligence to ensure that selected firms meet the requirements set forth in Section 69.3. As part of the process, each Servicer must:

- Obtain and review all required documentation and information submitted by each firm;
- Ensure that it selects from a pool of potentially acceptable firms that is diverse, and includes minority and women-owned firms and other diverse firms when feasible; and
- Ensure that the firm or any entity or individual performing work for the firm is not on the Freddie Mac Exclusionary List in accordance with Section 2.24

(b) Due diligence documentation

The Servicer must provide to Freddie Mac upon request a copy of each firm's application information and related due diligence documentation. Freddie Mac reserves the right to review the process, procedures and due diligence used by the Servicer to evaluate and select a firm.

(c) Document retention requirements

The Servicer must retain all information submitted by a firm in support of the firm's application and all information otherwise gathered by the Servicer regarding the firm. The Servicer must maintain any information relating to firms that are selected and retained by the Servicer for as long as the firm is providing legal services with respect to Freddie Mac-owned or guaranteed Mortgages and, thereafter, for the longer of any retention period applicable to the Servicer or seven years. The Servicer must maintain any information relating to firms that are not selected and retained by the Servicer for the longer of any retention period applicable to the Servicer or seven years.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.3: Firm Minimum Requirements (02/03/16)

REVISION HISTORY 06/01/13 [HIDE]

REVISION NUMBER: 06012013 **DATE:** 06/01/2013
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

69.3: Firm Minimum Requirements (Effective: 06/01/13)**ARCHIVED VERSION**

The Servicer must ensure that all firms selected and retained to handle Freddie Mac Default Legal Matters meet the firm minimum requirements specified in this section ("Firm Minimum Requirements"), and all other applicable Freddie Mac requirements. The Firm Minimum Requirements are as follows:

(a) Firm practice

The firm's practice areas must include end-to-end default-related legal services: foreclosure, bankruptcy, loss mitigation (e.g., deeds-in-lieu of foreclosure), default-related litigation and Real Estate Owned (REO)-related legal services: eviction, REO closing and related litigation.

The firm must:

- Be familiar with industry standards in the State in which it practices;
- Understand the State legal processes and requirements in default-related and REO-related legal services; and
- Understand the substantive legal issues in the State (e.g., standing)

Additionally, the Servicer must consider firm experience in the following areas: foreclosure mediation, the Fair Debt Collection Practices Act, title curative issues, and general housing-related issues (e.g., rent control, Section 8, lead paint liability, health code violations, foreclosure redemption, confirmation and ratification, homeowners association, mobile home matters, and cooperative loans). The firm should also have some experience with delegation for loss mitigation.

The Servicer must also consider the firm's membership in default-related and REO-related trade and industry groups, attendance or participation in State bar associations, seminar and lecture participation and attendance, and any other activities relevant to default-related and REO-related law practice.

(b) Presence in State

Firms generally must have a staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

In addition:

- The legal work must be performed by the attorneys licensed in the State where the Mortgaged Premises is located;
- The firm must be registered, as necessary, with appropriate State authorities;
- For the States in which an appropriately staffed office is required, the firm must disclose to the Servicer the extent, if any, to which work will be performed by an office of the firm in another State;
- The Servicer must require the firm to disclose to the Servicer where the staff handling the work in the particular State is located, and to whom the staff in that office regularly reports; and
- The Servicer must obtain office addresses for each firm it seeks to retain

1. Judicial foreclosure States

In judicial foreclosure States, the firm must have an appropriately staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

2. Non-Judicial foreclosure States

In non-judicial foreclosure States, a firm must have an appropriately staffed office located in the State in which the firm is retained, except in the following non-judicial foreclosure States: Alaska, District of Columbia, Idaho, New Hampshire, Rhode Island, Montana, West Virginia and Wyoming. In those States, Servicers should give preference to firms that have staffed offices in those States. However, out-of-State firms may be used to handle Freddie Mac Default Legal Matters, provided that the firm is located in the same region of the country and is able to demonstrate that it has policies, procedures and processes in place to handle cases from out of State.

Servicers may use firms outside of Puerto Rico, the U.S. Virgin Islands and Guam to handle foreclosure and bankruptcy matters in those States.

Servicers should give preference to firms that have staffed offices in the State, but out-of-State firms may be used, provided that they are able to demonstrate that they have policies, procedures and processes in place to handle cases from outside the State.

If a Servicer has difficulty finding a sufficient number of firms with appropriately staffed offices in States other than those listed in the exceptions above, the Servicer may contact Freddie Mac to request an exception to the requirement that a firm have an appropriately staffed office located in the State. Requests should be sent to Freddie Mac (**see Directory 1**).

(c) State-specific industry references

The Servicer must obtain from the firm at least two State-specific mortgage servicers or default-related references, or if the firm has been in existence less than one year, the partners or shareholders of the firm must provide at least two Servicer or default-related references in connection with work performed in the particular State.

(d) Statewide coverage and use of local counsel

The Servicer must ensure that the firm has the ability to cover foreclosure, bankruptcy, eviction, REO closing matters and default-related litigation throughout the State.

If the firm has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related and REO-related work, the Servicer must require the firm to: (i) obtain disclosure from the firm regarding such relationships and the extent to which third parties will be relied upon and (ii) determine whether the firm has a reasonable contingency plan for the loss of any of those relationships or operational processes. In evaluating any such third-party relationship, the Servicer must consider the length of time the relationship has existed and the adequacy of the firm's written policies to mitigate third-party risk.

If a firm uses local counsel to handle matters within the State, the Servicer must ensure that the firm has a process to select, manage, and review the local counsel and their work product. The process must be designed to ensure that local attorneys are qualified and adequately trained and have a satisfactory history with respect to bar complaints, sanctions and similar matters.

For a firm's contested caseload (e.g., contested foreclosures and litigated cases), the firm's reliance on local counsel must be minimal. Any use of local counsel for these matters must be structured so that the retained firm will direct and manage the local counsel on those matters.

(e) Prior volume experience

Servicers must confirm the firm and/or managing attorney(s) has completed a sufficient number of foreclosure, bankruptcy, loss mitigation, eviction and REO matters within the past 24 months to demonstrate that the firm has experience in representing creditors in default-related matters.

For the 24-month period, the Servicer must review the total number of matters referred, the total number of matters completed and the number of matters currently pending for each of the following areas: foreclosure, bankruptcy, loss mitigation, eviction and REO closing.

What constitutes a sufficient number of completed default-related and REO-related legal services will vary depending upon the State at issue, the volume the Servicer expects to refer to the firm, and the relative size of the firm. Servicers must consider these factors when making this determination.

(f) Firm has adequate, relevant State-specific experience

The Servicer must confirm that the firm has one or more managing attorney (s) or partner(s) with no less than 8 years of relevant, State-specific experience in foreclosure (including where applicable, confirmation, redemption and ratification matters), bankruptcy, loss mitigation, eviction, and REO closings and litigation. Servicers may make exceptions to this requirement for documented reasons in the event a firm is otherwise qualified.

The Servicer must obtain the names and the years of experience in each area (foreclosure, bankruptcy, eviction, REO closings and related litigation) for the firm's managing attorney(s) or partner(s) and associates.

If the principals or partners of the firm are not actively involved in the management of the firm, the Servicer must consider the level of experience of those actively involved in managing the firm.

(g) One or more of the firm's lead attorneys has adequate, relevant litigation experience in the State

The Servicer must determine whether the firm has at least one lead attorney to handle Freddie Mac Default Legal Matters with a minimum of five years of experience in default-related and REO-related litigation in the State. The firm's partner(s) or managing attorney(s) may act as the lead attorney for Freddie Mac Default Legal Matters. If the firm will utilize staff attorneys for Freddie Mac Default Legal Matters, one or more staff attorneys must have at least three years of experience in handling default-related and REO-related litigation in the State.

(h) Attorney licensing

The Servicer must confirm that the firm's attorneys who will handle Freddie Mac Default Legal Matters are licensed to practice, and in good standing, in the State in which the firm is being retained. Legal work must be performed by attorneys licensed in the State.

(i) Staff experience

The Servicer must determine whether the firm's non-attorney staff has reasonable experience. In determining what constitutes reasonable experience, the Servicer must consider the average years of experience, education, qualifications and demonstrated ability of the non-attorney staff in relation to their respective levels of responsibility.

(j) Staff oversight

The Servicer must confirm that the firm has appropriate attorney-to-staff ratios to ensure appropriate staff oversight given the size of the firm and the firm's operational structure. The Servicer must consider whether the firm practices in a judicial or a non-judicial State, the firm's case management practices, the State-specific process, attorney and staff experience, firm technology and firm infrastructure.

(k) File oversight

The Servicer must confirm that the firm has appropriate (i) attorney-to-file and (ii) staff-to-file ratios, given the size of the firm and the firm's operational structure. The Servicer must take into consideration whether the firm practices in a judicial or a non-judicial foreclosure State, the firm's case management practices, the State-specific processes, attorney and staff experience, firm technology and firm infrastructure.

(I) Firm capacity

As of the date of the submission of the Servicer Selection Form via **<https://freddiemacsats.com>**, the Servicer must confirm that the firm has the ability to accept additional referrals. Additionally, the Servicer must confirm that the firm is not operating at full capacity, given the existing facilities, personnel, and technology or, alternatively, the firm must outline to the Servicer's satisfaction the steps and time frame necessary to be in a position to handle additional referrals while still maintaining appropriate firm -to-file and staff-to-file ratios. The Servicer must confirm that the firm has contingency plans to deal with a contraction in the market.

(m) Ethics and professional standards

The firm must demonstrate a history of legal practice that comports with applicable legal and ethical standards, reflecting high professional standards. The Servicer must conclude that the firm does not, in the totality of the circumstances, pose a legal and/or reputational risk or exhibit systematic issues that may lead to reputational and/or legal risk to Freddie Mac.

The Servicer must obtain the following information from the firm in order to evaluate the sufficiency of the firm's professional standards:

- Any sanctions against the firm or any of its present or former attorneys in the past five years, including the nature of the sanctions and if they relate to a loan-level matter or systemic firm practice, and if related to firm practice, any corrective actions taken by the firm;
- Any bar complaints/reprimands against present and former firm attorneys in the past ten years and whether the complaints were closed, pending or resulted in some form of adverse action;
- Any government investigations involving firm practices in the past ten years and whether the investigations involved firm practices or are related to client investigations;
- Any damages or settlement of claims as a result of an allegation of professional negligence against the firm or its attorneys in the past five years (i) in excess of \$20,000 in any single occurrence, \$50,000 in the aggregate, or (ii) reflect a possible pattern of professional negligence, regardless of amount; and
- Any significant litigation asserting systemic issues with firm processes or legal work, such as any class action lawsuit against the firm

If the Servicer is aware of any of the above items that involve the firm's professional standards but which were not disclosed by the firm, the Servicer must disclose them to Freddie Mac in the Servicer Selection Form.

The Servicer must obtain a disclosure from the firm regarding whether the firm (or any of its partners, shareholders, or employees while acting as a partner, shareholder, or principal at another firm) has been previously terminated by Freddie Mac or Fannie Mae or had referrals suspended by Freddie Mac or Fannie Mae.

The Servicer must obtain a certification from the firm that, to the best of the firm's knowledge, the firm's documents have been and continue to be prepared, executed and/or notarized in compliance with applicable law. If the firm reports that the firm, its attorneys, notaries or third-parties that the firm relies on to perform any aspect of default-related or REO-related services have previously prepared, executed or notarized documents that have not been in compliance with applicable law, the Servicer must conclude that the firm has instituted controls, procedures, and processes to address the contributing cause(s) of the firm's failure to comply with applicable law in order to execute the Servicer Selection Form.

Freddie Mac expects Servicers to exercise sound judgment and consider the totality of the circumstances in evaluating the potential legal and reputational risks posed by a firm to Freddie Mac. The items for consideration outlined above are not intended to be exhaustive or to disqualify a firm from retention if the Servicer concludes that the firm is acceptable considering the totality of the circumstances.

(n) Time lines

The Servicer must review the firm's completion time lines, and confirm that the firm is able to track, monitor and complete foreclosure and bankruptcy matters in compliance with applicable law and Freddie Mac time line requirements, taking into consideration outside factors that impact compliance with Freddie Mac time lines such as new foreclosure requirements and court delays.

(o) Information privacy

The firm must maintain physical, technical and procedural controls and effective information security and data management to:

- Ensure the security and confidentiality of personally identifiable information (PII) and confidential information, whether in paper, electronic or other form;
- Protect against any threats or hazards to the security or integrity of such information; and
- Protect against unauthorized access to or use of such information

The firm must implement controls meeting or exceeding industry standards, including, as applicable, standards promulgated by the International Office for Standardization (ISO) or National Institute for Standards and Technology (NIST). The firm must ensure that PII that is stored on the firm's systems and workstations is encrypted at rest at all times. The firm must have secured storage for promissory notes and other original documents to prevent theft and to ensure protection against fire, flood or other damage. The firm may not perform, outsource, or send to any affiliate outside of the United States or its territories, any legal work on Freddie Mac-owned or guaranteed Mortgages, including any storage of Freddie Mac data. The firm may not send any PII underlying Freddie Mac-owned or guaranteed Mortgages, outside the United States. The firm must have written policies, procedures, and processes in place by the date of the submission of the Servicer Selection Form, related to protection of PII and fraud prevention, including policies, procedures and processes related to: background checks of all employees; protection of PII; fraud prevention and identification; and incident response and notification protocols for data breaches and other security incidents. The Servicer must review and confirm that the firm meets these requirements for information security, data management, protection of PII and fraud prevention.

(p) Daily reporting to Freddie Mac

The Servicer must confirm that the firm has the capability to provide daily reporting to Freddie Mac via a web-based attorney reporting system, which includes reporting of key metrics (i.e., volume, time lines, delays, loss mitigation successes, etc.). The Servicer must also ensure that the firm has staff responsible for reporting data directly to Freddie Mac.

(q) Technology

The Servicer must confirm that the firm has adequate technology in place or technological capabilities to provide reporting, communication and tracking of key events and milestones, including access to PACER/ECF or other similar systems to obtain case and docket information from federal appellate, district and bankruptcy court records.

Additionally, the Servicer must confirm that the firm is able to provide status reports and track significant dates and events for foreclosure, bankruptcy, evictions and REO closings and has the capability to measure the duration between various process stages, to identify process impediments (e.g., holds) and to parse holds into different categories.

If a firm is multi-jurisdictional or has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related or REO-related work or if the firm relies on other offices to perform some aspect of the work or provide operational support, the Servicer must confirm that the firm maintains a reliable and secure means of exchanging matter information between each office and any third party the firm relies upon.

The Servicer must require the firm to describe whether the firm currently uses a universal translation technology to communicate information between their technological system and the various Servicers' systems, or explain its method for transmitting information efficiently, accurately and securely to Servicers.

(r) Technology staffing

The Servicer must confirm that the firm has adequate in-house technical expertise or readily available vendor support to ensure compliance with Freddie Mac's automated reporting requirements.

(s) Insurance requirements

The Servicer must confirm that the firm has an appropriate level of malpractice and errors and omissions insurance coverage in place or be able to obtain an appropriate amount of insurance by the date of the submission of the Servicer Selection Form. The appropriate level of insurance coverage will depend upon the total number of Freddie Mac and Fannie Mae files the firm is managing or expects to manage when being evaluated by the Servicer. The firm must have the ability to obtain the appropriate amount of insurance coverage under the new requirements as follows:

- Tier I, volume of 0-4,499 foreclosure matters, coverage of not less than \$1 million per occurrence with an aggregate of not less than \$3 million;
- Tier II, volume of 4,500-19,999 foreclosure matters, coverage of not less than \$5 million per occurrence with an aggregate of not less than \$5 million; and
- Tier III, volume of 20,000 or more foreclosure matters, coverage of not less than \$8 million per occurrence with an aggregate of not less than \$8 million.

The required level of insurance is determined by the higher of the Freddie Mac or Fannie Mae pending foreclosure volume. By way of example, if a firm had 2,000 Freddie Mac foreclosure matters and 4,501 Fannie Mae foreclosure matters, the firm would fall within Tier II and the required coverage would be not less than \$5 million per occurrence with an aggregate of not less than \$5 million. Beginning in 2014, Servicers must conduct an updated coverage analysis annually, with the appropriate level of insurance to be determined by the number of matters being handled as of June 1 of each year. When an annual review reveals a need to increase a firm's coverage, firms will have until December 31 of each year to obtain any required increased coverage. Servicers may grant firms additional time to obtain increased coverage if necessary to reach the routine renewal date for the firm's policy, but may not grant extensions beyond June 1 of the following year.

(t) Financial resources

The Servicer must confirm that the firm has adequate financial resources and the financial ability to make required advances in connection with filing fees and costs necessary to process default-related and REO-related matters.

The Servicer must review the firm's financial statements and/or other firm financial documents in order to confirm that the firm has sufficient reserves or credit lines to manage operating expenses.

(u) Business continuity

The Servicer must confirm that the firm has business continuity and/or disaster recovery plans in place to recover critical business functions. The firm must have a documented succession/continuity plan in the event of loss of the firm owners/partners.

(v) Quality control

The Servicer must confirm that the firm has written policies, procedures and/or processes in place by the date of the submission of the Servicer Selection Form, to ensure the proper management and supervision of staff and the proper preparation, review, execution and notarization of default-related documents and REO-related documents. The Servicer must also confirm the firm has an escalation process for employees to raise document execution and other quality control issues to firm management.

The Servicer must obtain documentation and information related to the firm's process for ensuring compliance with its policies, procedures, processes and training, such as an internal compliance program and/or quality control reviews.

(w) Employee training

The Servicer must confirm that the firm has written policies for employee training, including privacy training. When determining whether a firm's employee training is adequate, the Servicer must review the frequency of training, the presence of policies and procedures and firm handbooks, manuals and job aids.

(x) Adverse matters

No substantial part of the firm's practice can include matters that are adverse to financial institutions, including Freddie Mac or Fannie Mae. Adverse matters to financial institutions include:

- Homeowners or condominium association foreclosures;
- Consumer debtor or mortgagor representation;
- Bankruptcy trustee representation; or
- Any other client(s) that may create a potential conflict of interest

(y) Conflicts of interest

Attorneys must not be affected by a conflict of interest or a potential conflict of interest when handling Freddie Mac Default Legal matters. The Servicer must retain the most qualified attorneys in compliance with Freddie Mac requirements to assist with processing Freddie Mac Default Legal Matters without regard to arrangements that could provide a financial or personal benefit directly or indirectly to the Servicer, its employees, outsource companies or third party vendors utilized by the Servicer to assist in Servicing defaulted Mortgages.

On the Servicer Selection Form, the Servicer must disclose to Freddie Mac any current, past (within the last five years), or pending personal and/or financial relationships between (i) the Servicer and the firm, including its partners and shareholders (as applicable) and (ii) the firm, including its partners and shareholders (as applicable), and any outsourcing company or other third-party vendor utilized by the Servicer to assist in Servicing defaulted Mortgages.

(z) Disclosure of third-party service providers

The Servicer must require the firm to disclose the identity of, and relationship with, any entities the firm relies upon to provide third-party support functions performed on the Servicer's behalf, including, but not limited to, title searches, title insurance, posting, publication, and process services.

The Servicer must also require the firm to disclose whether the firm has a process to select and regularly review costs and performance of vendors of related sources to ensure competitive pricing and high quality.

(aa) Referrals

The Servicer is responsible for ensuring that the firm complies with Freddie Mac requirements and applicable laws regarding referrals and payment of related fees and benefits, as further described in Sections 69.7 and 69.8.

The Servicer must not require the firm to use vendors, outsource companies or other third-parties specified by the Servicer as a condition of receiving a referral of a Freddie Mac Default Legal Matter.

(bb) Diversity data

The Servicer must confirm that the firm has the capability to report diversity data to the Servicer and Freddie Mac, if necessary.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

69.3: Firm Minimum Requirements (02/03/16)**ARCHIVED VERSION**

The Servicer must ensure that all firms selected and retained to handle Freddie Mac Default Legal Matters meet the firm minimum requirements specified in this section ("Firm Minimum Requirements"), and all other applicable Freddie Mac requirements. The Firm Minimum Requirements are as follows:

(a) Firm practice

The firm's practice areas must include end-to-end default-related legal services: foreclosure, bankruptcy, loss mitigation (e.g., deeds-in-lieu of foreclosure), default-related litigation and Real Estate Owned (REO)-related legal services: eviction, REO closing and related litigation.

The firm must:

- Be familiar with industry standards in the State in which it practices;
- Understand the State legal processes and requirements in default-related and REO-related legal services; and
- Understand the substantive legal issues in the State (e.g., standing)

Additionally, the Servicer must consider firm experience in the following areas: foreclosure mediation, the Fair Debt Collection Practices Act, title curative issues, and general housing-related issues (e.g., rent control, Section 8, lead paint liability, health code violations, foreclosure redemption, confirmation and ratification, homeowners association, mobile home matters, and cooperative loans). The firm should also have some experience with delegation for loss mitigation.

The Servicer must also consider the firm's membership in default-related and REO-related trade and industry groups, attendance or participation in State bar associations, seminar and lecture participation and attendance, and any other activities relevant to default-related and REO-related law practice.

(b) Presence in State

Firms generally must have a staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

In addition:

- The legal work must be performed by the attorneys licensed in the State where the Mortgaged Premises is located;
- The firm must be registered, as necessary, with appropriate State authorities;
- For the States in which an appropriately staffed office is required, the firm must disclose to the Servicer the extent, if any, to which work will be performed by an office of the firm in another State;
- The Servicer must require the firm to disclose to the Servicer where the staff handling the work in the particular State is located, and to whom the staff in that office regularly reports; and
- The Servicer must obtain office addresses for each firm it seeks to retain

1. Judicial foreclosure States

In judicial foreclosure States, the firm must have an appropriately staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

2. Non-Judicial foreclosure States

In non-judicial foreclosure States, a firm must have an appropriately staffed office located in the State in which the firm is retained, except in the following non-judicial foreclosure States: Alaska, District of Columbia, Idaho, New Hampshire, Rhode Island, Montana, West Virginia and Wyoming. In those States, Servicers should give preference to firms that have staffed offices in those States. However, out-of-State firms may be used to handle Freddie Mac Default Legal Matters, provided that the firm is located in the same region of the country and is able to demonstrate that it has policies, procedures and processes in place to handle cases from out of State.

Servicers may use firms outside of Puerto Rico, the U.S. Virgin Islands and Guam to handle foreclosure and bankruptcy matters in those States. Servicers should give preference to firms that have staffed offices in the State, but out-of-State firms may be used, provided that they are able to demonstrate that they have policies, procedures and processes in place to handle cases from outside the State.

If a Servicer has difficulty finding a sufficient number of firms with appropriately staffed offices in States other than those listed in the exceptions above, the Servicer may contact Freddie Mac to request an exception to the requirement that a firm have an appropriately staffed office located in the State. Requests should be sent to Freddie Mac (**see Directory 1**).

(c) State-specific industry references

The Servicer must obtain from the firm at least two State-specific mortgage servicers or default-related references, or if the firm has been in existence less than one year, the partners or shareholders of the firm must provide at least two Servicer or default-related references in connection with work performed in the particular State.

(d) Statewide coverage and use of local counsel

The Servicer must ensure that the firm has the ability to cover foreclosure, bankruptcy, eviction, REO closing matters and default-related litigation throughout the State.

If the firm has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related and REO-related work, the Servicer must require the firm to: (i) obtain disclosure from the firm regarding such relationships and the extent to which third parties will be relied upon and (ii) determine whether the firm has a reasonable contingency plan for the loss of any of those relationships or operational processes. In evaluating any such third-party relationship, the Servicer must consider the length of time the relationship has existed and the adequacy of the firm's written policies to mitigate third-party risk.

If a firm uses local counsel to handle matters within the State, the Servicer must ensure that the firm has a process to select, manage, and review the local counsel and their work product. The process must be designed to ensure that local attorneys are qualified and adequately trained and have a satisfactory history with respect to bar complaints, sanctions and similar matters.

For a firm's contested caseload (e.g., contested foreclosures and litigated cases), the firm's reliance on local counsel must be minimal. Any use of local counsel for these matters must be structured so that the retained firm will direct and manage the local counsel on those matters.

(e) Prior volume experience

Servicers must confirm the firm and/or managing attorney(s) has completed a sufficient number of foreclosure, bankruptcy, loss mitigation, eviction and REO matters within the past 24 months to demonstrate that the firm has experience in representing creditors in default-related matters.

For the 24-month period, the Servicer must review the total number of matters referred, the total number of matters completed and the number of matters currently pending for each of the following areas: foreclosure, bankruptcy, loss mitigation, eviction and REO closing.

What constitutes a sufficient number of completed default-related and REO-related legal services will vary depending upon the State at issue, the volume the Servicer expects to refer to the firm, and the relative size of the firm. Servicers must consider these factors when making this determination.

(f) Firm has adequate, relevant State-specific experience

The Servicer must confirm that the firm has one or more managing attorney(s) or partner(s) with no less than 8 years of relevant, State-specific experience in foreclosure (including where applicable, confirmation, redemption and ratification matters), bankruptcy, loss mitigation, eviction, and REO closings and litigation. Servicers may make exceptions to this requirement for documented reasons in the event a firm is otherwise qualified.

The Servicer must obtain the names and the years of experience in each area (foreclosure, bankruptcy, eviction, REO closings and related litigation) for the firm's managing attorney(s) or partner(s) and associates.

If the principals or partners of the firm are not actively involved in the management of the firm, the Servicer must consider the level of experience of those actively involved in managing the firm.

(g) One or more of the firm's lead attorneys has adequate, relevant litigation experience in the State

The Servicer must determine whether the firm has at least one lead attorney to handle Freddie Mac Default Legal Matters with a minimum of five years of experience in default-related and REO-related litigation in the State. The firm's partner(s) or managing attorney(s) may act as the lead attorney for Freddie Mac Default Legal Matters. If the firm will utilize staff attorneys for Freddie Mac Default Legal Matters, one or more staff attorneys must have at least three years of experience in handling default-related and REO-related litigation in the State.

(h) Attorney licensing

The Servicer must confirm that the firm's attorneys who will handle Freddie Mac Default Legal Matters are licensed to practice, and in good standing, in the State in which the firm is being retained. Legal work must be performed by attorneys licensed in the State.

(i) Staff experience

The Servicer must determine whether the firm's non-attorney staff has reasonable experience. In determining what constitutes reasonable experience, the Servicer must consider the average years of experience, education, qualifications and demonstrated ability of the non-attorney staff in relation to their respective levels of responsibility.

(j) Staff oversight

The Servicer must confirm that the firm has appropriate attorney-to-staff ratios to ensure appropriate staff oversight given the size of the firm and the firm's operational structure. The Servicer must consider whether the firm practices in a judicial or a non-judicial State, the firm's case management practices, the State-specific process, attorney and staff experience, firm technology and firm infrastructure.

(k) File oversight

The Servicer must confirm that the firm has appropriate (i) attorney-to-file and (ii) staff-to-file ratios, given the size of the firm and the firm's operational structure. The Servicer must take into consideration whether the firm practices in a judicial or a non-judicial foreclosure State, the firm's case management practices, the State-specific processes, attorney and staff experience, firm technology and firm infrastructure.

(l) Firm capacity

As of the date of the submission of the Servicer Selection Form via **<https://freddiemacsats.com>**, the Servicer must confirm that the firm has the ability to accept additional referrals. Additionally, the Servicer must confirm that the firm is not operating at full capacity, given the existing facilities, personnel, and technology or, alternatively, the firm must outline to the Servicer's satisfaction the steps and time frame necessary to be in a position to handle additional referrals while still maintaining appropriate firm-to-file and staff-to-file ratios. The Servicer must confirm that the firm has contingency plans to deal with a contraction in the market.

(m) Ethics and professional standards

The firm must demonstrate a history of legal practice that comports with applicable legal and ethical standards, reflecting high professional standards. The Servicer must conclude that the firm does not, in the totality of the circumstances, pose a legal and/or reputational risk or exhibit systematic issues that may lead to reputational and/or legal risk to Freddie Mac.

The Servicer must obtain the following information from the firm in order to evaluate the sufficiency of the firm's professional standards:

- Any sanctions against the firm or any of its present or former attorneys in the past five years, including the nature of the sanctions and if they relate to a loan-level matter or systemic firm practice, and if related to firm practice, any corrective actions taken by the firm;
- Any bar complaints/reprimands against present and former firm attorneys in the past ten years and whether the complaints were closed, pending or resulted in some form of adverse action;
- Any government investigations involving firm practices in the past ten years and whether the investigations involved firm practices or are related to client investigations;
- Any damages or settlement of claims as a result of an allegation of professional negligence against the firm or its attorneys in the past five years (i) in excess of \$20,000 in any single occurrence, \$50,000 in the aggregate, or (ii) reflect a possible pattern of professional negligence, regardless of amount; and
- Any significant litigation asserting systemic issues with firm processes or legal work, such as any class action lawsuit against the firm

If the Servicer is aware of any of the above items that involve the firm's professional standards but which were not disclosed by the firm, the Servicer must disclose them to Freddie Mac in the Servicer Selection Form.

The Servicer must obtain a disclosure from the firm regarding whether the firm (or any of its partners, shareholders, or employees while acting as a partner, shareholder, or principal at another firm) has been previously terminated by Freddie Mac or Fannie Mae or had referrals suspended by Freddie Mac or Fannie Mae.

The Servicer must obtain a certification from the firm that, to the best of the firm's knowledge, the firm's documents have been and continue to be prepared, executed and/or notarized in compliance with applicable law. If the firm reports that the firm, its attorneys, notaries or third-parties that the firm relies on to perform any aspect of default-related or REO-related services have previously prepared, executed or notarized documents that have not been in compliance with applicable law, the Servicer must conclude that the firm has instituted controls, procedures, and processes to address the contributing cause(s) of the firm's failure to comply with applicable law in order to execute the Servicer Selection Form.

Freddie Mac expects Servicers to exercise sound judgment and consider the totality of the circumstances in evaluating the potential legal and reputational risks posed by a firm to Freddie Mac. The items for consideration outlined above are not intended to be exhaustive or to disqualify a firm from retention if the Servicer concludes that the firm is acceptable considering the totality of the circumstances.

(n) Time lines

The Servicer must review the firm's completion time lines, and confirm that the firm is able to track, monitor and complete foreclosure and bankruptcy matters in compliance with applicable law and Freddie Mac time line requirements, taking into consideration outside factors that impact compliance with Freddie Mac time lines such as new foreclosure requirements and court delays.

(o) Information privacy

The firm must maintain physical, technical and procedural controls and effective information security and data management to:

- Ensure the security and confidentiality of personally identifiable information (PII) and confidential information, whether in paper, electronic or other form;
- Protect against any threats or hazards to the security or integrity of such information; and
- Protect against unauthorized access to or use of such information

The firm must implement controls meeting or exceeding industry standards, including, as applicable, standards promulgated by the International Office for Standardization (ISO) or National Institute for Standards and Technology (NIST). The firm must ensure that PII that is stored on the firm's systems and workstations is encrypted at rest at all times. The firm must have secured storage for promissory notes and other original documents to prevent theft and to ensure protection against fire, flood or other damage. The firm may not perform, outsource, or send to any affiliate outside of the United States or its territories, any legal work on Freddie Mac-owned or guaranteed Mortgages, including any storage of Freddie Mac data. The firm may not send any PII underlying Freddie Mac-owned or guaranteed Mortgages, outside the United States. The firm must have written policies, procedures, and processes in place by the date of the submission of the Servicer Selection Form, related to protection of PII and fraud prevention, including policies, procedures and processes related to: background checks of all employees; protection of PII; fraud prevention and identification; and incident response and notification protocols for data breaches and other security incidents. The Servicer must review and confirm that the firm meets these requirements for information security, data management, protection of PII and fraud prevention.

(p) Daily reporting to Freddie Mac

The Servicer must confirm that the firm has the capability to provide daily reporting to Freddie Mac of key metrics (i.e., volume, milestones, delays, loss mitigation successes, litigation detail, etc.) pursuant to Section 69.10. The Servicer must also ensure that the firm has staff responsible for reporting data directly to Freddie Mac.

(q) Technology

The Servicer must confirm that the firm has adequate technology in place or technological capabilities to provide reporting, communication and tracking of key events and milestones, including access to PACER/ECF or other similar systems to obtain case and docket information from federal appellate, district and bankruptcy court records.

Additionally, the Servicer must confirm that the firm is able to provide status reports and track significant dates and events for foreclosure, bankruptcy, evictions and REO closings and has the capability to measure the duration between various process stages, to identify process impediments (e.g., holds) and to parse holds into different categories.

If a firm is multi-jurisdictional or has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related or REO-related work or if the firm relies on other offices to perform some aspect of the work or provide operational support, the Servicer must confirm that the firm maintains a reliable and secure means of exchanging matter information between each office and any third party the firm relies upon.

The Servicer must require the firm to describe whether the firm currently uses a universal translation technology to communicate information between their technological system and the various Servicers' systems, or explain its method for transmitting information efficiently, accurately and securely to Servicers.

(r) Technology staffing

The Servicer must confirm that the firm has adequate in-house technical expertise or readily available vendor support to ensure compliance with Freddie Mac's automated reporting requirements.

(s) Insurance requirements

The Servicer must confirm that the firm has an appropriate level of malpractice and errors and omissions insurance coverage in place or be able to obtain an appropriate amount of insurance by the date of the submission of the Servicer Selection Form. The appropriate level of insurance coverage will depend upon the total number of Freddie Mac and Fannie Mae files the firm is managing or expects to manage when being evaluated by the Servicer. The firm must have the ability to obtain the appropriate amount of insurance coverage under the new requirements as follows:

- Tier I, volume of 0-4,499 foreclosure matters, coverage of not less than \$1 million per occurrence with an aggregate of not less than \$3 million;
- Tier II, volume of 4,500-19,999 foreclosure matters, coverage of not less than \$5 million per occurrence with an aggregate of not less than \$5 million; and
- Tier III, volume of 20,000 or more foreclosure matters, coverage of not less than \$8 million per occurrence with an aggregate of not less than \$8 million.

The required level of insurance is determined by the higher of the Freddie Mac or Fannie Mae pending foreclosure volume. By way of example, if a firm had 2,000 Freddie Mac foreclosure matters and 4,501 Fannie Mae foreclosure matters, the firm would fall within Tier II and the required coverage would be not less than \$5 million per occurrence with an aggregate of not less than \$5 million. Beginning in 2014, Servicers must conduct an updated coverage analysis annually, with the appropriate level of insurance to be determined by the number of matters being handled as of June 1 of each year. When an annual review reveals a need to increase a firm's coverage, firms will have until December 31 of each year to obtain any required increased coverage. Servicers may grant firms additional time to obtain increased coverage if necessary to reach the routine renewal date for the firm's policy, but may not grant extensions beyond June 1 of the following year.

(t) Financial resources

The Servicer must confirm that the firm has adequate financial resources and the financial ability to make required advances in connection with filing fees and costs necessary to process default-related and REO-related matters.

The Servicer must review the firm's financial statements and/or other firm financial documents in order to confirm that the firm has sufficient reserves or credit lines to manage operating expenses.

(u) Business continuity

The Servicer must confirm that the firm has business continuity and/or disaster recovery plans in place to recover critical business functions. The firm must have a documented succession/continuity plan in the event of loss of the firm owners/partners.

(v) Quality control

The Servicer must confirm that the firm has written policies, procedures and/or processes in place by the date of the submission of the Servicer Selection Form, to ensure the proper management and supervision of staff and the proper preparation, review, execution and notarization of default-related documents and REO-related documents. The Servicer must also confirm the firm has an escalation process for employees to raise document execution and other quality control issues to firm management.

The Servicer must obtain documentation and information related to the firm's process for ensuring compliance with its policies, procedures, processes and training, such as an internal compliance program and/or quality control reviews.

(w) Employee training

The Servicer must confirm that the firm has written policies for employee training, including privacy training. When determining whether a firm's employee training is adequate, the Servicer must review the frequency of training, the presence of policies and procedures and firm handbooks, manuals and job aids.

(x) Adverse matters

No substantial part of the firm's practice can include matters that are adverse to financial institutions, including Freddie Mac or Fannie Mae. Adverse matters to financial institutions include:

- Homeowners or condominium association foreclosures;
- Consumer debtor or mortgagor representation;
- Bankruptcy trustee representation; or
- Any other client(s) that may create a potential conflict of interest

(y) Conflicts of interest

Attorneys must not be affected by a conflict of interest or a potential conflict of interest when handling Freddie Mac Default Legal matters. The Servicer must retain the most qualified attorneys in compliance with Freddie Mac requirements to assist with processing Freddie Mac Default Legal Matters without regard to arrangements that could provide a financial or personal benefit directly or indirectly to the Servicer, its employees, outsource companies or third party vendors utilized by the Servicer to assist in Servicing defaulted Mortgages.

On the Servicer Selection Form, the Servicer must disclose to Freddie Mac any current, past (within the last five years), or pending personal and/or financial relationships between (i) the Servicer and the firm, including its partners and shareholders (as applicable) and (ii) the firm, including its partners and shareholders (as applicable), and any outsourcing company or other third-party vendor utilized by the Servicer to assist in Servicing defaulted Mortgages.

(z) Disclosure of third-party service providers

The Servicer must require the firm to disclose the identity of, and relationship with, any entities the firm relies upon to provide third-party support functions performed on the Servicer's behalf, including, but not limited to, title searches, title insurance, posting, publication, and process services.

The Servicer must also require the firm to disclose whether the firm has a process to select and regularly review costs and performance of vendors of related sources to ensure competitive pricing and high quality.

(aa) Referrals

The Servicer is responsible for ensuring that the firm complies with Freddie Mac requirements and applicable laws regarding referrals and payment of related fees and benefits, as further described in Sections 69.7 and 69.8.

The Servicer must not require the firm to use vendors, outsource companies or other third-parties specified by the Servicer as a condition of receiving a referral of a Freddie Mac Default Legal Matter.

(bb) Diversity data

The Servicer must confirm that the firm has the capability to report diversity data to the Servicer and Freddie Mac, if necessary.

Related Guide Bulletins	Issue Date
Bulletin 2016-2	February 3, 2016
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.4: Selection of firm (06/01/13)

69.4: Selection of firm (06/01/13)**ARCHIVED VERSION**

(a) Servicer selects firm

If the Servicer determines that a firm meets the Firm Minimum Requirements specified in Section 69.3 and all other Guide requirements, then the Servicer must complete and submit a Servicer Selection Form to Freddie Mac, via <https://freddiemacsats.com> and receive Freddie Mac's "no objection" determination before entering into an agreement with a firm to handle Freddie Mac Default Legal Matters. If Freddie Mac requests additional information from the Servicer as part of this process, the Servicer must provide the requested information within the time frame requested by Freddie Mac. Servicers may not rely upon a previous submission of a Servicer Selection Form with respect to a firm by another Servicer that received a "no objection" determination. Each Servicer must conduct its own due diligence, submit a Servicer Selection Form and receive a "no objection" determination for each firm that the Servicer wishes to retain to handle Freddie Mac Default Legal Matters.

If a firm practices in multiple States, the Servicer must submit a Servicer Selection Form for each State office for which the Servicer wishes to retain the firm.

Servicer Attorney Tracking System (SATS) registration

Servicers must use the Servicer Attorney Tracking System (SATS), an online process, to submit a Servicer Selection Form to Freddie Mac for each law firm selected to handle Freddie Mac Default Legal Matters. To establish access to SATS, Servicers must first register to create a user ID and password at <https://freddiemacsats.com>. After completing the registration process, SATS will allow users to submit the information required in the Servicer Selection Form to Freddie Mac for review. SATS will also allow Servicers to respond to Freddie Mac's requests for additional information, as necessary, and will allow Servicers to track each submission's status during the review process.

Freddie Mac will not review any Servicer Selection Form completed and submitted to any Freddie Mac e-mail address. Servicers must complete and submit the Servicer Selection Form via <https://freddiemacsats.com>.

(b) Freddie Mac review of Servicer Selection Form

After Freddie Mac receives the Servicer Selection Form, Freddie Mac will notify the Servicer via the Servicer's registered e-mail address with SATS whether Freddie Mac:

- Objects to the Servicer's retention of the firm to handle Freddie Mac Default Legal Matters;
- Has no objection to Servicer's retention of the firm to handle Freddie Mac Default Legal Matters; or
- Needs additional information or documentation, or due diligence to be conducted before deciding whether the firm may be retained. If requested, the Servicer must provide any additional information or documentation to Freddie Mac via <https://freddiemacsats.com>, and must conduct any further due diligence requested by Freddie Mac within the time period stated in Freddie Mac's request.

(c) Freddie Mac's response to Servicer firm selection**Freddie Mac provides a "no objection" response**

The Servicer must enter into a contract with the firm (if a contract does not already exist) as further specified in Section 69.5(a), to handle Freddie Mac Default Legal Matters.

Freddie Mac provides an "objection" response

If the Servicer determines not to retain a particular firm, or if Freddie Mac objects to the retention of a particular firm, the Servicer must notify the firm that the firm cannot be hired for Freddie Mac Default Legal Matters.

(d) The Servicer decides not to retain firm

The Servicer is not obligated to inform Freddie Mac:

- If the Servicer determines that a firm does not meet the Firm Minimum Requirements; or
- If the Servicer decides not to retain a firm

(e) Diversity

Servicers are reminded that they must be aware of, and comply with, Freddie Mac's requirements in Sections 2.19 and 53.8. The Servicer must commit to practice the principles of equal employment opportunity and non-discrimination in all its business activities, including the retention and hiring of firms retained pursuant to this section.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.5: Retention of firm (06/01/13)

69.5: Retention of firm (06/01/13)**ARCHIVED VERSION****(a) Servicer contract with firm**

If the Servicer has not already entered into a contract with a selected firm and Freddie Mac has provided a "no objection" determination, then the Servicer must enter into a contract with the firm. The Servicer must notify Freddie Mac when the contract has been executed by updating the Servicer Attorney Tracking System (SATS) via <https://freddiemacsats.com>, and must provide a copy of the contract to Freddie Mac, upon request.

(b) Freddie Mac limited retention agreement with firm

Freddie Mac will enter into a limited retention agreement that sets forth certain key retention provisions with each selected firm for each State in which the firm has received a "no objection" determination.

(c) Conflict between Servicer's contract and limited retention agreements; Servicer's respective consent

The Servicer acknowledges that the limited retention agreement recognizes and reflects a joint attorney-client relationship between the law firm, Freddie Mac and the Servicer, and the Servicer consents to such joint representation. The Servicer consents, in advance, to the selected firm's representation of Freddie Mac in any Freddie Mac Default Legal Matter that is or might be adverse to the Servicer, and further agrees that the firm can use in such representation any information the firm gained in the course of jointly representing the Servicer and Freddie Mac. In the event of any inconsistency or conflict between the terms and conditions of the Servicer's contract with the selected firm and the terms and conditions of Freddie Mac's limited retention agreement with the firm, Freddie Mac's limited retention agreement shall control.

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.6: Training of firms (06/01/13)

69.6: Training of firms (06/01/13)

ARCHIVED VERSION

(a) Training prior to referral

The Servicer must not refer any Freddie Mac Default Legal Matters to a firm until the Servicer verifies that the firm has executed a limited retention agreement with Freddie Mac and has completed Freddie Mac's new firm training.

A firm is only required to attend Freddie Mac's new firm training once, regardless of the number of Servicers that select and retain the firm.

(b) Ongoing training

The Servicer must ensure that each firm obtains appropriate training to keep the firm apprised of updated Freddie Mac requirements. If the Servicer provides its own standard training and/or other communication materials to a firm, the Servicer must include information regarding Freddie Mac's requirements.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.7: Referral of Freddie Mac Default Legal Matters to firm (09/09/15)

REVISION HISTORY 06/01/13 [HIDE]

REVISION NUMBER: 06012013 **DATE:** 06/01/2013
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

**69.7: Referral of Freddie Mac Default Legal Matters to firm
(Effective: 06/01/13)****ARCHIVED VERSION****(a) Requirements prior to referral**

Prior to referring a Freddie Mac Default Legal Matter to a firm, the Servicer must confirm that the firm is eligible to receive a referral by ensuring that:

- The firm meets the Firm Minimum Requirements, as specified in Section 69.3;
- Freddie Mac has provided a "no objection" determination, as specified in Section 69.4;
- The firm has executed a contract with the Servicer requiring the firm to comply with all applicable Freddie Mac requirements, as specified in Section 69.5(a);
- The firm has executed a limited retention agreement with Freddie Mac, as specified in Section 69.5(b);
- The firm has completed Freddie Mac training and any additional Servicer training, as specified in Section 69.6; and
- There are no conflicts of interest with respect to the retention of the firm and referral of Freddie Mac Default Legal Matters to the firm

(b) Diversification of referrals

The Servicer must diversify its referrals of Freddie Mac Default Legal Matters to an appropriate number of firms in each State to protect the interests of Freddie Mac and to mitigate the risks related to a high concentration of Freddie Mac files. In selecting firms for referrals, the Servicer must consider firm capacity and management of staff to file ratios.

(c) Bankruptcy and foreclosure matters

The Servicer must not refer foreclosure matters directly to trustees listed on the deeds of trust.

Refer to Section 67.15(b) for additional referral requirements.

(d) Providing documentation to firm

The Servicer must identify a file as a Freddie Mac Default Legal Matter when sending the file to a firm. When referring a file to a firm, the Servicer must provide all documentation required to initiate a foreclosure. If the firm requests any additional information and/or documentation at any time, the Servicer must provide such requested information and/or documents within three Business Days after receipt of the request, or such earlier time frame, if necessary to comply with timing requirements under applicable law or court rules and procedures.

For any Mortgage that the Servicer refers for foreclosure that is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 72 for additional information about repurchases.)

(e) Contingency plan

All Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals.

69.7: Referral of Freddie Mac Default Legal Matters to firm (09/09/15)**ARCHIVED VERSION****(a) Requirements prior to referral**

Prior to referring a Freddie Mac Default Legal Matter to a firm, the Servicer must confirm that the firm is eligible to receive a referral by ensuring that:

- The firm meets the Firm Minimum Requirements, as specified in Section 69.3;
- Freddie Mac has provided a "no objection" determination, as specified in Section 69.4;
- The firm has executed a contract with the Servicer requiring the firm to comply with all applicable Freddie Mac requirements, as specified in Section 69.5(a);
- The firm has executed a limited retention agreement with Freddie Mac, as specified in Section 69.5(b);
- The firm has completed Freddie Mac training and any additional Servicer training, as specified in Section 69.6; and
- There are no conflicts of interest with respect to the retention of the firm and referral of Freddie Mac Default Legal Matters to the firm

(b) Diversification of referrals

The Servicer must diversify its referrals of Freddie Mac Default Legal Matters to an appropriate number of firms in each State to protect the interests of Freddie Mac and to mitigate the risks related to a high concentration of Freddie Mac files. In selecting firms for referrals, the Servicer must consider firm capacity and management of staff to file ratios.

(c) Bankruptcy and foreclosure matters

The Servicer must not refer foreclosure matters directly to trustees listed on the deeds of trust.

Refer to Section 67.15(b) for additional referral requirements.

(d) Providing documentation to firm

The Servicer must identify a file as a Freddie Mac Default Legal Matter when sending the file to a firm. When referring a file to a firm, the Servicer must provide all documentation required to initiate a foreclosure. If the firm requests any additional information and/or documentation at any time, the Servicer must provide such requested information and/or documents within three Business Days after receipt of the request, or within such earlier time frame if necessary to comply with timing requirements under applicable law or court orders and procedures.

For any Mortgage that the Servicer refers for foreclosure that is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 72 for additional information about repurchases.)

(e) Contingency plan

All Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals.

Related Guide Bulletins	Issue Date
Bulletin 2015-15	September 9, 2015

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69.8: Prohibitions related to Freddie Mac Default Legal Matters (06/01/13)**ARCHIVED VERSION**

Servicers must not require the firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Default Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac or the firm for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with the firm whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees or free or discounted services or products) from the firm in connection with any Freddie Mac Default Legal Matter or Freddie Mac-owned or guaranteed Mortgage

Refer to Section 54.4 for additional information on Servicing obligations.

(b) Prohibitions with respect to use of specific vendors, services and/or products

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select the firm to handle Freddie Mac Default Legal Matters, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's referral process.

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require the firm to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product;
- Refuse to refer a file to the firm because the firm chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge the firm for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for the firm to provide services necessary to handle Freddie Mac Default Legal Matters (e.g., to prosecute the foreclosure or bankruptcy case)

However, a Servicer may require the firm to use certain connectivity or invoice processing systems, provided that the firm is not required to pay for the use of, or access to, such systems.

Refer to Section 69.9 for information about use of, and reimbursement for, connectivity and invoice processing systems.

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69.9: Servicer use of connectivity and invoice processing system (10/20/14)**ARCHIVED VERSION**

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to in this section as a "Connectivity System," and an invoice processing system as outlined below.

(a) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as

- Packaging and referring foreclosure and bankruptcy cases to the firm;
- Communicating information and delivering documents between the Servicer and the firm as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse the Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Section 71.19;
- The Servicer must provide the firm with use of and access to the identical Connectivity System;
- The Servicer must permit, or continue to permit, the firm to integrate its own technology systems with the Connectivity System at no cost to the firm; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the firm

(b) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes firm invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Section 71.19; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the firm

The amounts specified in Section 71.19 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any Freddie Mac Default Legal Matter such as bankruptcy).

For example, if a Servicer has already referred a Mortgage to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

Related Guide Bulletins	Issue Date
Bulletin 2014-14	July 15, 2014

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Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.10: Reporting (02/03/16)

REVISION HISTORY 06/01/13 [HIDE]

REVISION NUMBER: 06012013 **DATE:** 06/01/2013
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

69.10: Reporting (Effective: 06/01/13)

ARCHIVED VERSION

The Servicer must provide reports related to firm performance, management of foreclosure and bankruptcy processes, oversight of firm compliance and performance and other related matters as required by Freddie Mac. Servicers must ensure that all firms retained for Freddie Mac Default Legal Matters report data required by Freddie Mac directly to Freddie Mac.

69.10: Reporting (02/03/16)

ARCHIVED VERSION

The Servicer must provide reports related to firm performance, management of foreclosure and bankruptcy processes, oversight of firm compliance and performance and other related matters as required by Freddie Mac.

Servicers must ensure that all firms retained for Freddie Mac Default Legal Matters report data required by Freddie Mac directly to Freddie Mac accurately and in the time frames prescribed. This includes daily reporting to Freddie Mac via a web-based attorney reporting system of key metrics such as:

- Milestones during the lifecycle of Freddie Mac Default Legal Matters
- Delays affecting prompt and efficient completion of the Freddie Mac Default Legal Matter
- Successful loss mitigation activities
- Litigation detail during the lifecycle of certain non-routine litigation matters
- Completion of the Freddie Mac Default Legal Matter

Key metrics generally must be reported to Freddie Mac within 24 hours of occurrence, unless otherwise prescribed in related training materials for the web-based attorney reporting system.

Related Guide Bulletins	Issue Date
Bulletin 2016-2	February 3, 2016

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69.11: Servicer monitoring and management of firm (06/01/13)

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ARCHIVED VERSION

The Servicer is responsible for managing and monitoring all aspects of the firm performance, providing necessary assistance to the firm relating to Freddie Mac Default Legal Matters, and for undertaking all activities required to protect Freddie Mac's interest in the Mortgage. The Servicer must also ensure that the firm is in compliance with applicable Freddie Mac requirements, and that the firm receives all training and documentation relating to applicable Freddie Mac requirements, either separately or as part of the Servicer's standard training.

(a) Compliance processes

The Servicer must develop and have in place policies and procedures regarding oversight and compliance of firms handling Freddie Mac Default Legal Matters. The Servicer must have policies and procedures reasonably designed to ensure that firms handling Freddie Mac Default Legal Matters are in compliance with the limited retention agreement, the applicable provisions of the Guide, and applicable law.

The Servicer's ongoing compliance monitoring must address the following minimum elements:

- Ongoing eligibility under the Firm Minimum Requirements specified in Section 69.3;
- Compliance with the limited retention agreement, including the fee and cost guidelines; and
- Firm performance and processes necessary to ensure Servicer's compliance with applicable Guide requirements

The Servicer must conduct periodic compliance reviews and training as appropriate. In determining the frequency of firm compliance reviews, the Servicer must consider the overall risk posed to Freddie Mac by the firm (legal, reputational, and financial), firm file volume, performance, any changes in staffing ratios or levels, any litigation against the firm alleging systemic issues, any media coverage regarding the firm and the prior results of any firm compliance reviews.

(b) Freddie Mac review of compliance process

Freddie Mac reserves the right to review the Servicer's compliance process. Freddie Mac may require Servicers to conduct additional compliance activities related to firms handling Freddie Mac Default Legal Matters, such as additional firm compliance reviews.

The Servicer must make available to Freddie Mac upon request the materials relating to its performance and compliance monitoring of firms handling Freddie Mac Default Legal Matters, including:

- Information regarding the scope and methodology of the Servicer's compliance monitoring;
- The schedule of firm compliance reviews conducted;
- The identity of any vendors used in the firm compliance reviews;
- All documentation from the firm compliance reviews; and
- All findings, reports or remediation plans resulting from the firm compliance reviews

In addition, Freddie Mac may require a Servicer to change the scope of its compliance process used to monitor firms handling Freddie Mac Mortgages.

(c) Freddie Mac right to audit firm

Freddie Mac also reserves the right to directly conduct firm audits and firm on-site visits as Freddie Mac deems necessary. Freddie Mac audits and visits may focus on items such as fee and cost compliance, Servicer compliance with Freddie Mac requirements, and high-risk issues, including compliance with applicable laws, reputational risk, unsatisfactory results of Servicer firm compliance reviews and conflicts of interest involving Freddie Mac-owned or guaranteed Mortgages.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.12: Escalation of issues to Freddie Mac (06/01/13)

69.12: Escalation of issues to Freddie Mac (06/01/13)

ARCHIVED VERSION

(a) Escalation of issues

The Servicer must notify Freddie Mac via e-mail (**see Directory 1**), within two Business Days of discovery or sooner if circumstances warrant, if the Servicer becomes aware of any issues or concerns relating to a firm (including a specific employee or vendor of a firm), or a Freddie Mac Default Legal Matter, including, but not limited to:

- Any information regarding a firm that may warrant a firm's suspension, termination or Servicer request to transfer Freddie Mac Default Legal Matters to another firm;
- Information suggesting legal or reputational risk posed by the firm such as bar complaints, sanctions, or litigation alleging systemic issues with the firm, firm attorney, or the firm's practices;
- Security incidents that compromise the security, confidentiality or integrity of "sensitive customer information" and that security incident is related to Freddie Mac-owned or guaranteed Mortgages (refer to Sections 6.2(c), and 53.8(b));
- Actual or alleged fraud on the part of the firm;
- Federal, State, or local governmental inquiries, including congressional inquiries, regarding a firm, Freddie Mac-owned or guaranteed Mortgages, or Freddie Mac or Servicer practices affecting Freddie Mac-owned or guaranteed Mortgages;
- Non-routine litigation (as described in Section 67.17);
- Media inquiries relating to Freddie Mac, a firm, or Freddie Mac-owned or guaranteed Mortgages;
- Volume or capacity issues with the firm;
- Breach of the limited retention agreement between the firm and Freddie Mac, or the contract between the firm and the Servicer;
- Legal matters such as regulatory updates and specific reporting on certain matters (e.g., transfer tax matters);
- Any systemic issues with the firm;
- Systemic Servicer issues related to file suspensions and foreclosure holds (e.g., failure to properly implement new statutory changes); and
- Any material change in the ownership, partnership, or organization of the firm after executing the limited retention agreement. Such notifications should include instances where a named partner leaves the firm or a major practice group separates from the firm.

(b) Procedures relating to issues and concerns

When a Servicer provides Freddie Mac notice of an issue requiring Freddie Mac's attention, the Servicer must designate in its e-mail one or more points of contact. Freddie Mac may request that the Servicer obtain additional information from the firm regarding the issue that was escalated to Freddie Mac, and the Servicer must promptly provide the requested information to Freddie Mac.

(c) Freddie Mac rights

Freddie Mac reserves the right to issue direction to Servicers and firms regarding escalated issues. Refer to Section 69.15 for more information about Freddie Mac's reservation of rights

(d) Escalated issue – confidential information

Any issue that is identified and escalated to or by Freddie Mac pursuant to this section (other than non-routine litigation) is considered to be "confidential information" as defined in Sections 2.16 and 53.3. The Servicer must comply with the requirements of such sections with respect to treatment of any escalated issue.

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.13: File transfers, termination and suspension of firms (02/03/16)

REVISION HISTORY 06/01/13 [HIDE]

REVISION NUMBER: 06012013 **DATE:** 06/01/2013
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

69.13: Termination and suspension of firms (Effective: 06/01/13)

ARCHIVED VERSION

(a) Servicer-directed suspension of referrals, Freddie Mac Default Legal Matter transfers and terminations

If a Servicer becomes aware of information regarding a firm's handling Freddie Mac Default Legal Matters that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters to another firm, and/or termination of the firm (such as for legal, reputational, or operational risk), the Servicer must:

- Notify Freddie Mac within two Business Days via e-mail (**see Directory 1**) or sooner if circumstances warrant, as set forth in Section 69.12; and
- Conduct due diligence with respect to the issue

If the Servicer intends to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, and/or terminate a firm, the Servicer must provide Freddie Mac with at least five Business Days' notice (**see Directory 1**) prior to implementing the decision. In addition, the Servicer must:

- Provide Freddie Mac with the implementation plan for the course of action chosen by the Servicer;
- Upon request, provide Freddie Mac with the reason for the decision and the due diligence materials or other information supporting the decision;
- Inform the firm of the decision; and
- Keep Freddie Mac periodically updated with respect to the status of implementation of the decision

Refer to Section 69.14 for additional information relating to implementation of terminations, transfer of Freddie Mac Default Legal Matters and suspensions.

(b) Freddie Mac-directed suspension of referrals, matter transfers and terminations

Freddie Mac may direct the Servicer to initiate an investigation of a firm if Freddie Mac becomes aware of information that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters, or termination of the firm. Freddie Mac also may conduct due diligence and investigations as necessary. Freddie Mac may instruct Servicers to suspend some or all referrals of new Freddie Mac Default Legal Matters, to transfer some or all existing Freddie Mac Default Legal Matters, or to terminate a firm.

In the event of a decision by Freddie Mac to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, or terminate a firm, Freddie Mac will:

- Inform the Servicer of the decision and provide direction with respect to required Servicer actions, including direction with respect to transfers of Freddie Mac Default Legal Matters;
- Inform the firm of the decision and provide direction to the firm with respect to required firm actions; and
- Terminate the limited retention agreement between Freddie Mac and the firm, as appropriate

(c) Documentation of due diligence review

The Servicer must maintain documentation of the due diligence review, the Servicer's decision, and all other information supporting the decision for a period of seven years after such decision.

69.13: File transfers, termination and suspension of firms (02/03/16)**ARCHIVED VERSION**

(a) Servicer-directed suspension of referrals, Freddie Mac Default Legal Matter transfers and terminations

If a Servicer becomes aware of information regarding a firm's handling Freddie Mac Default Legal Matters that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters to another firm, and/or termination of the firm (such as for legal, reputational, or operational risk), the Servicer must:

- Notify Freddie Mac within two Business Days via e-mail or sooner if circumstances warrant, as set forth in Section 69.12; and
- Conduct due diligence with respect to the issue

If the Servicer intends to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, and/or terminate a firm, the Servicer must provide Freddie Mac with at least five Business Days' notice (**see Directory 1**) prior to implementing the decision. In addition, the Servicer must:

- Provide Freddie Mac with the implementation plan for the course of action chosen by the Servicer;
- Upon request, provide Freddie Mac with the reason for the decision and the due diligence materials or other information supporting the decision;
- Inform the firm of the decision; and
- Keep Freddie Mac periodically updated with respect to the status of implementation of the decision

Refer to Section 69.14 for additional information relating to implementation of terminations, transfer of Freddie Mac Default Legal Matters and suspensions.

(b) Freddie Mac-directed suspension of referrals, matter transfers and terminations

Freddie Mac may direct the Servicer to initiate an investigation of a firm if Freddie Mac becomes aware of information that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters, or termination of the firm. Freddie Mac also may conduct due diligence and investigations as necessary. Freddie Mac may instruct Servicers to suspend some or all referrals of new Freddie Mac Default Legal Matters, to transfer some or all existing Freddie Mac Default Legal Matters, or to terminate a firm.

In the event of a decision by Freddie Mac to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, or terminate a firm, Freddie Mac will:

- Inform the Servicer of the decision and provide direction with respect to required Servicer actions, including direction with respect to transfers of Freddie Mac Default Legal Matters;
- Inform the firm of the decision and provide direction to the firm with respect to required firm actions; and
- Terminate the limited retention agreement between Freddie Mac and the firm, as appropriate

(c) Documentation of due diligence review

The Servicer must maintain documentation of the due diligence review, the Servicer's decision, and all other information supporting the decision for a period of seven years after such decision.

Related Guide Bulletins	Issue Date
Bulletin 2016-2	February 3, 2016

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.14: Implementing file transfers and/or the termination and suspension of firms (02/03/16)

REVISION HISTORY 06/01/13 [HIDE]

REVISION NUMBER: 06012013 **DATE:** 06/01/2013
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

69.14: Implementing the termination and suspension of firms (Effective: 06/01/13)

ARCHIVED VERSION

(a) Implementation plan

Prior to implementing any decision to terminate a contract with a firm, suspend referrals of new Freddie Mac Default Legal Matters and/or transfer Freddie Mac Default Legal Matters from a firm, the Servicer must develop an implementation plan which addresses:

- File transfers
- The capacity of other eligible firms in the State to handle additional Freddie Mac Default Legal Matters and/or transferred Freddie Mac Default Legal Matters
- Proration of fees and costs between the transferor and transferee firms
- Contract provisions during any transition period, including insurance; and
- Other issues as necessary

The implementation plan must take into account any legal, operational or reputational risks that may arise during the transition period, and must address these risks in the most cost-efficient and effective manner. Freddie Mac reserves the right to require the modification of the implementation plan, and provide additional Servicer requirements relating to the termination of any firm, the suspension of referrals of new Freddie Mac Default Legal Matters and the transfer of Freddie Mac Default Legal Matters.

(b) Servicer monitoring of implementation plan

The Servicer must take all necessary steps to ensure that the implementation plan proceeds in an orderly manner and that all Freddie Mac interests are protected during the implementation. Such steps include, but are not limited to:

- Transferring files relating to Freddie Mac Default Legal Matters to eligible firms;
- Addressing any issues arising from the transfer of files, the suspension of referrals and the termination of a firm;
- Reporting periodically to Freddie Mac on the status of the plan, including such details as how many files are transferred to each new firm, which new firms receive the files and the timing of transfers; and
- Such other details as requested by Freddie Mac

Servicers may not charge Freddie Mac or Borrowers for any fees or costs associated with transferring Freddie Mac Default Legal Matters, and such amounts may not be added to Borrower Mortgage balances.

(c) Freddie Mac's rights to manage termination, suspension and/or file transfers

Freddie Mac may decide, in its sole discretion, that the legal, operational or reputational risks necessitate Freddie Mac's management of the:

- Termination of any firm with respect to its handling of Freddie Mac Default Legal Matters;
- Suspension of referrals of Freddie Mac Default Legal Matters to a firm; and/or
- Transfers of files relating to Freddie Mac Default Legal Matters

In such case, the Servicer must cooperate with Freddie Mac in such management and provide all necessary documentation, files and information as requested by Freddie Mac.

69.14: Implementing file transfers and/or the termination and suspension of firms (02/03/16)**ARCHIVED VERSION**

(a) Implementation plan

Prior to implementing any decision to terminate a contract with a firm, suspend referrals of new Freddie Mac Default Legal Matters and/or transfer Freddie Mac Default Legal Matters from a firm, the Servicer must develop an implementation plan which addresses:

- File transfers
- The capacity of other eligible firms in the State to handle additional Freddie Mac Default Legal Matters and/or transferred Freddie Mac Default Legal Matters
- Proration of fees and costs between the transferor and transferee firms
- Contract provisions during any transition period, including insurance; and
- Other issues as necessary

The implementation plan must take into account any legal, operational or reputational risks that may arise during the transition period, and must address these risks in the most cost-efficient and effective manner. Freddie Mac reserves the right to require the modification of the implementation plan, and provide additional Servicer requirements relating to the termination of any firm, the suspension of referrals of new Freddie Mac Default Legal Matters and the transfer of Freddie Mac Default Legal Matters.

(b) Servicer monitoring of implementation plan

The Servicer must take all necessary steps to ensure that the implementation plan proceeds in an orderly manner and that all Freddie Mac interests are protected during the implementation. Such steps include, but are not limited to:

- Transferring files relating to Freddie Mac Default Legal Matters to eligible firms;
- Addressing any issues arising from the transfer of files, the suspension of referrals and the termination of a firm;
- Reporting periodically to Freddie Mac on the status of the plan, including such details as how many files are transferred to each new firm, which new firms receive the files and the timing of transfers; and
- Such other details as requested by Freddie Mac

Servicers may not charge Freddie Mac or Borrowers for any fees or costs associated with transferring Freddie Mac Default Legal Matters, and such amounts may not be added to Borrower Mortgage balances.

(c) Freddie Mac's rights to manage termination, suspension and/or file transfers

Freddie Mac may decide, in its sole discretion, that the legal, operational or reputational risks necessitate Freddie Mac's management of the:

- Termination of any firm with respect to its handling of Freddie Mac Default Legal Matters;
- Suspension of referrals of Freddie Mac Default Legal Matters to a firm; and/or
- Transfers of files relating to Freddie Mac Default Legal Matters

In such case, the Servicer must cooperate with Freddie Mac in such management and provide all necessary documentation, files and information as requested by Freddie Mac.

Related Guide Bulletins	Issue Date
Bulletin 2016-2	February 3, 2016

Freddie Mac Single Family/Archive of Single-Family Seller/Servicer Guide/Archive of Single-Family Seller/Servicer Guide Published as of the Date of the Last February 2016 Bulletin/Single-Family Seller/Servicer Guide, Volume 2/Chs. 63-A69: Servicing Nonperforming Mortgages/Chapter 69: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/69.15: Reservation of Rights and remedies for non-compliance (06/01/13)

69.15: Reservation of Rights and remedies for non-compliance (06/01/13)

ARCHIVED VERSION

Freddie Mac reserves the right to direct and control all litigation involving a Freddie Mac loan. The Servicer and firm handling the litigation must cooperate fully with Freddie Mac in the prosecution, defense or handling of the matter.

In addition, Freddie Mac reserves the right to:

1. Select the foreclosure counsel for a particular case, whether the case is routine or non-routine litigation;
2. Direct and manage the actions taken by the foreclosure counsel, on a case-by-case or individual State basis;
3. Assess additional compensatory fees against the Servicer and/or seek repayment of losses, costs or damages from the Servicer sustained due to errors, omissions or delays by the Servicer or its agent; and
4. Direct and manage the actions taken by Servicers and firms relating to escalated issues specified in Section 69.12

Remedies for non-compliance

If a Servicer fails to comply with the provisions under Chapter 69, Freddie Mac, in its sole discretion, and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents, reserves the right to:

- Refuse to reimburse the Servicer for any legal fees and costs;
- Offset the entire legal fee from future foreclosure expenses otherwise eligible for reimbursement from Freddie Mac or seek the Servicer's reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy;
- Require the Servicer to reimburse the firm or Freddie Mac for any prohibited payments or other financial benefits;
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with a firm with respect to products or services ancillary to a foreclosure or bankruptcy case;
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac-owned or guaranteed Mortgages;
- Seek Servicer repayment of losses, costs or damages sustained by Freddie Mac due to errors by the Servicer or its agent; and/or
- Require repurchase of impacted Mortgages

Related Guide Bulletins	Issue Date
Bulletin 2013-3	February 15, 2013

JA0281

Exhibit 7

Freddie Mac Single Family / Single-Family Seller/Service Guide / Single-Family Seller/Service Guide / Freddie Mac - Seller/Service Relationship / Series 1000: General Contract Terms / Topic 1100: The Guide / Chapter 1101: The Guide / 1101.2: Legal effect of the Guide and other Purchase Documents (12/12/18)

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016

DATE: 03/02/2016

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

**1101.2: Legal effect of the Guide and other Purchase Documents
(Effective: 03/02/16)**

(a) Status as a contract

JA0283

(i) Effect of the Guide and other Purchase Documents

The Guide governs the business relationship between a Seller/Servicer and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 1401, and is in compliance with all requirements of the Purchase Documents.

In connection with the sale of Mortgages to Freddie Mac, the Seller/Servicer agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.

A Seller/Servicer must service all Mortgages that the Seller/Servicer has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller/Servicer's Purchase Documents. All of a Seller/Servicer's obligations to service Mortgages for Freddie Mac are considered to constitute, and must be performed pursuant to a unitary, indivisible master Servicing contract, and the Servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac are deemed to be merged into, and must be performed pursuant to, such unitary, indivisible master Servicing contract.

A Seller/Servicer acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller/Servicer pursuant to any individual Purchase Contract is based upon the Seller/Servicer's agreement that the Mortgages purchased will be serviced by the Seller/Servicer pursuant to the unitary, indivisible master Servicing contract. The Seller/Servicer agrees that any failure to service any Mortgage in accordance with the terms of the unitary, indivisible master Servicing contract, or any breach of any of the Seller/Servicer's obligations under any aspect of the unitary, indivisible master Servicing contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the Servicing. The termination of a portion of the Servicing shall not alter the unitary, indivisible nature of the Servicing contract.

If a Servicer who services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the unitary, indivisible master Servicing contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

(ii) Amendments to the Guide

Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 1401. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Serviceers, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller/Serviceer that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the Guide. An amendment, supplement, revision or termination of a provision in the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 1501.2(d) for information about how amendments and supplements to the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

(iii) Publication of Guide and Bulletins

The Guide is posted on the AllRegs® web site of Ellie Mae, Inc., which operates the AllRegs brand ("AllRegs") and which posts the Guide under license from and with the express permission of Freddie Mac. AllRegs is the exclusive third-party electronic publisher of the Guide.

Seller/Service providers also can access the Guide on the AllRegs web site by using the link on FreddieMac.com.

Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site.

By using the web site, Seller/Service providers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor AllRegs shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and AllRegs expressly disclaims any warranty as to the results to be obtained by Seller/Service providers (and the entity for which Seller/Service providers access the Guide) from use of the AllRegs web site, and AllRegs shall not be liable to Seller/Service providers (and the entity for which Seller/Service providers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

Bulletins are published on AllRegs and FreddieMac.com. A Seller/Service provider with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller/Service provider does not receive notice of Bulletins through AllRegs, the Seller/Service provider must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Seller/Service provider of Bulletin publications. A Seller/Service provider's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller/Service provider of its legal obligations to comply with the terms of the Bulletins.

(iv) Effective Date

The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Reliance

By entering into a Purchase Contract or into the unitary, indivisible master Servicing contract with Freddie Mac, the Seller/Service provider acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the unitary, indivisible master Servicing contract.

(c) Assignments; security interests

A Seller/Servicer shall not, in whole or in part, assign, sell, convey, hypothecate, pledge or in any other way or transfer, conditionally or otherwise, or grant a security interest in, any of its obligations, rights or interest under any Purchase Contract or under the unitary, indivisible master Servicing contract, including any of its rights or obligations under this Guide or any of the Purchase Documents, without Freddie Mac's prior written consent. Any purported or attempted assignment or transfer of, or grant of a security interest in, any such obligations, rights or interest is prohibited and shall be null and void.

Freddie Mac has the unconditional right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its rights and interest under the Purchase Documents with respect to any Mortgage it purchases. Freddie Mac has the right to direct the Servicer to send remittances, notices, reports and other communications to any party designated by Freddie Mac and may designate any such party to exercise any and all of Freddie Mac's rights hereunder.

(d) Notice**(i) Seller/Servicer notices to Freddie Mac**

Except as otherwise provided in the Guide or other Purchase Documents, any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by the Seller/Servicer pursuant to the Purchase Documents must be in writing and will be deemed to have been duly given to and received by Freddie Mac on the day such communication, advice, consent, document, notice or direction is actually received by Freddie Mac at the address specified below:

Address: In writing to Freddie Mac (**see Directory 1**) by first class mail

Other addresses may be substituted for the above upon notice of the substitution.

(ii) Freddie Mac notices to Seller/Servicer

Any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by Freddie Mac pursuant to the Purchase Documents may be in writing or may be in electronic form in accordance with Chapter 1401. Such notice will be deemed to have been duly given to the Seller/Servicer on the date such communication, advice, consent, document, notice or direction is:

- Received in writing by first class mail by the Seller/Servicer at the address set forth in the Purchase Documents, or
- Received in electronic form (e-mail) as an Electronic Record by the Seller/Servicer's computer information processing system at its Internet e-mail address provided to Freddie Mac by the Seller/Servicer, or
- Received in electronic form (facsimile) as a Record or Electronic Record by the Seller/Servicer's electronic facsimile machine or system at the facsimile telephone number provided to Freddie Mac by the Seller/Servicer

Other addresses may be substituted for the above upon notice of the substitution.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Defined terms

Initial capitalization of words in the Guide generally denotes terms that are defined in (i) the Glossary, (ii) the chapter in which capitalized words appear, or (iii) an expressly referenced chapter.

(g) Construction of the Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(h) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller/Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.

(i) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller/Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

(j) Copyright

The Guide (including related supplements and Bulletins) and Industry Letters are copyrighted. Limited permission to reproduce the Guide is granted to Seller/Servicers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac (**see Directory 1**).

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

Freddie Mac reserves the right to revoke permission to reproduce the Guide upon 60 days' notice to any and all Seller/Servicers. Under no circumstances will Freddie Mac permit the Guide to be reproduced by any Electronic or mechanical means, including, but not limited to, reproduction in, or as a component of, any information storage and retrieval system.

(k) Headings and design features

Headings and design features are written for convenience of reference only and do not constitute a part of this Purchase Document.

1101.2: Legal effect of the Guide and other Purchase Documents (12/12/18)**(a) Status as a contract****(i) Effect of the Guide and other Purchase Documents**

The Guide governs the business relationship between a Seller/Servicer and Freddie Mac relating to the sale and Servicing of Mortgages. Each Seller/Servicer must complete and submit a Form 16SF, Annual Eligibility Certification Report, that certifies that the Seller/Servicer has access to the Electronic version of the Guide as an Electronic Record, as those terms are defined in Chapter 1401, and is in compliance with all requirements of the Purchase Documents.

In connection with the sale of Mortgages to Freddie Mac, the Seller/Servicer agrees that each transaction is governed by the Guide, the applicable Purchase Contract and all other Purchase Documents.

A Seller/Servicer must service all Mortgages that the Seller/Servicer has sold to Freddie Mac and/or has agreed to service for Freddie Mac in accordance with the standards set forth in the Seller/Servicer's Purchase Documents. All of a Seller/Servicer's obligations to service Mortgages for Freddie Mac constitute, and must be performed pursuant to the **Servicing Contract**, and the servicing obligations assumed pursuant to any contract to sell Mortgages to Freddie Mac merged into, and must be performed pursuant to, such Servicing Contract.

A Seller/Servicer acknowledges that Freddie Mac's agreement to purchase Mortgages from the Seller/Servicer pursuant to any individual Purchase Contract is based upon the Seller/Servicer's agreement that the Mortgages purchased will be serviced by the Seller/Servicer pursuant to the Servicing Contract. The Seller/Servicer agrees that any failure to service any Mortgage in accordance with the terms of the Servicing Contract, or any breach of any of the Seller/Servicer's obligations under any aspect of the Servicing Contract, shall be deemed to constitute a breach of the entire contract and shall entitle Freddie Mac to terminate all or a portion of the **Servicing Contract** and any related **Servicing Contract Rights**. The termination of a portion of the **Servicing Contract** shall not alter the unitary, indivisible nature of the Servicing Contract.

If a Servicer that services Mortgages for Freddie Mac is not also the Seller of the Mortgages to Freddie Mac, the Servicer must agree to service Mortgages for Freddie Mac by separate agreement, which incorporates the applicable Purchase Documents. In such case, the separate agreement shall be deemed to be one of the "Purchase Documents" that constitute the Servicing Contract.

In addition, in certain cases, a Seller and/or Servicer who uses certain Freddie Mac services will, by virtue of the provisions of the Guide, be deemed to have agreed upon certain terms and conditions related to such services and their use.

(ii) Amendments to the Guide

Freddie Mac may, in its sole discretion, amend or supplement the Guide from time to time. Amendments to the Guide may be a paper Record or an Electronic Record, as those terms are defined in Chapter 1401. The Guide may not be amended orally. Freddie Mac may amend the Guide by:

- Publishing Bulletins, which apply to all Sellers/Servicers, or
- Entering into a Purchase Contract or other written or Electronic agreement, which applies to the Seller/Servicer that is a party to the Purchase Contract or agreement

Bulletins expressly amend, supplement, revise or terminate specific provisions of the Guide. An amendment, supplement, revision or termination of a provision in the Guide is effective as of the date specified by Freddie Mac in the applicable Bulletin.

A Purchase Contract or other written agreement or Electronic agreement amends or supplements specific provisions of the Guide for purposes of such Purchase Contract or other agreement, as applicable. Such amendments or supplements to the Guide are effective as of the date specified in the Purchase Contract or other agreement. See Section 1501.2(d) for information about how amendments and supplements to the Guide amend or otherwise apply to a Seller's Purchase Contracts and other Purchase Documents.

See also Section 1301.9 relating to the Servicer's agreement to comply with any instruction, request or requirement issued by Freddie Mac and Section 9102.1(f) concerning Freddie Mac's right to impose on a Servicer additional Servicing requirements as Freddie Mac deems appropriate.

(iii) Publication of Guide and Bulletins

The Guide is posted on the AllRegs® web site of Ellie Mae, Inc., which operates the AllRegs brand ("AllRegs") and which posts the Guide under license from and with the express permission of Freddie Mac. AllRegs is the exclusive third-party electronic publisher of the Guide. Seller/Service providers also can access the Guide on the AllRegs web site by using the link on FreddieMac.com.

Freddie Mac makes no representation or warranty regarding availability, features or functionality of the AllRegs web site.

By using the web site, Seller/Service providers acknowledge and agree (individually and on behalf of the entity for which they access the Guide) neither Freddie Mac nor AllRegs shall be liable to them (or the entity for which they access the Guide) for any losses or damages whatsoever resulting directly or indirectly from Freddie Mac's designation of the Guide as found on the AllRegs web site as the official Electronic version, as an Electronic Record, and AllRegs expressly disclaims any warranty as to the results to be obtained by Seller/Service providers (and the entity for which Seller/Service providers access the Guide) from use of the AllRegs web site, and AllRegs shall not be liable to Seller/Service providers (and the entity for which Seller/Service providers access the Guide) for any damages arising directly or indirectly out of the use of the AllRegs web site by them (and the entity for which they access the Guide).

Bulletins are published on AllRegs and FreddieMac.com. A Seller/Service provider with an AllRegs subscription may receive notice of Bulletins directly from AllRegs. If a Seller/Service provider does not receive notice of Bulletins through AllRegs, the Seller/Service provider must take the steps necessary to receive the applicable Freddie Mac Single-Family Update e-mails, which will notify Seller/Service provider of Bulletin publications. A Seller/Service provider's failure to take the appropriate steps to receive notices of Bulletins does not relieve the Seller/Service provider of its legal obligations to comply with the terms of the Bulletins.

(iv) Effective Date

The effective date of each section of the Guide is located at the beginning of each section, to the right of the section number and name.

(b) Reliance

By entering into a Purchase Contract or into the Servicing Contract with Freddie Mac, the Seller/Service provider acknowledges that it is not relying upon Freddie Mac or any employee, agent or representative thereof, in making its decision to enter into the contract and that it has relied upon the advice and counsel of its own employees, agents and representatives as to the regulatory, business, corporate, tax, accounting and other consequences of entering into and performing its obligations under a Purchase Contract or the Servicing Contract.

(c) Assignments; security interests

For purposes of this subsection (c), the following terms have the prescribed meanings set forth in Exhibit 33, Acknowledgment Agreement Incorporated Provisions:

- Collateral
- Conveyance
- Covered Mortgages
- Financing
- Financing Documents

- Secured Party
- UCC

(i) General prohibition

A Seller/Servicer shall not enter into a Conveyance agreement or otherwise complete a Conveyance without Freddie Mac's prior written consent. Any purported or attempted Conveyance without Freddie Mac's prior written consent is prohibited and shall be null and void.

(ii) Servicer request for Freddie Mac's consent to a Conveyance

Notwithstanding the provisions of subsection (c)(i) above, Freddie Mac may consent to a Servicer's grant to one or more of its Secured Parties of a security interest under the UCC in the Servicing Contract Rights associated with identified Mortgages that it services for Freddie Mac. A Servicer may send an e-mail to Freddie Mac (**see Directory 1**) to request Freddie Mac's consent to a Conveyance, a copy of Freddie Mac's acknowledgment agreement applicable to such Conveyance and any additional Freddie Mac instructions for completing and executing the acknowledgment agreement, provided it includes the following information with its request:

- The purpose of the Financing
- A term sheet or draft Financing Documents; and
- Identification of the Covered Mortgages (e.g., all loans serviced under one or more Seller/Servicer number(s), a loan list that includes the Freddie Mac loan number, Servicer loan number and Seller/Servicer number for each loan in either CSV format or as an MS Excel[®] spreadsheet, etc.)

Freddie Mac reserves the right to request additional information and documents from the Servicer and its proposed Secured Party concerning the terms and conditions of the Financing. Freddie Mac may require revisions to the Financing Documents and other elements of the Financing as a condition to its consent to the proposed Financing.

For an overview of the operational process related to requesting and obtaining Freddie Mac's consent to a Conveyance, Servicers should review the *Financing Freddie Mac Servicing Contract Rights – Process Overview* available at <http://www.freddiemac.com/learn/service/index.html>.

(iii) Freddie Mac consent to a Conveyance

If Freddie Mac consents to a Conveyance, it will indicate its consent only by executing a tri-party Acknowledgment Agreement, which also must be executed by the Servicer and its Secured Party, in a form and substance acceptable to Freddie Mac. All Acknowledgment Agreements must include the following language:

This Acknowledgment Agreement incorporates the provisions of Section 1101.2(c)(iii) and the provisions of Guide Exhibit 33 by reference and such provisions are a substantive contractual part of this Acknowledgment Agreement such that the Servicer and the Secured Party expressly agree to be bound by the terms and conditions set forth in Guide Section 1101.2(c)(iii) and Guide Exhibit 33.

A Servicer's grant to a Secured Party of a security interest in the Servicing Contract Rights, as more specifically defined in the Acknowledgment Agreement, (i) is subject and subordinate in each and every respect to all rights, powers, and prerogatives of Freddie Mac, and (ii) may be made only for a purpose as set forth in Exhibit 33 and any other purpose as specified in the Freddie Mac Acknowledgment Agreement provided to the Servicer. Any purported or attempted grant of a security interest in any other rights or interest of the Servicer under the Servicing Contract, or for the purpose of securing any other type of obligation, is prohibited and shall be null and void. In addition, a Servicer's purported or attempted grant to a lender of a security interest in the Servicing Contract Rights without the Servicer and the lender also having executed an Acknowledgment Agreement acceptable to, and executed by, Freddie Mac is prohibited and shall be null and void.

The Collateral encumbered by the Secured Party's security interest must not include (i) servicing advance reimbursement rights, (ii) Borrower payments of principal, interest, or Escrow Funds, (iii) the right to perform Servicing, (iv) the right to designate who may perform the Servicing, (v) the right to terminate the Servicer or the Servicing Contract, or (vi) the right to transfer any of the Collateral. No Financing transaction shall be construed as a division of the Servicing Contract Rights.

A Servicer may make a separate request to Freddie Mac for consent to enter into a financing transaction secured by advance reimbursement rights.

(iv) Unauthorized Conveyances

Any unauthorized Conveyance constitutes grounds for suspension (to the extent such Secured Party is a Freddie Mac Seller/Servicer) or disqualification of both the Seller/Servicer and the purported Secured Party as Seller/Servicers. In addition, Freddie Mac may exercise any of its other rights under the Purchase Documents. An unauthorized Servicer's Conveyance without Freddie Mac's written consent as set forth in an Acknowledgment Agreement consistent with the requirements of this section and Exhibit 33 will result in the assessment of a compensatory fee determined by Freddie Mac not to exceed 1% of Freddie Mac's share of the UPB of the Mortgages that were related to the unauthorized Conveyance. The imposition of this compensatory fee does not limit Freddie Mac's rights to exercise any of its other rights under the Purchase Documents including, but not limited to, suspension (to the extent such Secured Party is a Freddie Mac Seller/Servicer) or disqualification of both the Seller/Servicer and its purported Secured Party as Seller/Servicers. If an unauthorized Conveyance occurs, the Servicer and purported Secured Party, to the extent such Secured Party is a Freddie Mac Seller/Servicer, are jointly and severally liable to Freddie Mac with respect to any losses, costs and damages (including, but not limited to, attorney fees and related court and legal costs) incurred by Freddie Mac arising out of or related to the unauthorized Conveyance. In the event that the Secured Party involved in an unauthorized Conveyance is not a Freddie Mac Seller/Servicer, Freddie Mac reserves the right to add such Secured Party to the Freddie Mac Exclusionary List per Section 3101.1.

(v) Freddie Mac's rights to assign its rights and interests

Freddie Mac has the unconditional right to sell, assign, convey, hypothecate, pledge or in any way transfer, in whole or in part, its rights and interest under the Purchase Documents with respect to any Mortgage it purchases. Freddie Mac has the right to direct the Servicer to send remittances, notices, reports and other communications to any party designated by Freddie Mac and may designate any such party to exercise any and all of Freddie Mac's rights hereunder.

(d) Notice**(i) Seller/Servicer notices to Freddie Mac**

Except as otherwise provided in the Guide or other Purchase Documents, any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by the Seller/Servicer pursuant to the Purchase Documents must be in writing and will be deemed to have been duly given to and received by Freddie Mac on the day such communication, advice, consent, document, notice or direction is actually received by Freddie Mac at the address specified below:

Address: In writing to Freddie Mac **(see Directory 1)** by first class mail

Other addresses may be substituted for the above upon notice of the substitution.

(ii) Freddie Mac notices to Seller/Servicer

Any communication, advice, consent, document, notice or direction given, made, sent or withdrawn by Freddie Mac pursuant to the Purchase Documents may be in writing or may be in electronic form in accordance with Chapter 1401. Such notice will be deemed to have been duly given to the Seller/Servicer on the date such communication, advice, consent, document, notice or direction is:

- Received in writing by first class mail by the Seller/Servicer at the address set forth in the Purchase Documents, or
- Received in electronic form (e-mail) as an Electronic Record by the Seller/Servicer's computer information processing system at its Internet e-mail address provided to Freddie Mac by the Seller/Servicer, or
- Received in electronic form (facsimile) as a Record or Electronic Record by the Seller/Servicer's electronic facsimile machine or system at the facsimile telephone number provided to Freddie Mac by the Seller/Servicer

Other addresses may be substituted for the above upon notice of the substitution.

(e) Severability

If any provision of this Guide shall be held invalid, the legality and enforceability of all remaining provisions shall not in any way be affected or impaired thereby, and this Guide shall be interpreted as if such invalid provision were not contained herein.

(f) Defined terms

Initial capitalization of words in the Guide generally denotes terms that are defined in (i) the Glossary, (ii) the chapter in which capitalized words appear, or (iii) an expressly referenced chapter.

(g) Construction of the Guide

This Guide shall not be construed against Freddie Mac as being the drafter hereof.

(h) Entire agreement

This Guide, including the exhibits attached to the Guide and all Purchase Documents incorporated by reference in the Guide, constitutes the entire understanding between Freddie Mac and the Seller/Servicer and supersedes all other agreements, covenants, representations, warranties, understandings and communications between the parties, whether oral or written or Electronic, with respect to the transactions contemplated by the Guide.

(i) Governing law

This Guide shall be construed, and the rights and obligations of Freddie Mac and the Seller/Servicer hereunder determined, in accordance with the laws of the United States. Insofar as there may be no applicable precedent, and insofar as to do so would not frustrate any provision of this Guide or the transactions governed thereby, the laws of the State of New York shall be deemed reflective of the laws of the United States.

(j) Copyright

The Guide (including related supplements and Bulletins) and Industry Letters are copyrighted. Limited permission to reproduce the Guide is granted to Seller/Servicers strictly for their own use in originating and selling Mortgages to, and in Servicing Mortgages for, Freddie Mac. No part of the Guide may be reproduced for any other reason (in any form or by any means) without the express written permission of Freddie Mac. Requests for such permission to reproduce the Guide must be sent to Freddie Mac **(see Directory 1)**.

Requests will be reviewed and answered by Freddie Mac in the ordinary course of business.

Freddie Mac reserves the right to revoke permission to reproduce the Guide upon 60 days' notice to any and all Seller/Servicers. Under no circumstances will Freddie Mac permit the Guide to be reproduced by any Electronic or mechanical means, including, but not limited to, reproduction in, or as a component of, any information storage and retrieval system.

(k) Headings and design features

Headings and design features are written for convenience of reference only and do not constitute a part of this Purchase Document.

Related Guide Bulletins	Issue Date
Bulletin 2018-26	December 12, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 1000: General Contract Terms / Topic 1200: General Freddie Mac Policies / Chapter 1201: General Freddie Mac Policies / 1201.9: The Mortgage file, Mortgage data and related records (03/02/16)

1201.9: The Mortgage file, Mortgage data and related records (03/02/16)

(a) Ownership

All documents in the Mortgage file, all data related to Mortgages owned or guaranteed by Freddie Mac to which the Servicer obtains access in connection with any agreement with Freddie Mac, including, without limitation, data in the documents in the Mortgage file (collectively, Mortgage data) and all other documents and records related to the Mortgage of whatever kind or description (whether prepared or originated by the Servicer or others, or whether prepared or maintained or held by the Servicer or others acting for and on behalf of the Servicer), including all current and historical computerized data files, will be, and will remain at all times, the property of Freddie Mac. All of these records and Mortgage data in the possession of the Servicer are retained by the Servicer in a custodial capacity only.

(b) Permitted use of Mortgage data

The Servicer may use these records and Mortgage data only for the following purposes:

- Servicing Mortgages (and, in compliance with the provisions of the Guide, retaining subservicers to service Mortgages) on behalf of, and in the interest of, Freddie Mac
- As background information for the Servicer's use related to marketing or cross-selling of the Servicer's own primary market products and services in compliance with applicable laws, provided that such marketing and cross-selling does not involve disclosure of these records or Mortgage data to any third parties, other than vendors assisting the Servicer in its marketing activities who are themselves bound by these requirements
- As necessary to enable a vendor to provide analytic services to the Servicer with respect to the Servicer's Servicing portfolio, for the Servicer's internal use only, provided the vendor is bound by these requirements, and
- As necessary to enable the Servicer to comply with its obligations under applicable law including, without limitation, any disclosures required in connection with audits by regulatory agencies with jurisdiction over the Servicer's operations

Except as expressly authorized by Freddie Mac in writing, Servicers may not use or disclose, or authorize or permit third parties to use or disclose, these records or Mortgage data for any other purpose, including, without limitation, resale or licensing of Mortgage data, either alone or with other data. See Section 8101.8, for additional requirements related to confidentiality.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 1000: General Contract Terms / Topic 1300: General Responsibilities of the Seller/Servicer / Chapter 1301: General Responsibilities of the Seller/Servicer / 1301.10: Survival of warranties; remedies (03/02/16)

1301.10: Survival of warranties; remedies (03/02/16)

The warranties and representations in the Purchase Documents for any Mortgage purchased by Freddie Mac survive payment of the purchase price by Freddie Mac. The warranties and representations are not affected by any investigation made by, or on behalf of, Freddie Mac, except when expressly waived in writing by Freddie Mac.

When any party has purchased a Mortgage from Freddie Mac that Freddie Mac previously purchased from a Seller, Freddie Mac may exercise any rights or remedies at law or in equity on behalf of the party to the extent that the party does not affirmatively do so. Freddie Mac may also exercise its discretion to disqualify or suspend a Seller or a Servicer pursuant to Chapter 2301 or Section 9102.1.

For each Mortgage purchased by Freddie Mac, the Seller and the Servicer agree that Freddie Mac may, at any time and without limitation, require the Seller or the Servicer, at the Seller's or the Servicer's expense, to make such endorsements to and assignments and recordations of any of the Mortgage documents so as to reflect the interests of Freddie Mac and/or its successors and assigns.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Freddie Mac - Seller/Servicer Relationship / Series 3000: Risk Management and Remedies / Topic 3300: Mortgage File Contents and Retention / Chapter 3302: Mortgage File Retention / 3302.5: Transfer of file custody; security of file information (03/02/16)

3302.5: Transfer of file custody; security of file information (03/02/16)

Freddie Mac may at any time require the Servicer to deliver the following documents to a Document Custodian approved by Freddie Mac or a transferee designated by Freddie Mac:

- Any original Note, Security Instrument, assignment and modifying instrument still in the Servicer's custody
- Any Mortgage file, document within a Mortgage file or other related documents and records in the Servicer's or its Document Custodian's custody, whether maintained as originals or as copies in accordance with Section 3302.2

The Servicer may, without Freddie Mac's prior approval, entrust custody of all or part of the Mortgage file to the Document Custodian holding Notes and assignments under Section 2202.2. When requested, the Servicer must be able to identify to Freddie Mac those file items held by the Document Custodian and document to Freddie Mac the Document Custodian's acknowledgment that such file items:

- Are Freddie Mac's property
- Will be maintained by the Document Custodian according to standards at least equal to those set in this chapter
- Will be maintained in such a way as to ensure the security and confidentiality of the information; protect against anticipated threats or hazards to the security or integrity of the information; and protect against unauthorized access to or use of such information
- Will be surrendered to Freddie Mac at any time Freddie Mac may request them

The Servicer agrees to indemnify Freddie Mac and hold Freddie Mac harmless for any loss, damage or expense (including court costs and reasonable attorney fees) that Freddie Mac may incur as a result of the Document Custodian's holding all or part of the Mortgage file.

The Servicer must maintain a copy (in a form allowable under Section 3302.2) of any original document that has been entrusted to the Document Custodian for safekeeping. If all or part of the Mortgage file is held by the Servicer's Document Custodian, the Servicer agrees to recover from the Document Custodian (at the Servicer's expense) and provide to Freddie Mac (at the place and within the time frame specified by Freddie Mac) any Document Custodian-held original document requested by Freddie Mac for the postfunding quality control detailed in Chapter 3301 or in conjunction with a Freddie Mac desktop or on-site review of the Servicer's Servicing operations.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Selling / Series 6000: Selling and Delivery / Topic 6300: Delivery of All Mortgages / Chapter 6301: Documentation Delivery / 6301.6: Assignment of Security Instrument (10/09/17)

6301.6: Assignment of Security Instrument (10/09/17)

The Seller/Servicer is not required to prepare an assignment of the Security Instrument to Freddie Mac. However, Freddie Mac may, at its sole discretion and at any time, require a Seller/Servicer, at the Seller/Servicer's expense, to prepare, execute and/or record assignments of the Security Instrument to Freddie Mac.

If an assignment of the Security Instrument to Freddie Mac has been prepared, the Seller/Servicer must not record it unless directed to do so by Freddie Mac. Any statement in the assignment to the effect that the assignment is made without recourse will in no way affect the Seller/Servicer's repurchase obligations under the Purchase Documents.

For transfer or assignment of Freddie Mac's interest in the Mortgage, the Seller/Servicer shall prepare at its own expense any assignment necessary to transfer the Security Instrument to Freddie Mac's assignee, designee or transferee.

Intervening Assignments must be prepared in accordance with the requirements of this section.

NOTE: Special provisions for preparing assignments for Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancelation of the certificate of title are set forth in Section 5703.7(c), paragraph 3. Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancelation of the certificate of title may not be registered with MERS®.

(a) Mortgages not registered with MERS

For a Mortgage not registered with MERS, the Seller/Servicer must ensure that the chain of assignments is complete and recorded from the original mortgagee on the Security Instrument to the Seller. If the Seller concurrently or subsequently transfers the Servicing, an assignment to the new Servicer must be completed and recorded where required, thus keeping the chain complete.

If a State does not accept assignments for recordation, the Seller must so state in an affidavit maintained with the unrecorded assignment.

(b) Mortgages registered with MERS

For a Mortgage registered with MERS, if MERS is not the original mortgagee of record, the Seller/Servicer must ensure that:

- An assignment of the Security Instrument to MERS has been prepared, duly executed and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns. Mortgages subsequently assigned to MERS in the States of Montana, Oregon and Washington are not eligible for sale to Freddie Mac.
- The chain of assignments is complete and recorded from the original mortgagee to MERS

If the Seller/Servicer concurrently or subsequently transfers the Servicing of a Mortgage registered with MERS, no further assignments are required if the Transferee Servicer is a MERS Member. If the Transferee Servicer is not a MERS Member, or if the Mortgage has not been, or is no longer, registered with MERS, the Seller/Servicer must complete the assignments in accordance with the requirements in Section 6301.6(a).

(c) Mortgages registered with MERS naming MERS as original mortgagee of record

No assignments are required for a Mortgage registered with MERS if:

- The Mortgage is originated naming MERS as the original mortgagee of record, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns, and
- The Seller/Servicer has ensured that the Security Instrument is properly executed, acknowledged, delivered and recorded in all places necessary to perfect a First Lien security interest in the Mortgaged Premises in favor of MERS, solely as nominee for the lender named in the Security Instrument and the Note, and the lender's successors and assigns

(d) Concurrent Transfers of Servicing

If the Mortgage is registered with MERS, and the Transferee Servicer is not a MERS Member, then the requirements for Mortgages not registered with MERS must be followed.

For a Concurrent Transfer of Servicing when a Mortgage is registered with MERS:

- The Seller must notify MERS of the Transfer of Servicing and reflect such Transfer of Servicing on the MERS System
- The Transferee Servicer must follow the document custodial procedures in Section 7101.9, and deliver the assignments to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2, unless the Transferee Servicer has elected to retain all assignments for MERS-registered Mortgages in the Mortgage files. The Transferee Servicer must also supply its Document Custodian with any documentation necessary for the Document Custodian to determine whether the Seller/Servicer has elected to hold all assignments in the Mortgage files.

For a Concurrent Transfer of Servicing when a Mortgage is not registered with MERS:

- The Seller must record any Intervening Assignments to complete the chain of assignments from the original mortgagee to the Seller, in accordance with Section 6301.6(a)
- The Seller must then assign the Security Instruments to the Transferee Servicer and record the assignments
- The Transferee Servicer must follow the document custodial procedures set forth in Section 7101.9, and deliver the assignments to the Transferee Document Custodian, to be verified and certified in accordance with the requirements of Section 6304.2

Special provisions for Concurrent Transfers of Servicing of Mortgages secured by Manufactured Homes located in certificate of title States where there is no provision for surrender and cancelation of the certificate of title are set forth in Section 5703.7 (c), paragraph 3.

Related Guide Bulletins	Issue Date
Bulletin 2017-10	July 12, 2017

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 7000: Transfers of Servicing / Topic 7100: Transfers of Servicing / Chapter 7101: Transfers of Servicing and Intra-Servicer Portfolio Moves / 7101.6: Endorsement of Notes and assignment of Security Instruments related to Transfers of Servicing (08/13/18)

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016

DATE: 03/02/2016

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

7101.6: Endorsement of Notes and assignment of Security Instruments related to Transfers of Servicing (Effective: 03/02/16)

When a Mortgage is sold to Freddie Mac, the Seller must endorse the Note in blank in accordance with Section 6301.3. When a Transfer of Servicing occurs, the Transferor Servicer may not complete the blank endorsement or further endorse the Note, but must prepare and complete assignments according to the following requirements:

(a) Concurrent Transfer of Servicing for a Mortgage not registered with MERS®

To prepare and complete assignment of the Security Instrument for a Concurrent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Record any Intervening Assignments to complete the chain of assignments to it from the original mortgagee, in accordance with Section 6301.6(a)
- Assign the Security Instruments to the Transferee Servicer, and record the assignment
- Follow the document custodial procedures set forth in Section 7101.9 and deliver the assignment to the Transferee Document Custodian to be verified in accordance with the requirements of Section 6304.2

See Section 6301.6(a) for additional information.

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(b) Concurrent Transfer of Servicing for a Mortgage registered with MERS

To prepare and complete an assignment of the Security Instrument for a Concurrent Transfer of Servicing of a Mortgage that is registered with MERS:

- If the **Transferee Servicer is a MERS Member**, no further assignment is needed. The Transferor Servicer must notify MERS of the Transfer of Servicing.
- If the **Transferee Servicer is not a MERS Member**, then for a Concurrent Transfer of Servicing:
 - The Transferor Servicer must prepare and record an assignment of the Security Instrument (on behalf of MERS) from MERS to the Transferee Servicer
 - The Transferor Servicer must follow the document custodial procedures set forth in Section 7101.9, and deliver the assignment to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

See Section 6301.6(b) for additional information.

(c) Subsequent Transfer of Servicing for a Mortgage not registered with MERS

To prepare and complete an assignment of a Security Instrument for a Subsequent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Recover and destroy any original unrecorded assignments to Freddie Mac that may have been prepared
- Assign the Security Instrument to the Transferee Servicer and record the assignment
- Follow the document custody procedures set forth in Section 7101.9, and deliver assignment(s) to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

If an original assignment to Freddie Mac was recorded, no additional assignment need be made.

7101.6: Endorsement of Notes and assignment of Security Instruments related to Transfers of Servicing (08/13/18)

When a Mortgage is sold to Freddie Mac, the Seller must endorse the Note in blank in accordance with Section 6301.3. When a Transfer of Servicing occurs, the Transferor Servicer may not complete the blank endorsement or further endorse the Note, but must prepare and complete assignments according to the following requirements:

(a) Concurrent Transfer of Servicing for a Mortgage not registered with MERS®

To prepare and complete assignment of the Security Instrument for a Concurrent Transfer of Servicing for a Mortgage not registered with MERS, the Transferor Servicer must:

- Record any Intervening Assignments to complete the chain of assignments to it from the original mortgagee, in accordance with Section 6301.6(a)
- Assign the Security Instruments to the Transferee Servicer, and record the assignment
- Follow the document custodial procedures set forth in Section 7101.9 and deliver the assignment to the Transferee Servicer's Document Custodian to be verified in accordance with the requirements of Section 6304.2

See Section 6301.6(a) for additional information.

(b) Concurrent Transfer of Servicing for a Mortgage registered with MERS

To prepare and complete an assignment of the Security Instrument for a Concurrent Transfer of Servicing of a Mortgage that is registered with MERS:

- If the **Transferee Servicer is a MERS Member**, no further assignment is needed. The Transferor Servicer must notify MERS of the Transfer of Servicing.
- If the **Transferee Servicer is not a MERS Member**, then for a Concurrent Transfer of Servicing:
 - The Transferor Servicer must prepare and record an assignment of the Security Instrument (on behalf of MERS) from MERS to the Transferee Servicer
 - The Transferor Servicer must follow the document custodial procedures set forth in Section 7101.9, and deliver the assignment to the Transferee Servicer's Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

See Section 6301.6(b) for additional information.

(c) Subsequent Transfer of Servicing for a Mortgage not registered with MERS

To prepare and complete an assignment of a Security Instrument for a Mortgage related to a Subsequent Transfer of Servicing if that Mortgage is not registered with MERS, the Transferor Servicer must:

- Recover and destroy any original unrecorded assignments to Freddie Mac that may have been prepared
- Assign the Security Instrument to the Transferee Servicer and record the assignment
- Follow the document custody procedures set forth in Section 7101.9, and deliver assignment(s) to the Transferee Document Custodian to be verified and certified in accordance with the requirements of Section 6304.2

If the most recent assignment of the Security Instrument is to Freddie Mac and was recorded, the Transferor Servicer may not prepare an assignment to the Transferee Servicer.

Related Guide Bulletins	Issue Date
Bulletin 2018-11	July 6, 2018
Bulletin 2018-6	April 11, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 7000: Transfers of Servicing / Topic 7100: Transfers of Servicing / Chapter 7101: Transfers of Servicing and Intra-Servicer Portfolio Moves / 7101.15: Liabilities of the Transferor Servicer and Transferee Servicer (08/13/18)

REVISION HISTORY 06/27/18 [HIDE]

REVISION NUMBER: 06272018

DATE: 06/27/2018

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

7101.15: Liabilities of the Transferor Servicer and Transferee Servicer (Effective: 06/27/18)

JA0306

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer is liable to Freddie Mac for all sale and Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their responsibilities, representations, covenants and warranties with respect to the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

For Mortgages sold through Gold Cash Xtra[®] and Cash-Released XChangeSM, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages for which Servicing is transferred. The Transferee Servicer is liable to Freddie Mac for all servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages for which Servicing is transferred. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages for which Servicing is transferred; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, but the Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the subsequent Transferor Servicer or any prior Servicer of their responsibilities, representations, covenants and warranties with respect to Servicing of the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

Note: For provisions applicable to the concurrent transfer of servicing rights of Mortgages sold to Freddie Mac through Gold Cash Xtra, see Exhibit 28, Loan Servicing Purchase and Sale Agreement.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 7101.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

The Transferee Servicer hereby agrees to service the Mortgages in accordance with the terms of the unitary, indivisible master Servicing contract comprising the Guide, applicable Bulletins, applicable users' guides and any other applicable Purchase Documents, all of which are fully incorporated herein by reference.

Related Guide Bulletins	Issue Date
Bulletin 2018-10	June 27, 2018

REVISION HISTORY 03/02/16 [HIDE]**REVISION NUMBER:** 03022016**DATE:** 03/02/2016**REVISION REMARKS:** THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.**7101.15: Liabilities of the Transferor Servicer and Transferee Servicer (Effective: 03/02/16)**

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer is liable to Freddie Mac for all sale and Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their responsibilities, representations, covenants and warranties with respect to the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

For Mortgages sold through Gold Cash Xtra[®] and the Servicing Released Sales Process, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages for which Servicing is transferred. The Transferee Servicer is liable to Freddie Mac for all servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages for which Servicing is transferred. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages for which Servicing is transferred; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing responsibilities, representations, covenants and warranties in the Purchase Documents with respect to the Mortgages and REO for which Servicing is transferred, but the Transferee Servicer's assumption of responsibilities, representations, covenants and warranties upon transfer does not release the subsequent Transferor Servicer or any prior Servicer of their responsibilities, representations, covenants and warranties with respect to Servicing of the transferred Mortgages, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects after the effective date of its transfer and based in all respects upon the actions or omissions of later Transferee Servicers.

Note: For provisions applicable to the concurrent transfer of servicing rights of Mortgages sold to Freddie Mac through Gold Cash Xtra, see Exhibit 28, Loan Servicing Purchase and Sale Agreement.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 7101.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

The Transferee Servicer hereby agrees to service the Mortgages in accordance with the terms of the unitary, indivisible master Servicing contract comprising the Guide, applicable Bulletins, applicable users' guides and any other applicable Purchase Documents, all of which are fully incorporated herein by reference.

**7101.15: Liabilities of the Transferor Servicer and Transferee Servicer
(08/13/18)****JA0310**

(a) Warranties

Except as stated in the following paragraph, for Transfer of Servicing requests received by Freddie Mac, the Transferee Servicer, by electronically signing the Agreement for Subsequent Transfer of Servicing of Single-Family Mortgages ("STOS Agreement") in the Freddie Mac Service Loans application, is liable to Freddie Mac for all Seller and any prior Servicer's duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities in the Purchase Documents with respect to the Mortgages related to the Transfer of Servicing as set forth in the Final Mortgage List (as defined in Section 7101.2(b)) in the Service Loans application, whether or not the Transferor Servicer had such liability. The Transferee Servicer's assumption of such rights, duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities upon the Effective Date of Transfer does not release the Transferor Servicer, any prior Servicer, or the original Seller of their duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities with respect to the Mortgages and REO related to the Transfer of Servicing, all such parties' liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations occurring in all respects on or after the Effective Date of Transfer and based solely and directly upon the actions or omissions of later Transferee Servicers.

Mortgages sold through Gold Cash Xtra[®] and Cash-Released XChangeSM that are related to a Concurrent Transfer of Servicing

For Mortgages sold through Gold Cash Xtra[®] and Cash-Released XChangeSM, the Seller remains solely liable to Freddie Mac for all sale representations, covenants and warranties in the Purchase Documents (sale representations and warranties) with respect to the Mortgages related to the Transfer of Servicing. The Transferee Servicer is liable to Freddie Mac for all Servicing duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities in the Purchase Documents with respect to the Mortgages related to the Transfer of Servicing. For subsequent Transfers of Servicing of such Mortgages:

- The Seller Transferor remains solely liable to Freddie Mac for all sale representations and warranties with respect to the Mortgages related to the Transfer of Servicing; and
- The subsequent Transferee Servicer is liable to Freddie Mac for all Servicing duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities in the Purchase Documents with respect to the Mortgages and REO related to the Transfer of Servicing, but the Transferee Servicer's assumption of these duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities upon the Effective Date of Transfer does not release the subsequent Transferor Servicer or any prior Servicer of their duties, obligations, responsibilities, representations, covenants, warranties, agreements and related liabilities with respect to the Mortgages related to the Transfer of Servicing, their liability being joint and several with the Transferee Servicer. However, a Transferor Servicer does not assume such liability for Servicing violations committed by the Transferee Servicer or any subsequent Transferee Servicer occurring in all respects after the Effective Date of Transfer and based solely and directly upon the actions or omissions of later Transferee Servicers.

Note: For provisions applicable to the Concurrent Transfer of Servicing rights of Mortgages sold to Freddie Mac through Gold Cash Xtra, see Exhibit 28, Loan Servicing Purchase and Sale Agreement.

(b) Hold harmless

The Transferor Servicer and the Transferee Servicer, jointly and severally, fully indemnify and agree to hold Freddie Mac, its successors and assigns, harmless from and against any and all losses, claims, demands, actions, suits, damages, costs and expenses (including reasonable attorney fees) of every nature and character that may arise or be made against or be incurred by Freddie Mac as a result of the Transferor Servicer's or the Transferee Servicer's failure to comply with applicable law or failure to comply with Freddie Mac's Servicing requirements as set forth in the Purchase Documents, including, but not limited to failure to provide the notices required by Section 7101.14, failure to make any payment to the appropriate parties for which Escrow is collected and failure to credit properly any payments received from Borrowers.

(c) Servicing

By electronically signing the STOS Agreement, the Transferee Servicer agrees to service the Mortgages set forth in the Final Mortgage List in the Service Loans application in accordance with the terms of the Servicing Contract.

Related Guide Bulletins	Issue Date
Bulletin 2018-11	July 6, 2018
Bulletin 2018-10	June 27, 2018
Bulletin 2018-6	April 11, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8105: Servicing Compensation / 8105.3: Servicing obligations to be performed for the Servicing compensation (03/02/16)

8105.3: Servicing obligations to be performed for the Servicing compensation (03/02/16)

In consideration for the Servicing Spread, a Servicer is responsible for the performance of all of its Servicing obligations described in the Guide and other Purchase Documents for each of the Mortgages purchased by Freddie Mac. The Servicer's Servicing obligations compensated by the Servicing Spread include, among other things, undertaking all activities required to protect Freddie Mac's interest in the Mortgage in the event of a foreclosure of the property or a bankruptcy of the Borrower, such as:

- Preparing and delivering foreclosure and bankruptcy referrals to attorneys
- Providing all documents and information necessary for the attorneys to prosecute foreclosure or bankruptcy cases (including, but not limited to, missing documents such as Notes, title insurance policies, and Intervening Assignments)
- When necessary, paying for the preparation and recordation of missing documents, such as Intervening Assignments, necessary for the prosecution of foreclosure or bankruptcy cases
- Resolving any title issues that are the result of the Seller's or Servicer's action or inaction
- Managing attorneys, including but not limited to:
 - Collecting, receiving, processing, reviewing and paying attorneys' invoices
 - Supervising and providing necessary assistance to attorneys in the foreclosure and bankruptcy proceedings
 - Making available any monitoring, management, reporting, information and document delivery processes or systems, and paying the fees and costs for such processes or systems (refer to Section 9501.9 for information on connectivity and invoice processing systems)
- Continuing to work with the Borrower to resolve the delinquency through loss mitigation activities
- Handling the bankruptcy management activities specified in Chapter 9401

Nothing in the Guide is intended to prohibit a foreclosure or bankruptcy attorney from assisting a Servicer by working with a Borrower to facilitate a reinstatement of the Mortgage or loss mitigation activity.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8107: Document Custody / 8107.1: Servicer responsibilities related to document custody (02/14/18)

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016

DATE: 03/02/2016

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

**8107.1: Servicer responsibilities related to document custody
(Effective: 03/02/16)**

(a) Delivery of modifications to a Document Custodian

If a Note is subsequently modified, pursuant to the requirements of the Guide, the original modifying instrument must be delivered to the Document Custodian holding the original Note.

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(b) Obtaining physical or constructive possession of documents

Seller/Servicers may need to obtain physical or constructive possession of a Note or other documents from a Document Custodian to take appropriate action in conjunction with the payoff, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage:

- To obtain physical or constructive possession of a Note and/or other documents from the Designated Custodian, the Seller/Servicer may complete and send the Form 1036, Request for Physical or Constructive Possession of Documents, or make an electronic request ("Web Release Request") using the Designated Custodian's specified Internet web site. Contact the Designated Custodian for further information (**see Directory 4**). The Seller/Servicer must promptly: (i) if physical possession was obtained by Seller/Servicer, return the Note and any other documents to the Designated Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Designated Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained, send notice (a copy of the original Form 1036 with a notice of termination of constructive possession or otherwise as instructed by the Designated Custodian's specified Internet web site) to the Designated Custodian, when the reason for constructive possession is no longer required for Servicing the Mortgage. Seller/Servicers using the Designated Custodian's Internet web site Asset Repository and Collateral System (ARK) to request physical or constructive possession of Notes and other documents must include a copy of the 1036 Release Receipt Report when returning such items to the Designated Custodian. The Release Receipt Report can be electronically generated from the Designated Custodian's ARK web site.
- To obtain physical or constructive possession of a Note and/or other documents from a Document Custodian (excluding the Designated Custodian), the Seller/Servicer must complete Form 1036, and send the Form 1036 to the Document Custodian. The Seller/Servicer must promptly: (i) if physical possession was obtained by the Seller/Servicer, return the Note and any other documents to the Document Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Document Custodian if the related Mortgage was repurchased or paid in full), or (ii) if constructive possession was obtained by the Seller/Servicer, send notice (copy of the original Form 1036 with a request for termination of constructive possession) to the Document Custodian, when constructive possession is no longer required for Servicing the Mortgage.

Seller/Servicers must follow prudent business practices in protecting and safeguarding all Notes and documents physically transferred and delivered to them by the Document Custodian until these documents are returned to the Document Custodian. These practices include protection from external elements, such as fire, and identification as a Freddie Mac asset and segregation from other non-related documents.

See Section 8107.2(b) when Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), and the Document Custodian has physical custody of the Note.

8107.1: Servicer responsibilities related to document custody (02/14/18)**(a) Delivery of modifications to a Document Custodian**

If a Note is subsequently modified, pursuant to the requirements of the Guide, the original modifying instrument must be delivered to the Document Custodian holding the original Note.

(b) Obtaining physical or constructive possession of documents

Seller/Servicers may need to obtain physical or constructive possession of a Note or other documents from a Document Custodian to take appropriate action in conjunction with the payoff, foreclosure, repurchase, substitution, conversion, modification or assumption of a Mortgage.

The process for obtaining physical or constructive possession of a Note and/or other documents from Document Custodians is described below:

(i) All Document Custodians other than The Bank of New York Mellon Trust Company, N.A.

To obtain physical or constructive possession of a Note and/or other documents from a Document Custodian other than The Bank of New York Mellon Trust Company, N.A. ("BNYM") as Designated Custodian, the Seller/Servicer must complete Form 1036, and send the Form 1036 to the Document Custodian.

The Seller/Servicer must promptly:

- If physical possession was obtained by the Seller/Servicer, return the Note and any other documents to the Document Custodian when the reason for having physical possession is no longer required for Servicing the Mortgage (do not return the Note and any other documents to the Document Custodian if the related Mortgage was repurchased or paid in full), or
- If constructive possession was obtained by the Seller/Servicer, send notice (copy of the original Form 1036 with a request for termination of constructive possession) to the Document Custodian, when constructive possession is no longer required for Servicing the Mortgage

(ii) The Bank of New York Mellon Trust Company, N.A. as Designated Custodian

To obtain physical or constructive possession of a Note and/or other documents from BNYM as Designated Custodian, the Seller/Servicer may complete and send the Form 1036, Request for Physical or Constructive Possession of Documents, or make an electronic request ("Web Release Request") using the specified Internet web site. Contact BNYM for further information (**see Directory 4**).

The Seller/Servicer must promptly:

- **If physical possession was obtained by Seller/Servicer**, return the Note and any other documents to BNYM when the Note is no longer required for Servicing the Mortgage (i.e., do not return the Note or any other documents if the related Mortgage was repurchased or paid in full), or
- **If constructive possession was obtained**, notify BNYM when constructive possession is no longer required for Servicing the Mortgage by sending a copy of the original Form 1036 with a notice of termination of constructive possession or otherwise as instructed by BNYM.

Seller/Servicers using BNYM's Internet web site Asset Repository and Collateral System (ARK) to request physical possession of Notes and other documents must include a copy of the 1036 Release Receipt Report when returning such items to BNYM. The Release Receipt Report can be electronically generated from the ARK web site.

Seller/Servicers must follow prudent business practices in protecting and safeguarding all Notes and documents released to them by a Document Custodian until these documents are returned to the Document Custodian. These practices include protection from external elements, such as fire, identification as a Freddie Mac asset and segregation from unrelated documents.

See Section 8107.2(b) when physical or constructive possession of the Note is required to take legal action, such as a Freddie Mac Default Legal Matter or other litigation, and the Document Custodian has physical custody of the Note.

Related Guide Bulletins	Issue Date
Bulletin 2018-2	February 14, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 8000: Servicing All Mortgages / Topic 8100: General Freddie Mac Servicing Policies / Chapter 8107: Document Custody / 8107.2: Document Custodian's custodial functions (06/13/18)

REVISION HISTORY 02/14/18 [HIDE]

REVISION NUMBER: 02142018

DATE: 02/14/2018

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

8107.2: Document Custodian's custodial functions (Effective: 02/14/18)

(a) General duties

Each Document Custodian is responsible for maintaining custody of the original Notes and assignments, in trust, for the benefit of Freddie Mac by:

- Storing the original Notes and assignments in secure, fire-resistant facilities as required by Section 2202.2(b). If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related Note.
- Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.

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(b) Physical or constructive possession to take legal action

In Servicing a Mortgage, the Seller/Servicer requires physical or constructive possession of the Note to take legal action, such as bringing or defending, for example, a lawsuit or other litigation relating to the maturity, prepayment, repurchase, substitution, conversion, modification or assumption of a Mortgage or a Freddie Mac Default Legal Matter (collectively, "Legal Action"). If constructive possession is appropriate for the Legal Action, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be in constructive possession of the Note from the earlier of the date that the Legal Action commences or the date the Document Custodian receives the Seller/Servicer's Form 1036 requesting constructive possession of the Note until the Legal Action is concluded.

The Document Custodian maintains physical custody of the Note for the benefit of the Seller/Servicer while the Servicer has constructive possession. For the duration of the Legal Action, the Seller/Servicer shall be: (i) in constructive possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action to service the related Mortgage. When the Legal Action is concluded, the Document Custodian shall automatically and immediately cease maintaining physical custody of the Note, in trust, for the benefit of the Seller/Servicer and resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac.

The Seller/Servicer must complete, sign and submit a Form 1036 or its equivalent, such as the Web Release Request described in Section 8107.1(b), to request constructive possession from the Document Custodian. The constructive possession will commence on the earlier of the date on which: (i) the Document Custodian receives the Seller/Servicer's request for constructive possession, or (ii) the Seller/Servicer commences the Legal Action. A single Form 1036 may be used to request multiple Notes if each Note is separately listed and identified.

(c) Delivery of possession of documents to the Seller/Servicer

The Seller/Servicer may require physical possession of a Note and other documents for Servicing a Mortgage in conjunction with a Legal Action.

In such circumstances, the Seller/Servicer must deliver a Form 1036 or Web Release Request to the Document Custodian to request such release.

To use an Electronic, as defined in Chapter 1401 or system-generated version of the Form 1036, the Seller/Servicer must enter into an electronic transaction agreement with the Document Custodian that:

- Defines Electronic Signature and the type(s) of electronic transmission(s) permitted
- States the Document Custodian's requirements for accepting an Electronic Signature
- States the Seller/Servicer's requirements for maintaining and controlling access to Electronic Signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated by the Seller/Servicer to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the Seller/Servicer's designated individuals.

An Electronic or system-generated Form 1036 must contain all information required on the paper Form 1036. A single electronic form may be used to request multiple Notes if each Note is separately listed and identified.

Upon receipt of a signed Form 1036 from the Seller/Servicer, the Document Custodian shall transfer and deliver physical possession of the Note to the Seller/Servicer. Upon receipt of the Note, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be: (i) in physical possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage.

If a Note or other document is no longer needed for the reason cited on the request, or when the Legal Action is concluded, the Seller/Servicer must promptly return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and related documents to The Bank of New York Mellon Trust Company, N.A. as Designated Custodian. Upon receipt of the returned Note, the Document Custodian shall immediately resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, as set forth in the Tri-Party Agreement, and update its note tracking system to reflect their receipt.

Notes and related documents may be transported only by a nationally recognized commercial or bonded carrier or courier service.

See Section 8107.1(b) for additional information on returning Notes to the Document Custodian.

(d) Form imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of the Form 1036 or its equivalent for at least three months after the date the Mortgage is paid off. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Paper Forms 1036 after making imaged copies that meet the above criteria and updating Document Custodian's Note tracking system to indicate the date of and reason for release of the related documents
- All original or imaged copies of Certification Schedules and Forms 1036 after expiration of the retention period

In disposing of such documents, the Document Custodian must have in place and follow procedures and use disposal methods that ensure the confidentiality of Borrowers' private personal information.

Related Guide Bulletins	Issue Date
Bulletin 2018-2	February 14, 2018

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016

DATE: 03/02/2016

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

8107.2: Document Custodian's custodial functions (Effective: 03/02/16)

(a) General duties

Each Document Custodian is responsible for maintaining custody of the original Notes and assignments, in trust, for the benefit of Freddie Mac by:

- Storing the original Notes and assignments in secure, fire-resistant facilities as required by Section 2202.2(b). If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related Note.
- Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.

(b) Physical or constructive possession to take legal action

The Seller/Servicer may be required to be in physical or constructive possession of the Note to take legal action, such as a Freddie Mac Default Legal Matter or other litigation (collectively, "Legal Action"), in connection with Servicing a Mortgage. If the Seller/Servicer concludes that constructive possession is the appropriate type of possession for the Legal Action, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be in constructive possession of the Note upon the earlier of: (i) that date such Legal Action commences, or (ii) the date the Document Custodian receives the Seller/Servicer's Form 1036 requesting constructive possession of the Note, until the Legal Action is concluded.

When the Document Custodian, during any such Legal Action, maintains physical custody of the Note, it does so in trust for the benefit of the Seller/Servicer. For the duration of the Legal Action, the Seller/Servicer shall be: (i) in constructive possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage. When the Legal Action is concluded, the Document Custodian shall automatically and immediately cease maintaining physical custody of the Note, in trust, for the benefit of the Seller/Servicer and resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac.

The Seller/Servicer must complete, sign and submit a Form 1036, or its equivalent, including the Designated Custodian's Web Release Request described in Section 8107.1(b) (Form 1036 and such the Designated Custodian's Web Release Request, collectively referred to herein as "Form 1036") requesting constructive possession from the Document Custodian or Designated Custodian, as applicable. The date that the constructive possession commences shall be the earlier of the date: (i) the Document Custodian receives the Form 1036 from the Seller/Servicer requesting constructive possession, or (ii) the Seller/Servicer commences the Legal Action. A single Form 1036 may be used to request multiple Notes, provided that each Note is separately listed and identified.

(c) Delivery of possession of documents to the Seller/Servicer

The Seller/Servicer may require physical possession of a Note and other documents in connection with Servicing a Mortgage, including, but not limited to, bringing or defending a Legal Action or conducting a foreclosure or in connection with the maturity, prepayment, repurchase, substitution,

conversion, modification or assumption of a Mortgage. In such circumstances, Freddie Mac will deliver physical possession of the Note to the Seller/Servicer as set forth in this Section 8107.2(c)

When Servicing a Mortgage with respect to which the Seller/Servicer is required to be in physical possession of the Note, the Seller/Servicer shall deliver a Form 1036 to the Document Custodian.

To use an Electronic, as defined in Chapter 1401 or system-generated version of the Form 1036, the Seller/Servicer must enter into an electronic transaction agreement with the Document Custodian that:

- Defines Electronic Signature and the type(s) of electronic transmission(s) permitted
- States the Document Custodian's requirements for accepting an Electronic Signature
- States the Seller/Servicer's requirements for maintaining and controlling access to Electronic Signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated by the Seller/Servicer to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the notarized signatures of the Seller/Servicer's designated individuals.

An Electronic or system-generated Form 1036 must contain all of the information required on the paper Form 1036. A single electronic form may be used to request multiple Notes, provided that the Note is separately listed and identified.

Upon receipt of a signed Form 1036 from the Seller/Servicer, the Document Custodian maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, shall transfer and deliver physical possession of the Note to the Seller/Servicer. Upon receipt of the Note, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be: (i) in physical possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage.

If a document is no longer needed for the reason originally cited on the request, or when the Legal Action is concluded, the Seller/Servicer must promptly return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and related other documents required by the Designated Custodian. Upon receipt of the returned Note, the Document Custodian and/or Designated Custodian, as applicable, shall immediately resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, as set forth in the Custodial Agreement, and update its note tracking system to reflect receipt of the Note and any other documents.

Notes and related documents may be transported only by a nationally recognized commercial or bonded carrier or courier service.

See Section 8107.1(b) for additional information on returning Notes to the Document Custodian.

(d) Form imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of the Form 1036 or its equivalent for at least three months after the date the Mortgage is paid off. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Requests for Release after making imaged copies that meet the above criteria and updating Document Custodian's Note tracking system to indicate the date of and reason for release of the related documents
- All original or imaged copies of Certification Schedules and Requests for Release after expiration of the retention period

In disposing of such documents, the Document Custodian must have in place and follow procedures to ensure the confidentiality of Borrowers' private personal information and must use disposal methods that safeguard such confidentiality.

8107.2: Document Custodian's custodial functions (06/13/18)**(a) General duties**

Each Document Custodian is responsible for maintaining custody of the original Notes and assignments, in trust, for the benefit of Freddie Mac by:

- Storing the original Notes and assignments in secure, fire-resistant facilities as required by Section 2202.2(b). If the Seller/Servicer delivers supplemental documents, such as original modifying instruments, the Document Custodian must place the supplemental documents with the related Note.
- Affixing the Freddie Mac loan number to the Note, if advised by the Seller/Servicer that Freddie Mac requires it. If the Note for a Mortgage contains the Freddie Mac loan number, changing the Freddie Mac loan number on a Note if advised in writing by the Seller/Servicer that Freddie Mac has changed the Freddie Mac loan number for the related Mortgage.

(b) Physical or constructive possession to take legal action

In Servicing a Mortgage, the Seller/Servicer requires physical or constructive possession of the Note to take legal action, such as bringing or defending, for example, a lawsuit or other litigation relating to the maturity, prepayment, repurchase, substitution, conversion, modification or assumption of a Mortgage or a Freddie Mac Default Legal Matter (collectively, "Legal Action"). If constructive possession is appropriate for the Legal Action, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be in constructive possession of the Note from the earlier of the date that the Legal Action commences or the date the Document Custodian receives the Seller/Servicer's Form 1036 requesting constructive possession of the Note until the Legal Action is concluded.

The Document Custodian maintains physical custody of the Note for the benefit of the Seller/Servicer while the Servicer has constructive possession. For the duration of the Legal Action, the Seller/Servicer shall be: (i) in constructive possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action to service the related Mortgage. When the Legal Action is concluded, the Document Custodian shall automatically and immediately cease maintaining physical custody of the Note, in trust, for the benefit of the Seller/Servicer and resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac.

The Seller/Servicer must complete, sign and submit a Form 1036 or its equivalent, such as the Web Release Request described in Section 8107.1(b), to request constructive possession from the Document Custodian. The constructive possession will commence on the earlier of the date on which: (i) the Document Custodian receives the Seller/Servicer's request for constructive possession, or (ii) the Seller/Servicer commences the Legal Action. A single Form 1036 may be used to request multiple Notes if each Note is separately listed and identified.

(c) Delivery of possession of documents to the Seller/Servicer

The Seller/Servicer may require physical possession of a Note and other documents for Servicing a Mortgage in conjunction with a Legal Action.

In such circumstances, the Seller/Servicer must deliver a Form 1036 or Web Release Request to the Document Custodian to request such release.

To use an Electronic, as defined in Section 1401.2, or system-generated version of the Form 1036, the Seller/Servicer must enter into an electronic transaction agreement with the Document Custodian that:

- Defines Electronic Signature and the type(s) of electronic transmission(s) permitted
- States the Document Custodian's requirements for accepting an Electronic Signature
- States the Seller/Servicer's requirements for maintaining and controlling access to Electronic Signature information
- Clearly assigns liability when the terms of the agreement are violated

In addition, the Seller/Servicer must provide, and the Document Custodian must retain, a list of the individuals designated by the Seller/Servicer to request the release of documents electronically. The list must be signed by an authorized officer of the Seller/Servicer and contain the signatures of the Seller/Servicer's designated individuals.

An Electronic or system-generated Form 1036 must contain all information required on the paper Form 1036. A single electronic form may be used to request multiple Notes if each Note is separately listed and identified.

Upon receipt of a signed Form 1036 from the Seller/Servicer, the Document Custodian shall transfer and deliver physical possession of the Note to the Seller/Servicer. Upon receipt of the Note, the Seller/Servicer shall automatically, immediately and conclusively be deemed to be: (i) in physical possession of the Note, (ii) the holder of the Note, (iii) entitled to enforce the Note, and (iv) duly authorized by Freddie Mac to take Legal Action in connection with Servicing the related Mortgage.

If a Note or other document is no longer needed for the reason cited on the request, or when the Legal Action is concluded, the Seller/Servicer must promptly return the Note and related documents and a copy of the Form 1036 to the Document Custodian, or return the Note and related documents to The Bank of New York Mellon Trust Company, N.A. as Designated Custodian. Upon receipt of the returned Note, the Document Custodian shall immediately resume maintaining physical custody of the Note, in trust, for the benefit of Freddie Mac, as set forth in the Tri-Party Agreement, and update its note tracking system to reflect their receipt.

Notes and related documents may be transported only by a nationally recognized commercial or bonded carrier or courier service.

See Section 8107.1(b) for additional information on returning Notes to the Document Custodian.

(d) Form imaging and retention requirements

The Document Custodian must retain either the original or an imaged copy of the Form 1036 or its equivalent for at least three months after the date the Mortgage is paid off. The Document Custodian need not retain a Form 1034E, or Note Delivery Cover Sheet, after the related Mortgages have been certified.

Imaged copies of the forms are permitted, provided that:

- Such copies were made in the regular course of business pursuant to Document Custodian's written policy
- Each imaged copy accurately reproduces or forms a durable medium for reproducing the original document
- There is equipment to view or read and to reproduce the imaged copies into legible documents at the location where the imaged copies are maintained

The Document Custodian may destroy:

- Original Certification Schedules after making imaged copies that meet the above criteria
- Paper Forms 1036 after making imaged copies that meet the above criteria and updating Document Custodian's Note tracking system to indicate the date of and reason for release of the related documents
- All original or imaged copies of Certification Schedules and Forms 1036 after expiration of the retention period

In disposing of such documents, the Document Custodian must have in place and follow procedures and use disposal methods that ensure the confidentiality of Borrowers' private personal information.

Related Guide Bulletins	Issue Date
Bulletin 2018-9	June 13, 2018
Bulletin 2018-2	February 14, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.1: Foreclosures on Freddie Mac Mortgages (03/02/16)

9301.1: Foreclosures on Freddie Mac Mortgages (03/02/16)

The Servicer must refer to, manage and complete foreclosure in accordance with this chapter when there is no available alternative to foreclosure. Additionally, Freddie Mac requires the Servicer to manage the foreclosure process to acquire clear and marketable title to the property in a cost-effective, expeditious and efficient manner.

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.11: Obtaining the original Note (02/14/18)

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016 **DATE:** 03/02/2016
REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

9301.11: Obtaining the original Note (Effective: 03/02/16)

If physical or constructive possession of the original Note is needed to perform the foreclosure, the Servicer must request the Note from the Document Custodian maintaining the Note by submitting to the Document Custodian a completed Form 1036, Request for Physical or Constructive Possession of Documents, or an electronic or system-generated version of the form (or, in the case of the Designated Custodian, a copy of the electronically generated 1036 Release Receipt Report) in accordance with the requirements of Section 8107.1(b).

If there is a full or partial reinstatement of the Mortgage, the Servicer must return the Note to the Document Custodian with either the original Form 1036 or a copy.

9301.11: Obtaining the original Note (02/14/18)

If physical or constructive possession of the original Note is needed to perform the foreclosure, the Servicer must request the Note from the Document Custodian maintaining the Note by submitting to the Document Custodian a completed Form 1036, Request for Physical or Constructive Possession of Documents, or an electronic or system-generated version of the form (or, in the case of The Bank of New York Mellon Trust Company, N.A. as the Designated Custodian, a copy of the electronically generated 1036 Release Receipt Report) in accordance with the requirements of Section 8107.1(b).

If there is a full or partial reinstatement of the Mortgage, the Servicer must return the Note to the Document Custodian with either the original Form 1036 or a copy.

Related Guide Bulletins	Issue Date
Bulletin 2018-2	February 14, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9300: Foreclosure / Chapter 9301: Foreclosure / 9301.12: Foreclosing in the Servicer's name (11/14/18)

REVISION HISTORY 03/02/16 [HIDE]

REVISION NUMBER: 03022016

DATE: 03/02/2016

REVISION REMARKS: THIS CONTENT HAS CHANGED. CURRENT REQUIREMENTS APPEAR UNSHADED BELOW.

9301.12: Foreclosing in the Servicer's name (Effective: 03/02/16)

(a) Conducting the foreclosure

The Servicer must instruct the foreclosure counsel to process the foreclosure in the Servicer's name and in a manner that would avoid any obligation to pay a transfer tax. However, the Servicer may instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name if applicable law:

- Precludes the Servicer from conducting the foreclosure in its name because it owns or services a subordinate Mortgage on the Mortgaged Premises, or
- Requires the foreclosure to be processed in Freddie Mac's name to avoid any obligation to pay a transfer tax and foreclosure counsel could not otherwise process the foreclosure in a manner that would successfully avoid imposition of the transfer tax obligation

For these special circumstances, the Servicer does not need to obtain written approval but must notify Freddie Mac within two Business Days of the Servicer's determination to foreclose in Freddie Mac's name and record the basis of the decision in the Mortgage file. All notifications must be sent via e-mail (**see Directory 5**). For all other circumstances in which the Servicer may need to instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name, the Servicer must obtain written approval from Freddie Mac (refer to Section 9402.2 regarding initiating legal actions on Freddie Mac's behalf).

When processing the foreclosure in Freddie Mac's name, all pleadings and related documents must comply with Section 9402.2(c). The Servicer remains obligated to notify Freddie Mac pursuant to Section 9501.12 in the event that any foreclosure conducted in Freddie Mac's name evolves into a non-routine litigation matter (see Section 9402.2).

When a Servicer conducts the foreclosure in Freddie Mac's name, the Servicer is not permitted to have the same foreclosure counsel represent the Servicer or another lien holder in the same proceeding. Freddie Mac does not consent to dual representation of Freddie Mac and another lien holder on the same property.

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(b) Executing documents

If Freddie Mac needs to execute a document for the Servicer to process the foreclosure, or execute a document related to a foreclosure sale, the Servicer must submit Form 105, Multipurpose Loan Servicing Transmittal, to Freddie Mac (**see Directory 5**) with all supporting documentation, which may include, but is not limited to, the last recorded document in the chain of title, and include the document Freddie Mac needs to execute.

If an assignment of the Security Instrument to Freddie Mac has been recorded and the Servicer is conducting the foreclosure in its name, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel files the first legal action. Refer to Section 9301.16 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with a Request for Assistance Form (available at: <http://www.freddiemac.com/cim/docex.html>), to Freddie Mac (**see Directory 9**). Freddie Mac will endeavor to execute the assignment and return it to the Servicer within 10-12 Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable foreclosure counsel fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, RHS or VA guidelines to determine in whose name the foreclosure action should be brought.

Refer to Section 6301.6 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

9301.12: Foreclosing in the Servicer's name (11/14/18)

(a) Conducting the foreclosure

The Servicer must instruct the foreclosure counsel to process the foreclosure in the Servicer's name and in a manner that would avoid any obligation to pay a transfer tax. However, the Servicer may instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name if applicable law:

- Precludes the Servicer from conducting the foreclosure in its name because it owns or services a subordinate Mortgage on the Mortgaged Premises, or
- Requires the foreclosure to be processed in Freddie Mac's name to avoid any obligation to pay a transfer tax and foreclosure counsel could not otherwise process the foreclosure in a manner that would successfully avoid imposition of the transfer tax obligation

For these special circumstances, the Servicer does not need to obtain written approval but must notify Freddie Mac within two Business Days of the Servicer's determination to foreclose in Freddie Mac's name and record the basis of the decision in the Mortgage file. All notifications must be sent via e-mail **(see Directory 5)**. For all other circumstances in which the Servicer may need to instruct foreclosure counsel to conduct the foreclosure in Freddie Mac's name, the Servicer must obtain written approval from Freddie Mac (refer to Section 9402.2 regarding initiating legal actions on Freddie Mac's behalf).

When processing the foreclosure in Freddie Mac's name, all pleadings and related documents must comply with Section 9402.2(c). The Servicer remains obligated to notify Freddie Mac pursuant to Section 9501.12 in the event that any foreclosure conducted in Freddie Mac's name evolves into a non-routine litigation matter (see Section 9402.2).

When a Servicer conducts the foreclosure in Freddie Mac's name, the Servicer is not permitted to have the same foreclosure counsel represent the Servicer or another lien holder in the same proceeding. Freddie Mac does not consent to dual representation of Freddie Mac and another lien holder on the same property.

(b) Executing documents

If Freddie Mac needs to execute a document that is not authorized for the Servicer to execute under the Limited Power of Attorney (see Exhibit 53) for the Servicer to: (i) process the foreclosure, or (ii) execute a document related to a foreclosure sale, the Servicer must submit Form 105, Multipurpose Loan Servicing Transmittal, to Freddie Mac **(see Directory 5)** with all supporting documentation, which may include, but is not limited to, the last recorded document in the chain of title, and include the document Freddie Mac needs to execute. Refer to Sections 8101.4 and 8601.6 for requirements on obtaining a Limited Power of Attorney for Freddie Mac to sign documents on behalf of Freddie Mac.

If an assignment of the Security Instrument to Freddie Mac has been recorded and the Servicer is conducting the foreclosure in its name, then the Security Instrument must be assigned back to the Servicer before the foreclosure counsel files the first legal action. Refer to Section 9301.16 for an explanation of first legal action.

To have the Security Instrument assigned back to the Servicer, the Servicer must submit a completed assignment with a Request for Assistance Form (available at: <http://www.freddiemac.com/cim/docex.html>), to Freddie Mac **(see Directory 9)**. Freddie Mac will endeavor to execute the assignment and return it to the Servicer within 10-12 Business Days of receiving the documents.

If the Servicer is foreclosing on a Mortgage registered with MERS®, the Servicer must prepare and execute (using the Servicer's employee who is a MERS authorized "signing officer") an assignment of the Security Instrument from MERS to the Servicer. The Servicer must record the prepared assignment where required by State law. State mandated recordings are non-reimbursable by Freddie Mac, are not considered part of the Freddie Mac allowable foreclosure counsel fees and must not be billed to the Borrower.

If the Mortgage is an FHA, Section 502 GRH or VA Mortgage, then the Servicer must follow FHA, RHS or VA guidelines to determine in whose name the foreclosure action should be brought.

Refer to Section 6301.6 for additional information on Freddie Mac's requirements for assignments of the Security Instrument.

Related Guide Bulletins	Issue Date
Bulletin 2018-26	December 12, 2018

Freddie Mac Single Family / Single-Family Seller/Servicer Guide / Single-Family Seller/Servicer Guide / Servicing / Series 9000: Servicing Default Management / Topic 9400: Bankruptcy and Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / Chapter 9401: Bankruptcy / 9401.1: Bankruptcy (10/12/16)

9401.1: Bankruptcy (10/12/16)

This chapter provides Servicers with Freddie Mac's requirements for Servicing Mortgages subject to bankruptcy proceedings or litigation. The Servicer must take appropriate action to protect Freddie Mac's interest during bankruptcy proceedings in which the Borrower is the debtor.

(Refer to Chapter 9402 for requirements for Servicing Mortgages subject to other litigation).

Related Guide Bulletins	Issue Date
Bulletin 2016-13	July 13, 2016

Freddie Mac Single Family / Single-Family Seller/Service Guide / Single-Family Seller/Service Guide / Servicing / Series 9000: Servicing Default Management / Topic 9400: Bankruptcy and Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / Chapter 9402: Other Litigation Involving Freddie Mac-Owned or Guaranteed Mortgages / 9402.2: Routine and non-routine litigation (07/13/16)

9402.2: Routine and non-routine litigation (07/13/16)

(a) Definition of routine and non-routine litigation

- **Routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues which, if successful, would not create negative legal precedent beyond the immediate case
- **Non-routine litigation** generally is a contested action in which the Borrower alleges case-specific defenses or issues, which, if successful, would create negative legal precedent beyond the immediate case

Examples of non-routine litigation that must be reported to Freddie Mac as non-routine litigation include, but are not limited to, the following:

- Actions that name Freddie Mac as a party
- Action that seeks monetary relief against Freddie Mac, including any claim (including counterclaims, cross-claims, or third-party claims in foreclosure or bankruptcy actions) for damages against Freddie Mac or its officers, directors, or employees
- Actions that challenge the validity, priority, or enforceability of a Freddie Mac-owned or guaranteed Mortgage or seek to impair Freddie Mac's interest in an REO including, by way of example:
 1. An action seeking to demolish a structure on the property or the property as a result of a code violation
 2. An action seeking to avoid a lien based on a failure to comply with a law or regulation
 3. An attempt by a junior lienholder to assert priority over a Freddie Mac-owned or guaranteed Mortgage or extinguish Freddie Mac's interests
 4. A quiet title action seeking to declare Freddie Mac's lien void; and
 5. An attempt by a Borrower to effect a cramdown of a Mortgage in bankruptcy as to which Freddie Mac has not delegated authority to the Servicer or law firm to address
- Actions that present an issue that may pose significant legal or reputational risk to Freddie Mac include, by way of example:
 1. Any issue involving Freddie Mac's conservatorship, its conservator, FHFA, Freddie Mac's status as a federal instrumentality, or an interpretation of Freddie Mac's charter
 2. Any assertion that Freddie Mac is a federal agency or otherwise part of the United States Government
 3. Any "due process" or other constitutional challenge
 4. Any challenge to the methods by which Freddie Mac does business
 5. Any putative class actions involving a Freddie Mac-owned or guaranteed Mortgage

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6. Challenges to the standing of the Servicer to conduct foreclosures or bankruptcies which, if successful, could create negative legal precedent with an impact beyond the immediate case
7. Challenges to the methods by which MERS® does business or its ability to act as nominee under a Mortgage
8. Any "show cause orders" or motions for sanctions relating to a Freddie Mac-owned or guaranteed Mortgage, whether against Freddie Mac, the Servicer, a law firm, or a vendor of the Servicer or law firm
9. Any appellate or other action for post-judgment relief in any foreclosure, bankruptcy or legal action in which Freddie Mac is a named party
10. Foreclosures on HUD-Guaranteed Section 184 Native American Mortgages
11. Any environmental litigation relating to a Freddie Mac-owned or guaranteed Mortgage
12. A need to foreclose judicially in a State where non-judicial foreclosures predominate
13. Any claim invoking Home Affordable Modification Program (HAMP®) as a basis to challenge a foreclosure
14. Any claim brought by a governmental body
15. Cross-border insolvency proceedings under Chapter 15 of the Bankruptcy Code
16. Any claim of predatory lending or discrimination in Mortgage origination or Servicing; and
17. Any claim implicating the interpretation of the terms of the Fannie Mae/Freddie Mac Uniform Mortgage Instruments

Given the evolving nature of default-related litigation, it is not possible to provide an exhaustive list of non-routine litigation. Each contested action presents unique circumstances, and the Servicer should evaluate each action on a case-by-case basis to determine whether a contested action is routine or non-routine.

(b) Legal actions and strategies initiated by the Servicer

A Servicer must obtain written approval (**see Directory 5**) from the Freddie Mac Legal Division prior to initiating the following legal actions and strategies:

- Filing a new legal action, other than a Freddie Mac Default Legal Matter, on behalf of Freddie Mac
- Filing a motion to intervene in a pending legal action on behalf of Freddie Mac
- Appealing or otherwise challenging a judgment in any foreclosure or bankruptcy proceeding, or any legal action in which Freddie Mac is a named party
- Filing a notice of removal to federal district court for any legal action in which Freddie Mac is a named party
- Asserting any position in a legal action that relates to Freddie Mac's status as a Government Sponsored Enterprise (GSE), its conservatorship, or its conservator, FHFA
- Propounding discovery requests or otherwise serving or providing any discovery responses on behalf of Freddie Mac

(c) Referring to Freddie Mac in litigation

Freddie Mac must be described in legal proceedings as "Federal Home Loan Mortgage Corporation ("Freddie Mac"), a corporation organized and existing under the laws of the United States of America." Freddie Mac may not be referred to as a "government agency."

(d) MERS-registered Mortgages

See Section 8101.12(b) for additional requirements relating to notices from MERS and MERS-registered Mortgages.

Related Guide Bulletins	Issue Date
Bulletin 2016-13	July 13, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.1: Servicer's management of law firms for Freddie Mac Default Legal Matters (03/02/16)

9501.1: Servicer's management of law firms for Freddie Mac Default Legal Matters (03/02/16)

This chapter sets forth requirements for the Servicer's review and evaluation, selection, retention and management of law firms (referred to throughout this chapter as "firms") for Freddie Mac Default Legal Matters.

Effective June 1, 2013, all referrals of Freddie Mac Default Legal Matters must be conducted in accordance with the requirements of Chapter 9501. Chapter 9501 governs the referral of Freddie Mac Default Legal Matters to law firms selected by the Servicer under the requirements of Section 9501.7.

Effective August 1, 2013, Servicers must comply with all requirements of this chapter in order to refer Freddie Mac Default Legal Matters to law firms. Refer to Chapter 9502 for requirements related to Default Legal Matters referred prior to the August 1, 2013 effective date.

Each Servicer is responsible for retaining firms for Freddie Mac Default Legal Matters. Freddie Mac will continue to retain firms directly for REO-related legal services: eviction, REO closing, and related litigation (refer to Chapters 9401 and 9402 for more information relating to litigation).

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.2: Review and evaluation of firms (03/02/16)

9501.2: Review and evaluation of firms (03/02/16)

(a) Due diligence

As part of its selection process, each Servicer is responsible for obtaining and evaluating documentation and information from firms, and conducting due diligence to ensure that selected firms meet the requirements set forth in Section 9501.3. As part of the process, each Servicer must:

- Obtain and review all required documentation and information submitted by each firm
- Ensure that it selects from a pool of potentially acceptable firms that is diverse, and includes minority and women-owned firms and other diverse firms when feasible; and
- Ensure that the firm or any entity or individual performing work for the firm is not on the Freddie Mac Exclusionary List in accordance with Section 3101.1

(b) Due diligence documentation

The Servicer must provide to Freddie Mac upon request a copy of each firm's application information and related due diligence documentation. Freddie Mac reserves the right to review the process, procedures and due diligence used by the Servicer to evaluate and select a firm.

(c) Document retention requirements

The Servicer must retain all information submitted by a firm in support of the firm's application and all information otherwise gathered by the Servicer regarding the firm. The Servicer must maintain any information relating to firms that are selected and retained by the Servicer for as long as the firm is providing legal services with respect to Freddie Mac-owned or guaranteed Mortgages and, thereafter, for the longer of any retention period applicable to the Servicer or seven years. The Servicer must maintain any information relating to firms that are not selected and retained by the Servicer for the longer of any retention period applicable to the Servicer or seven years.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.3: Firm Minimum Requirements (11/15/17)

9501.3: Firm Minimum Requirements (11/15/17)

The Servicer must ensure that all firms selected and retained to handle Freddie Mac Default Legal Matters meet the firm minimum requirements specified in this section ("Firm Minimum Requirements"), and all other applicable Freddie Mac requirements. The Firm Minimum Requirements are as follows:

(a) Firm practice

The firm's practice areas must include end-to-end default-related legal services: foreclosure, bankruptcy, loss mitigation (e.g., deeds-in-lieu of foreclosure), default-related litigation and REO-related legal services: eviction, REO closing and related litigation.

The firm must:

- Be familiar with industry standards in the State in which it practices
- Understand the State legal processes and requirements in default-related and REO-related legal services; and
- Understand the substantive legal issues in the State (e.g., standing)

Additionally, the Servicer must consider firm experience in the following areas: foreclosure mediation, the Fair Debt Collection Practices Act, title curative issues, and general housing-related issues (e.g., rent control, Section 8, lead paint liability, health code violations, foreclosure redemption, confirmation and ratification, homeowners association, mobile home matters, and Cooperative Share Loans). The firm should also have some experience with delegation for loss mitigation.

The Servicer must also consider the firm's membership in default-related and REO-related trade and industry groups, attendance or participation in State bar associations, seminar and lecture participation and attendance, and any other activities relevant to default-related and REO-related law practice.

(b) Presence in State

Firms generally must have a staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

In addition:

- The legal work must be performed by the attorneys licensed in the State where the Mortgaged Premises is located
- The firm must be registered, as necessary, with appropriate State authorities
- For the States in which an appropriately staffed office is required, the firm must disclose to the Servicer the extent, if any, to which work will be performed by an office of the firm in another State
- The Servicer must require the firm to disclose to the Servicer where the staff handling the work in the particular State is located, and to whom the staff in that office regularly reports; and
- The Servicer must obtain office addresses for each firm it seeks to retain

1. Judicial foreclosure States

In judicial foreclosure States, the firm must have an appropriately staffed office in the State in which the firm is retained for Freddie Mac Default Legal Matters.

2. Non-Judicial foreclosure States

In non-judicial foreclosure States, a firm must have an appropriately staffed office located in the State in which the firm is retained, except in the following non-judicial foreclosure States: Alaska, District of Columbia, Idaho, New Hampshire, Rhode Island, Montana, West Virginia and Wyoming. In those States, Servicers should give preference to firms that have staffed offices in those States. However, out-of-State firms may be used to handle Freddie Mac Default Legal Matters, provided that the firm is located in the same region of the country and is able to demonstrate that it has policies, procedures and processes in place to handle cases from out of State.

Servicers may use firms outside of Puerto Rico, the U.S. Virgin Islands and Guam to handle foreclosure and bankruptcy matters in those States. Servicers should give preference to firms that have staffed offices in the State, but out-of-State firms may be used, provided that they are able to demonstrate that they have policies, procedures and processes in place to handle cases from outside the State.

If a Servicer has difficulty finding a sufficient number of firms with appropriately staffed offices in States other than those listed in the exceptions above, the Servicer may contact Freddie Mac to request an exception to the requirement that a firm have an appropriately staffed office located in the State. Requests should be sent to Freddie Mac (**see Directory 1**).

(c) State-specific industry references

The Servicer must obtain from the firm at least two State-specific mortgage servicers or default-related references, or if the firm has been in existence less than one year, the partners or shareholders of the firm must provide at least two Servicer or default-related references in connection with work performed in the particular State.

(d) Statewide coverage and use of local counsel

The Servicer must ensure that the firm has the ability to cover foreclosure, bankruptcy, eviction, REO closing matters and default-related litigation throughout the State.

If the firm has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related and REO-related work, the Servicer must require the firm to: (i) obtain disclosure from the firm regarding such relationships and the extent to which third parties will be relied upon and (ii) determine whether the firm has a reasonable contingency plan for the loss of any of those relationships or operational processes. In evaluating any such third-party relationship, the Servicer must consider the length of time the relationship has existed and the adequacy of the firm's written policies to mitigate third-party risk.

If a firm uses local counsel to handle matters within the State, the Servicer must ensure that the firm has a process to select, manage, and review the local counsel and their work product. The process must be designed to ensure that local attorneys are qualified and adequately trained and have a satisfactory history with respect to bar complaints, sanctions and similar matters.

For a firm's contested caseload (e.g., contested foreclosures and litigated cases), the firm's reliance on local counsel must be minimal. Any use of local counsel for these matters must be structured so that the retained firm will direct and manage the local counsel on those matters.

(e) Prior volume experience

Servicers must confirm the firm and/or managing attorney(s) has completed a sufficient number of foreclosure, bankruptcy, loss mitigation, eviction and REO matters within the past 24 months to demonstrate that the firm has experience in representing creditors in default-related matters.

For the 24-month period, the Servicer must review the total number of matters referred, the total number of matters completed and the number of matters currently pending for each of the following areas: foreclosure, bankruptcy, loss mitigation, eviction and REO closing.

What constitutes a sufficient number of completed default-related and REO-related legal services will vary depending upon the State at issue, the volume the Servicer expects to refer to the firm, and the relative size of the firm. Servicers must consider these factors when making this determination.

(f) Firm has adequate, relevant State-specific experience

The Servicer must confirm that the firm has one or more managing attorney(s) or partner(s) with no less than 8 years of relevant, State-specific experience in foreclosure (including where applicable, confirmation, redemption and ratification matters), bankruptcy, loss mitigation, eviction, and REO closings and litigation. Servicers may make exceptions to this requirement for documented reasons in the event a firm is otherwise qualified.

The Servicer must obtain the names and the years of experience in each area (foreclosure, bankruptcy, eviction, REO closings and related litigation) for the firm's managing attorney(s) or partner(s) and associates.

If the principals or partners of the firm are not actively involved in the management of the firm, the Servicer must consider the level of experience of those actively involved in managing the firm.

(g) One or more of the firm's lead attorneys has adequate, relevant litigation experience in the State

The Servicer must determine whether the firm has at least one lead attorney to handle Freddie Mac Default Legal Matters with a minimum of five years of experience in default-related and REO-related litigation in the State. The firm's partner(s) or managing attorney(s) may act as the lead attorney for Freddie Mac Default Legal Matters. If the firm will utilize staff attorneys for Freddie Mac Default Legal Matters, one or more staff attorneys must have at least three years of experience in handling default-related and REO-related litigation in the State.

(h) Attorney licensing

The Servicer must confirm that the firm's attorneys who will handle Freddie Mac Default Legal Matters are licensed to practice, and in good standing, in the State in which the firm is being retained. Legal work must be performed by attorneys licensed in the State.

(i) Staff experience

The Servicer must determine whether the firm's non-attorney staff has reasonable experience. In determining what constitutes reasonable experience, the Servicer must consider the average years of experience, education, qualifications and demonstrated ability of the non-attorney staff in relation to their respective levels of responsibility.

(j) Staff oversight

The Servicer must confirm that the firm has appropriate attorney-to-staff ratios to ensure appropriate staff oversight given the size of the firm and the firm's operational structure. The Servicer must consider whether the firm practices in a judicial or a non-judicial State, the firm's case management practices, the State-specific process, attorney and staff experience, firm technology and firm infrastructure.

(k) File oversight

The Servicer must confirm that the firm has appropriate (i) attorney-to-file and (ii) staff-to-file ratios, given the size of the firm and the firm's operational structure. The Servicer must take into consideration whether the firm practices in a judicial or a non-judicial foreclosure State, the firm's case management practices, the State-specific processes, attorney and staff experience, firm technology and firm infrastructure.

(l) Firm capacity

As of the date of the submission of the Servicer Selection Form via **<https://freddiemacsats.com>**, the Servicer must confirm that the firm has the ability to accept additional referrals. Additionally, the Servicer must confirm that the firm is not operating at full capacity, given the existing facilities, personnel, and technology or, alternatively, the firm must outline to the Servicer's satisfaction the steps and time frame necessary to be in a position to handle additional referrals while still maintaining appropriate firm-to-file and staff-to-file ratios. The Servicer must confirm that the firm has contingency plans to deal with a contraction in the market.

(m) Ethics and professional standards

The firm must demonstrate a history of legal practice that comports with applicable legal and ethical standards, reflecting high professional standards. The Servicer must conclude that the firm does not, in the totality of the circumstances, pose a legal and/or reputational risk or exhibit systematic issues that may lead to reputational and/or legal risk to Freddie Mac.

The Servicer must obtain the following information from the firm in order to evaluate the sufficiency of the firm's professional standards:

- Any sanctions against the firm or any of its present or former attorneys in the past five years, including the nature of the sanctions and if they relate to a loan-level matter or systemic firm practice, and if related to firm practice, any corrective actions taken by the firm
- Any bar complaints/reprimands against present and former firm attorneys in the past ten years and whether the complaints were closed, pending or resulted in some form of adverse action
- Any government investigations involving firm practices in the past ten years and whether the investigations involved firm practices or are related to client investigations
- Any damages or settlement of claims as a result of an allegation of professional negligence against the firm or its attorneys in the past five years (i) in excess of \$20,000 in any single occurrence, \$50,000 in the aggregate, or (ii) reflect a possible pattern of professional negligence, regardless of amount; and
- Any significant litigation asserting systemic issues with firm processes or legal work, such as any class action lawsuit against the firm

If the Servicer is aware of any of the above items that involve the firm's professional standards but which were not disclosed by the firm, the Servicer must disclose them to Freddie Mac in the Servicer Selection Form.

The Servicer must obtain a disclosure from the firm regarding whether the firm (or any of its partners, shareholders, or employees while acting as a partner, shareholder, or principal at another firm) has been previously terminated by Freddie Mac or Fannie Mae or had referrals suspended by Freddie Mac or Fannie Mae.

The Servicer must obtain a certification from the firm that, to the best of the firm's knowledge, the firm's documents have been and continue to be prepared, executed and/or notarized in compliance with applicable law. If the firm reports that the firm, its attorneys, notaries or third-parties that the firm relies on to perform any aspect of default-related or REO-related services have previously prepared, executed or notarized documents that have not been in compliance with applicable law, the Servicer must conclude that the firm has instituted controls, procedures, and processes to address the contributing cause(s) of the firm's failure to comply with applicable law in order to execute the Servicer Selection Form.

Freddie Mac expects Servicers to exercise sound judgment and consider the totality of the circumstances in evaluating the potential legal and reputational risks posed by a firm to Freddie Mac. The items for consideration outlined above are not intended to be exhaustive or to disqualify a firm from retention if the Servicer concludes that the firm is acceptable considering the totality of the circumstances.

(n) Timelines

The Servicer must review the firm's completion timelines, and confirm that the firm is able to track, monitor and complete foreclosure and bankruptcy matters in compliance with applicable law and Freddie Mac timeline requirements, taking into consideration outside factors that impact compliance with Freddie Mac timelines such as new foreclosure requirements and court delays.

(o) Information privacy

The firm must maintain physical, technical and procedural controls and effective information security and data management to:

- Ensure the security and confidentiality of personally identifiable information (PII) and confidential information, whether in paper, electronic or other form
- Protect against any threats or hazards to the security or integrity of such information; and
- Protect against unauthorized access to or use of such information

The firm must implement controls meeting or exceeding industry standards, including, as applicable, standards promulgated by the International Office for Standardization (ISO) or National Institute for Standards and Technology (NIST). The firm must ensure that PII that is stored on the firm's systems and workstations is encrypted at rest at all times. The firm must have secured storage for promissory notes and other original documents to prevent theft and to ensure protection against fire, flood or other damage. The firm may not perform, outsource, or send to any affiliate outside of the United States or its territories, any legal work on Freddie Mac-owned or guaranteed Mortgages, including any storage of Freddie Mac data. The firm may not send any PII underlying Freddie Mac-owned or guaranteed Mortgages, outside the United States. The firm must have written policies, procedures, and processes in place by the date of the submission of the Servicer Selection Form, related to protection of PII and fraud prevention, including policies, procedures and processes related to: background checks of all employees; protection of PII; fraud prevention and identification; and incident response and notification protocols for data breaches and other security incidents. The Servicer must review and confirm that the firm meets these requirements for information security, data management, protection of PII and fraud prevention.

(p) Daily reporting to Freddie Mac

The Servicer must confirm that the firm has the capability to provide daily reporting to Freddie Mac of key metrics (i.e., volume, milestones, delays, loss mitigation successes, litigation detail, etc.) via the Attorney Data Reporting (ADR) System, a Servicing Tool, pursuant to Section 9501.10. The Servicer must also ensure that the firm has staff responsible for reporting data directly to Freddie Mac using ADR.

(q) Technology

The Servicer must confirm that the firm has adequate technology in place or technological capabilities to provide reporting, communication and tracking of key events and milestones, including access to PACER/ECF or other similar systems to obtain case and docket information from federal appellate, district and bankruptcy court records.

Additionally, the Servicer must confirm that the firm is able to provide status reports and track significant dates and events for foreclosure, bankruptcy, evictions and REO closings and has the capability to measure the duration between various process stages, to identify process impediments (e.g., holds) and to parse holds into different categories.

If a firm is multi-jurisdictional or has partnerships or relationships with third parties (e.g., local counsel, trustee companies or title companies) that will perform or complete some aspect of the default-related or REO-related work or if the firm relies on other offices to perform some aspect of the work or provide operational support, the Servicer must confirm that the firm maintains a reliable and secure means of exchanging matter information between each office and any third party the firm relies upon.

The Servicer must require the firm to describe whether the firm currently uses a universal translation technology to communicate information between their technological system and the various Servicers' systems, or explain its method for transmitting information efficiently, accurately and securely to Servicers.

(r) Technology staffing

The Servicer must confirm that the firm has adequate in-house technical expertise or readily available vendor support to ensure compliance with Freddie Mac's automated reporting requirements.

(s) Insurance requirements

The Servicer must confirm that the firm has an appropriate level of malpractice and errors and omissions insurance coverage in place or be able to obtain an appropriate amount of insurance by the date of the submission of the Servicer Selection Form. The appropriate level of insurance coverage will depend upon the total number of Freddie Mac and Fannie Mae files the firm is managing or expects to manage when being evaluated by the Servicer. The firm must have the ability to obtain the appropriate amount of insurance coverage under the new requirements as follows:

- Tier I, volume of 0-4, 499 foreclosure matters, coverage of not less than \$1 million per occurrence with an aggregate of not less than \$3 million
- Tier II, volume of 4, 500-19, 999 foreclosure matters, coverage of not less than \$5 million per occurrence with an aggregate of not less than \$5 million; and
- Tier III, volume of 20,000 or more foreclosure matters, coverage of not less than \$8 million per occurrence with an aggregate of not less than \$8 million

The required level of insurance is determined by the higher of the Freddie Mac or Fannie Mae pending foreclosure volume. By way of example, if a firm had 2,000 Freddie Mac foreclosure matters and 4, 501 Fannie Mae foreclosure matters, the firm would fall within Tier II and the required coverage would be not less than \$5 million per occurrence with an aggregate of not less than \$5 million. Beginning in 2014, Servicers must conduct an updated coverage analysis annually, with the appropriate level of insurance to be determined by the number of matters being handled as of June 1 of each year. When an annual review reveals a need to increase a firm's coverage, firms will have until December 31 of each year to obtain any required increased coverage. Servicers may grant firms additional time to obtain increased coverage if necessary to reach the routine renewal date for the firm's policy, but may not grant extensions beyond June 1 of the following year.

(t) Financial resources

The Servicer must confirm that the firm has adequate financial resources and the financial ability to make required advances in connection with filing fees and costs necessary to process default-related and REO-related matters.

The Servicer must review the firm's financial statements and/or other firm financial documents in order to confirm that the firm has sufficient reserves or credit lines to manage operating expenses.

(u) Business continuity

The Servicer must confirm that the firm has business continuity and/or disaster recovery plans in place to recover critical business functions. The firm must have a documented succession/continuity plan in the event of loss of the firm owners/partners.

(v) Quality control

The Servicer must confirm that the firm has written policies, procedures and/or processes in place by the date of the submission of the Servicer Selection Form, to ensure the proper management and supervision of staff and the proper preparation, review, execution and notarization of default-related documents and REO-related documents. The Servicer must also confirm the firm has an escalation process for employees to raise document execution and other quality control issues to firm management.

The Servicer must obtain documentation and information related to the firm's process for ensuring compliance with its policies, procedures, processes and training, such as an internal compliance program and/or quality control reviews.

(w) Employee training

The Servicer must confirm that the firm has written policies for employee training, including privacy training. When determining whether a firm's employee training is adequate, the Servicer must review the frequency of training, the presence of policies and procedures and firm handbooks, manuals and job aids.

(x) Adverse matters

No substantial part of the firm's practice can include matters that are adverse to financial institutions, including Freddie Mac or Fannie Mae. Adverse matters to financial institutions include:

- Homeowners or condominium association foreclosures
- Consumer debtor or mortgagor representation
- Bankruptcy trustee representation; or
- Any other client(s) that may create a potential conflict of interest

(y) Conflicts of interest

Attorneys must not be affected by a conflict of interest or a potential conflict of interest when handling Freddie Mac Default Legal Matters. The Servicer must retain the most qualified attorneys in compliance with Freddie Mac requirements to assist with processing Freddie Mac Default Legal Matters without regard to arrangements that could provide a financial or personal benefit directly or indirectly to the Servicer, its employees, outsource companies or third party vendors utilized by the Servicer to assist in Servicing defaulted Mortgages.

On the Servicer Selection Form, the Servicer must disclose to Freddie Mac any current, past (within the last five years), or pending personal and/or financial relationships between (i) the Servicer and the firm, including its partners and shareholders (as applicable) and (ii) the firm, including its partners and shareholders (as applicable), and any outsourcing company or other third-party vendor utilized by the Servicer to assist in Servicing defaulted Mortgages.

(z) Disclosure of third-party service providers

The Servicer must require the firm to disclose the identity of, and relationship with, any entities the firm relies upon to provide third-party support functions performed on the Servicer's behalf, including, but not limited to, title searches, title insurance, posting, publication, and process services.

The Servicer must also require the firm to disclose whether the firm has a process to select and regularly review costs and performance of vendors of related sources to ensure competitive pricing and high quality.

(aa) Referrals

The Servicer is responsible for ensuring that the firm complies with Freddie Mac requirements and applicable laws regarding referrals and payment of related fees and benefits, as further described in Sections 9501.7 and 9501.8.

The Servicer must not require the firm to use vendors, outsource companies or other third-parties specified by the Servicer as a condition of receiving a referral of a Freddie Mac Default Legal Matter.

(bb) Diversity data

The Servicer must confirm that the firm has the capability to report diversity data to the Servicer and Freddie Mac, if necessary.

Related Guide Bulletins	Issue Date
Bulletin 2017-26	November 15, 2017
Bulletin 2016-12	June 29, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.4: Selection of firm (03/02/16)

9501.4: Selection of firm (03/02/16)

(a) Servicer selects firm

If the Servicer determines that a firm meets the Firm Minimum Requirements specified in Section 9501.3 and all other Guide requirements, then the Servicer must complete and submit a Servicer Selection Form to Freddie Mac, via

<https://freddiemacsats.com> and receive Freddie Mac's "no objection"

determination before entering into an agreement with a firm to handle Freddie Mac Default Legal Matters. If Freddie Mac requests additional information from the Servicer as part of this process, the Servicer must provide the requested information within the time frame requested by Freddie Mac. Servicers may not rely upon a previous submission of a Servicer Selection Form with respect to a firm by another Servicer that received a "no objection" determination. Each Servicer must conduct its own due diligence, submit a Servicer Selection Form and receive a "no objection" determination for each firm that the Servicer wishes to retain to handle Freddie Mac Default Legal Matters.

If a firm practices in multiple States, the Servicer must submit a Servicer Selection Form for each State office for which the Servicer wishes to retain the firm.

Servicer Attorney Tracking System (SATS) registration

Servicers must use the Servicer Attorney Tracking System (SATS), an online process, to submit a Servicer Selection Form to Freddie Mac for each law firm selected to handle Freddie Mac Default Legal Matters. To establish access to SATS, Servicers must first register to create a user ID and password at **<https://freddiemacsats.com>**. After completing the registration process, SATS will allow users to submit the information required in the Servicer Selection Form to Freddie Mac for review. SATS will also allow Servicers to respond to Freddie Mac's requests for additional information, as necessary, and will allow Servicers to track each submission's status during the review process.

Freddie Mac will not review any Servicer Selection Form completed and submitted to any Freddie Mac e-mail address. Servicers must complete and submit the Servicer Selection Form via **<https://freddiemacsats.com>**.

(b) Freddie Mac review of Servicer Selection Form

After Freddie Mac receives the Servicer Selection Form, Freddie Mac will notify the Servicer via the Servicer's registered e-mail address with SATS whether Freddie Mac:

- Objects to the Servicer's retention of the firm to handle Freddie Mac Default Legal Matters
- Has no objection to Servicer's retention of the firm to handle Freddie Mac Default Legal Matters; or
- Needs additional information or documentation, or due diligence to be conducted before deciding whether the firm may be retained. If requested, the Servicer must provide any additional information or documentation to Freddie Mac via **<https://freddiemacsats.com>**, and must conduct any further due diligence requested by Freddie Mac within the time period stated in Freddie Mac's request.

(c) Freddie Mac's response to Servicer firm selection**(i) Freddie Mac provides a "no objection" response**

The Servicer must enter into a contract with the firm (if a contract does not already exist) as further specified in Section 9501.5, to handle Freddie Mac Default Legal Matters.

(ii) Freddie Mac provides an "objection" response

If the Servicer determines not to retain a particular firm, or if Freddie Mac objects to the retention of a particular firm, the Servicer must notify the firm that the firm cannot be hired for Freddie Mac Default Legal Matters.

(d) The Servicer decides not to retain firm

The Servicer is not obligated to inform Freddie Mac:

- If the Servicer determines that a firm does not meet the Firm Minimum Requirements; or
- If the Servicer decides not to retain a firm

(e) Diversity

Servicers are reminded that they must be aware of, and comply with, Freddie Mac's requirements in Sections 1201.10 and 1301.2 The Servicer must commit to practice the principles of equal employment opportunity and non-discrimination in all its business activities, including the retention and hiring of firms retained pursuant to this section.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.5: Retention of firm (03/02/16)

9501.5: Retention of firm (03/02/16)**(a) Servicer contract with firm**

If the Servicer has not already entered into a contract with a selected firm and Freddie Mac has provided a "no objection" determination, then the Servicer must enter into a contract with the firm. The Servicer must notify Freddie Mac when the contract has been executed by updating the Servicer Attorney Tracking System (SATS) via **<https://freddiemacsats.com>**, and must provide a copy of the contract to Freddie Mac, upon request.

(b) Freddie Mac limited retention agreement with firm

Freddie Mac will enter into a limited retention agreement that sets forth certain key retention provisions with each selected firm for each State in which the firm has received a "no objection" determination.

(c) Conflict between Servicer's contract and limited retention agreements; Servicer's respective consent

The Servicer acknowledges that the limited retention agreement recognizes and reflects a joint attorney-client relationship between the law firm, Freddie Mac and the Servicer, and the Servicer consents to such joint representation. The Servicer consents, in advance, to the selected firm's representation of Freddie Mac in any Freddie Mac Default Legal Matter that is or might be adverse to the Servicer, and further agrees that the firm can use in such representation any information the firm gained in the course of jointly representing the Servicer and Freddie Mac. In the event of any inconsistency or conflict between the terms and conditions of the Servicer's contract with the selected firm and the terms and conditions of Freddie Mac's limited retention agreement with the firm, Freddie Mac's limited retention agreement shall control.

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9501.6: Training of firms (03/02/16)

(a) Training prior to referral

The Servicer must not refer any Freddie Mac Default Legal Matters to a firm until the Servicer verifies that the firm has executed a limited retention agreement with Freddie Mac and has completed Freddie Mac's new firm training.

A firm is only required to attend Freddie Mac's new firm training once, regardless of the number of Servicers that select and retain the firm.

(b) Ongoing training

The Servicer must ensure that each firm obtains appropriate training to keep the firm apprised of updated Freddie Mac requirements. If the Servicer provides its own standard training and/or other communication materials to a firm, the Servicer must include information regarding Freddie Mac's requirements.

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9501.7: Referral of Freddie Mac Default Legal Matters to firm (03/02/16)

(a) Requirements prior to referral

Prior to referring a Freddie Mac Default Legal Matter to a firm, the Servicer must confirm that the firm is eligible to receive a referral by ensuring that:

- The firm meets the Firm Minimum Requirements, as specified in Section 9501.3
- Freddie Mac has provided a "no objection" determination, as specified in Section 9501.4
- The firm has executed a contract with the Servicer requiring the firm to comply with all applicable Freddie Mac requirements, as specified in Section 9501.5
- The firm has executed a limited retention agreement with Freddie Mac, as specified in Section 9501.5
- The firm has completed Freddie Mac training and any additional Servicer training, as specified in Section 9501.6; and
- There are no conflicts of interest with respect to the retention of the firm and referral of Freddie Mac Default Legal Matters to the firm

(b) Diversification of referrals

The Servicer must diversify its referrals of Freddie Mac Default Legal Matters to an appropriate number of firms in each State to protect the interests of Freddie Mac and to mitigate the risks related to a high concentration of Freddie Mac files. In selecting firms for referrals, the Servicer must consider firm capacity and management of staff to file ratios.

(c) Bankruptcy and foreclosure matters

The Servicer must not refer foreclosure matters directly to trustees listed on the deeds of trust.

Refer to Section 9401.10 for additional referral requirements.

(d) Providing documentation to firm

The Servicer must identify a file as a Freddie Mac Default Legal Matter when sending the file to a firm. When referring a file to a firm, the Servicer must provide all documentation required to initiate a foreclosure. If the firm requests any additional information and/or documentation at any time, the Servicer must provide such requested information and/or documents within three Business Days after receipt of the request, or within such earlier time frame if necessary to comply with timing requirements under applicable law or court orders and procedures.

For any Mortgage that the Servicer refers for foreclosure that is subsequently repurchased by the Servicer, whether voluntarily or involuntarily, the Servicer must notify foreclosure and/or bankruptcy counsel within two Business Days of the completed repurchase. (See Chapter 3602 for additional information about repurchases.)

(e) Contingency plan

All Servicers must have a contingency plan in place, either in the form of a stand-alone document or incorporated into policies and procedures, to redirect new foreclosure and bankruptcy referrals.

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**Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.8:
Prohibitions related to Freddie Mac Default Legal Matters (03/02/16)**

**9501.8: Prohibitions related to Freddie Mac Default Legal Matters
(03/02/16)**

Servicers must not require the firm to perform any foreclosure or bankruptcy-related services on any Freddie Mac Default Legal Matter without compensation.

(a) Prohibition against charging for, contracting for, or making arrangements to receive benefits for Servicing obligations

A Servicer, whether acting directly or through an affiliate, service provider, vendor or outsourcing company, must not directly or indirectly:

- Charge Freddie Mac or the firm for any foreclosure or bankruptcy-related Servicing obligations, including expenses covered by the Servicing Spread; or
- Contract or make any arrangements with the firm whereby the Servicer (or its affiliate, service provider, vendor or outsourcing company) receives, directly or indirectly, any financial or other benefits (including, but not limited to, payments, the provision of employees or free or discounted services or products) from the firm in connection with any Freddie Mac Default Legal Matter or Freddie Mac-owned or guaranteed Mortgage

Refer to Section 8103.3 for additional information on Servicing obligations.

(b) Prohibitions with respect to use of specific vendors, services and/or products

The Servicer, and not a service provider, vendor or outsourcing company assisting the Servicer in Servicing defaulted Mortgages, must select the firm to handle Freddie Mac Default Legal Matters, and Servicers must not permit service providers, vendors, outsourcing companies, or others to participate in or influence, in any way, the Servicer's referral process.

A Servicer must not, whether acting directly or through an affiliate, service provider, vendor or outsourcing company:

- Require the firm to contract with or use a particular service provider, vendor or outsourcing company, or to use, or pay for, a particular service or product
- Refuse to refer a file to the firm because the firm chooses not to contract with or use a particular service provider, vendor or outsourcing company, or chooses not to use, or pay for, a particular service or product; or
- Charge the firm for any aspect of the file referral or management process, including, but not limited to, the use of connectivity or invoice processing systems (e.g., licensing or subscription fees, "click" charges, or any other payment) in order for the firm to provide services necessary to handle Freddie Mac Default Legal Matters (e.g., to prosecute the foreclosure or bankruptcy case)

However, a Servicer may require the firm to use certain connectivity or invoice processing systems, provided that the firm is not required to pay for the use of, or access to, such systems.

Refer to Section 9501.9 for information about use of, and reimbursement for, connectivity and invoice processing systems.

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Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.9: Servicer use of connectivity and invoice processing system (03/02/16)**9501.9: Servicer use of connectivity and invoice processing system (03/02/16)**

A Servicer, whether acting directly or through any vendor, service provider or outsourcing company, may employ electronic monitoring, management, reporting or information and document delivery processes technology, referred to in this section as a "Connectivity System, " and an invoice processing system as outlined below.

(a) Connectivity System

A Servicer may employ a Connectivity System to assist with fulfilling Servicing obligations such as:

- Packaging and referring foreclosure and bankruptcy cases to the firm
- Communicating information and delivering documents between the Servicer and the firm as well as any other third parties requiring access to the Connectivity System; and
- Managing and monitoring foreclosure and bankruptcy cases

If a Servicer uses a Connectivity System:

- Freddie Mac will reimburse the Servicer for the actual cost of the connectivity fee up to the maximum expense limit specified in Section 9701.11
- The Servicer must provide the firm with use of and access to the identical Connectivity System
- The Servicer must permit, or continue to permit, the firm to integrate its own technology systems with the Connectivity System at no cost to the firm; and
- The Servicer must not pass on any Connectivity System related charges to the Borrower or the firm

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(b) Invoice processing system

A Servicer may employ an invoice processing system for managing the submission and payment of invoices.

If a Servicer, whether acting directly or through a vendor or outsourcing company, processes firm invoices electronically:

- Freddie Mac will reimburse the Servicer for the actual cost of the invoicing fee up to the maximum expense limits specified in Section 9701.11; and
- The Servicer must not pass on any invoice processing related charges to the Borrower or the firm

The amounts specified in Section 9701.11 for connectivity and invoice processing systems are the maximum amounts for which a Servicer may seek reimbursement for the life of the default (i.e., the duration of the foreclosure, including any Freddie Mac Default Legal Matter such as bankruptcy).

For example, if a Servicer has already referred a Mortgage to foreclosure and it then becomes necessary to take action with respect to a bankruptcy related to such Mortgage, or if a Servicer has already referred a file for bankruptcy and foreclosure has commenced following the bankruptcy referral, the Servicer may be reimbursed only for one connectivity fee. Likewise in this scenario, if the Servicer is using an invoice processing system, then the Servicer may only seek reimbursement for one invoicing fee associated with the foreclosure and for one invoicing fee associated with the bankruptcy during the life of the default.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.10: Servicer reporting on Freddie Mac Default Legal Matters (06/29/16)

9501.10: Servicer reporting on Freddie Mac Default Legal Matters (06/29/16)

The Servicer must provide reports related to firm performance, management of foreclosure and bankruptcy processes, oversight of firm compliance and performance and other related matters as required by Freddie Mac. Servicers must ensure that all firms retained for Freddie Mac Default Legal Matters report data required by Freddie Mac directly to Freddie Mac accurately and in the time frames prescribed. This includes required daily reporting by its retained law firms, via the Attorney Data Reporting (ADR) System, of key metrics such as:

- Milestones during the lifecycle of Freddie Mac Default Legal Matters
- Delays affecting prompt and efficient completion of the Freddie Mac Default Legal Matter
- Successful loss mitigation activities
- Litigation detail during the lifecycle of certain non-routine litigation matters
- Completion of the Freddie Mac Default Legal Matter

Key metrics generally must be reported to Freddie Mac within 24 hours of occurrence, unless otherwise prescribed in related training materials for the web-based attorney reporting system. Servicers may obtain access to ADR, and monitor their law firms' reporting progress, by completing the **ADR Servicer Access Request Form** available on the Freddie Mac Default-Related Legal Services web page at

http://www.freddiemac.com/singlefamily/service/default_legal_services.html

Related Guide Bulletins	Issue Date

JA0355

Bulletin 2016-12	June 29, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.11: Servicer monitoring and management of firm (03/02/16)

9501.11: Servicer monitoring and management of firm (03/02/16)

The Servicer is responsible for managing and monitoring all aspects of the firm performance, providing necessary assistance to the firm relating to Freddie Mac Default Legal Matters, and for undertaking all activities required to protect Freddie Mac's interest in the Mortgage. The Servicer must also ensure that the firm is in compliance with applicable Freddie Mac requirements, and that the firm receives all training and documentation relating to applicable Freddie Mac requirements, either separately or as part of the Servicer's standard training.

(a) Compliance processes

The Servicer must develop and have in place policies and procedures regarding oversight and compliance of firms handling Freddie Mac Default Legal Matters. The Servicer must have policies and procedures reasonably designed to ensure that firms handling Freddie Mac Default Legal Matters are in compliance with the limited retention agreement, the applicable provisions of the Guide, and applicable law.

The Servicer's ongoing compliance monitoring must address the following minimum elements:

- Ongoing eligibility under the Firm Minimum Requirements specified in Section 9501.3
- Compliance with the limited retention agreement, including the fee and cost guidelines; and
- Firm performance and processes necessary to ensure Servicer's compliance with applicable Guide requirements

The Servicer must conduct periodic compliance reviews and training as appropriate. In determining the frequency of firm compliance reviews, the Servicer must consider the overall risk posed to Freddie Mac by the firm (legal, reputational, and financial), firm file volume, performance, any changes in staffing ratios or levels, any litigation against the firm alleging systemic issues, any media coverage regarding the firm and the prior results of any firm compliance reviews.

(b) Freddie Mac review of compliance process

Freddie Mac reserves the right to review the Servicer's compliance process. Freddie Mac may require Servicers to conduct additional compliance activities related to firms handling Freddie Mac Default Legal Matters, such as additional firm compliance reviews.

The Servicer must make available to Freddie Mac upon request the materials relating to its performance and compliance monitoring of firms handling Freddie Mac Default Legal Matters, including:

- Information regarding the scope and methodology of the Servicer's compliance monitoring
- The schedule of firm compliance reviews conducted
- The identity of any vendors used in the firm compliance reviews
- All documentation from the firm compliance reviews; and
- All findings, reports or remediation plans resulting from the firm compliance reviews

In addition, Freddie Mac may require a Servicer to change the scope of its compliance process used to monitor firms handling Freddie Mac Mortgages.

(c) Freddie Mac right to audit firm

Freddie Mac also reserves the right to directly conduct firm audits and firm on-site visits as Freddie Mac deems necessary. Freddie Mac audits and visits may focus on items such as fee and cost compliance, Servicer compliance with Freddie Mac requirements, and high-risk issues, including compliance with applicable laws, reputational risk, unsatisfactory results of Servicer firm compliance reviews and conflicts of interest involving Freddie Mac-owned or guaranteed Mortgages.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.12: Escalation of firm issues to Freddie Mac (03/02/16)

9501.12: Escalation of firm issues to Freddie Mac (03/02/16)

(a) Escalation of issues

The Servicer must notify Freddie Mac via e-mail (**see Directory 1**), within two Business Days of discovery or sooner if circumstances warrant, if the Servicer becomes aware of any issues or concerns relating to a firm (including a specific employee or vendor of a firm), or a Freddie Mac Default Legal Matter, including, but not limited to:

1. Any information regarding a firm that may warrant a firm's suspension, termination or Servicer request to transfer Freddie Mac Default Legal Matters to another firm
2. Information suggesting legal or reputational risk posed by the firm such as bar complaints, sanctions, or litigation alleging systemic issues with the firm, firm attorney, or the firm's practices
3. Security incidents that compromise the security, confidentiality or integrity of "sensitive customer information" and that security incident is related to Freddie Mac-owned or guaranteed Mortgages (refer to Section 1301.2(f))
4. Actual or alleged fraud on the part of the firm
5. Federal, State, or local governmental inquiries, including congressional inquiries, regarding a firm, Freddie Mac-owned or guaranteed Mortgages, or Freddie Mac or Servicer practices affecting Freddie Mac-owned or guaranteed Mortgages
6. Non-routine litigation (as described in Section 9402.2)
7. Media inquiries relating to Freddie Mac, a firm, or Freddie Mac-owned or guaranteed Mortgages
8. Volume or capacity issues with the firm
9. Breach of the limited retention agreement between the firm and Freddie Mac, or the contract between the firm and the Servicer
10. Legal matters such as regulatory updates and specific reporting on certain matters (e.g., transfer tax matters)
11. Any systemic issues with the firm
12. Systemic Servicer issues related to file suspensions and foreclosure holds (e.g., failure to properly implement new statutory changes); and
13. Any material change in the ownership, partnership, or organization of the firm after executing the limited retention agreement. Such notifications should include instances where a named partner leaves the firm or a major practice group separates from the firm.

(b) Procedures relating to issues and concerns

When a Servicer provides Freddie Mac notice of an issue requiring Freddie Mac's attention, the Servicer must designate in its e-mail one or more points of contact. Freddie Mac may request that the Servicer obtain additional information from the firm regarding the issue that was escalated to Freddie Mac, and the Servicer must promptly provide the requested information to Freddie Mac.

(c) Freddie Mac rights

Freddie Mac reserves the right to issue direction to Servicers and firms regarding escalated issues. Refer to Section 9501.15 for more information about Freddie Mac's reservation of rights

(d) Escalated issue – confidential information

Any issue that is identified and escalated to or by Freddie Mac pursuant to this section (other than non-routine litigation) is considered to be "confidential information" as defined in Sections 1201.8 and 8101.8. The Servicer must comply with the requirements of such sections with respect to treatment of any escalated issue.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.13: File transfers, termination and suspension of firms (05/18/16)

9501.13: File transfers, termination and suspension of firms (05/18/16)

(a) Servicer-directed suspension of referrals, Freddie Mac Default Legal Matter transfers and terminations

If a Servicer becomes aware of information regarding a firm's handling Freddie Mac Default Legal Matters that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters to another firm, and/or termination of the firm (such as for legal, reputational, or operational risk), the Servicer must:

- Notify Freddie Mac within two Business Days via e-mail or sooner if circumstances warrant, as set forth in Section 9501.12; and
- Conduct due diligence with respect to the issue

If the Servicer intends to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, and/or terminate a firm, the Servicer must provide Freddie Mac with at least five Business Days' notice **(see Directory 1)** prior to implementing the decision. Additionally, the notification must provide Freddie Mac with the implementation plan for the course of action chosen by the Servicer, pursuant to Section 9501.14.

For the transfer of Freddie Mac Default Legal Matters, once a Servicer has determined the eligible law firm(s) that will receive such file transfers, the following must also be included in the notification to Freddie Mac:

- Servicer name and the six-digit Seller/Servicer number
- The nine-digit Freddie Mac loan number
- Servicer loan number
- Date of transfer
- Original law firm name
- New law firm name
- Freddie Mac Default Legal Matter being transferred (e.g., foreclosure, bankruptcy proof of claim (POC) or bankruptcy motion for relief (MFR)) to the new law firm
- The State in which the Mortgaged Premises is located

In addition, the Servicer must:

- Upon request, provide Freddie Mac with the reason for the decision and the due diligence materials or other information supporting the decision
- Inform the firm of the decision; and
- Keep Freddie Mac periodically updated with respect to the status of implementation of the decision

Refer to Section 9501.14 for additional information relating to implementation of terminations, transfer of Freddie Mac Default Legal Matters and suspensions.

(b) Freddie Mac-directed suspension of referrals, matter transfers and terminations

Freddie Mac may direct the Servicer to initiate an investigation of a firm if Freddie Mac becomes aware of information that might warrant a suspension of referrals of new Freddie Mac Default Legal Matters, the transfer of Freddie Mac Default Legal Matters, or termination of the firm. Freddie Mac also may conduct due diligence and investigations as necessary. Freddie Mac may instruct Servicers to suspend some or all referrals of new Freddie Mac Default Legal Matters, to transfer some or all existing Freddie Mac Default Legal Matters, or to terminate a firm.

In the event of a decision by Freddie Mac to suspend referrals of new Freddie Mac Default Legal Matters, transfer Freddie Mac Default Legal Matters, or terminate a firm, Freddie Mac will:

- Inform the Servicer of the decision and provide direction with respect to required Servicer actions, including direction with respect to transfers of Freddie Mac Default Legal Matters
- Inform the firm of the decision and provide direction to the firm with respect to required firm actions; and
- Terminate the limited retention agreement between Freddie Mac and the firm, as appropriate

(c) Documentation of due diligence review

The Servicer must maintain documentation of the due diligence review, the Servicer's decision, and all other information supporting the decision for a period of seven years after such decision.

Related Guide Bulletins	Issue Date
Bulletin 2016-9	May 18, 2016

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.14: Implementing file transfers and/or the termination and suspension of firms (03/02/16)

9501.14: Implementing file transfers and/or the termination and suspension of firms (03/02/16)

(a) Implementation plan

Prior to implementing any decision to terminate a contract with a firm, suspend referrals of new Freddie Mac Default Legal Matters and/or transfer Freddie Mac Default Legal Matters from a firm, the Servicer must develop an implementation plan which addresses:

- File transfers
- The capacity of other eligible firms in the State to handle additional Freddie Mac Default Legal Matters and/or transferred Freddie Mac Default Legal Matters
- Proration of fees and costs between the transferor and transferee firms
- Contract provisions during any transition period, including insurance; and
- Other issues as necessary

The implementation plan must take into account any legal, operational or reputational risks that may arise during the transition period, and must address these risks in the most cost-efficient and effective manner. Freddie Mac reserves the right to require the modification of the implementation plan, and provide additional Servicer requirements relating to the termination of any firm, the suspension of referrals of new Freddie Mac Default Legal Matters and the transfer of Freddie Mac Default Legal Matters.

(b) Servicer monitoring of implementation plan

The Servicer must take all necessary steps to ensure that the implementation plan proceeds in an orderly manner and that all Freddie Mac interests are protected during the implementation. Such steps include, but are not limited to:

- Transferring files relating to Freddie Mac Default Legal Matters to eligible firms
- Addressing any issues arising from the transfer of files, the suspension of referrals and the termination of a firm
- Reporting periodically to Freddie Mac on the status of the plan, including such details as how many files are transferred to each new firm, which new firms receive the files and the timing of transfers; and
- Such other details as requested by Freddie Mac

Servicers may not charge Freddie Mac or Borrowers for any fees or costs associated with transferring Freddie Mac Default Legal Matters, and such amounts may not be added to Borrower Mortgage balances.

(c) Freddie Mac's rights to manage termination, suspension and/or file transfers

Freddie Mac may decide, in its sole discretion, that the legal, operational or reputational risks necessitate Freddie Mac's management of the:

- Termination of any firm with respect to its handling of Freddie Mac Default Legal Matters
- Suspension of referrals of Freddie Mac Default Legal Matters to a firm; and/or
- Transfers of files relating to Freddie Mac Default Legal Matters

In such case, the Servicer must cooperate with Freddie Mac in such management and provide all necessary documentation, files and information as requested by Freddie Mac.

Freddie Mac Single Family/Single-Family Seller/Servicer Guide/Single-Family Seller/Servicer Guide/Servicing/Series 9000: Servicing Default Management/Topic 9500: Selection, Retention and

Management of Law Firms for Freddie Mac Default Legal Matters/Chapter 9501: Selection, Retention and Management of Law Firms for Freddie Mac Default Legal Matters/9501.15: Reservation of rights and remedies for non-compliance concerning litigation (03/02/16)**9501.15: Reservation of rights and remedies for non-compliance concerning litigation (03/02/16)**

Freddie Mac reserves the right to direct and control all litigation involving a Freddie Mac loan. The Servicer and firm handling the litigation must cooperate fully with Freddie Mac in the prosecution, defense or handling of the matter.

In addition, Freddie Mac reserves the right to:

1. Select the foreclosure counsel for a particular case, whether the case is routine or non-routine litigation
2. Direct and manage the actions taken by the foreclosure counsel, on a case-by-case or individual State basis
3. Assess additional compensatory fees against the Servicer and/or seek repayment of losses, costs or damages from the Servicer sustained due to errors, omissions or delays by the Servicer or its agent; and
4. Direct and manage the actions taken by Servicers and firms relating to escalated issues specified in Section 9501.12

Remedies for non-compliance

If a Servicer fails to comply with the provisions under Chapter 9501, Freddie Mac, in its sole discretion, and in addition to any other remedies specified in the Guide or the Servicer's other Purchase Documents, reserves the right to:

- Refuse to reimburse the Servicer for any legal fees and costs
- Offset the entire legal fee from future foreclosure expenses otherwise eligible for reimbursement from Freddie Mac or seek the Servicer's reimbursement of the entire legal fee with interest, if Freddie Mac has already reimbursed the Servicer for the costs involved in the particular foreclosure or bankruptcy
- Require the Servicer to reimburse the firm or Freddie Mac for any prohibited payments or other financial benefits
- Prohibit the Servicer from contracting, directly or through any service provider, vendor or outsourcing company, with a firm with respect to products or services ancillary to a foreclosure or bankruptcy case
- Prohibit the Servicer from contracting with the service provider, vendor or outsourcing company involved in the prohibited activities with respect to Freddie Mac-owned or guaranteed Mortgages
- Seek Servicer repayment of losses, costs or damages sustained by Freddie Mac due to errors by the Servicer or its agent; and/or require repurchase of impacted Mortgage

EXHIBIT C

EXHIBIT C

Inst #: 200908190003864

Fees: \$15.00

N/C Fee: \$25.00

08/19/2009 01:10:02 PM

Receipt #: 22581

Requestor:

TITLE COURT SERVICE INC

Recorded By: CYV Pgs: 2

DEBBIE CONWAY

CLARK COUNTY RECORDER

176-18-516-089
Prepared by: Leticia Arias
Ocwen Loan Servicing, LLC
1661 Worthington Road, Suite 100
West Palm Beach, Florida, 33409
Phone Number: 561-682-8835
557036277718
Attorney Code: 24117

09-06-2007

4190733-AJ

**ASSIGNMENT OF DEED OF TRUST
NEVADA**

This **ASSIGNMENT OF DEED OF TRUST** is made and entered into as of this 16TH day of JANUARY, 2009, from **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.**, whose address is P.O. Box 2026, Flint, MI 48501-2026, its successors and assigns, as nominee for **COUNTRYWIDE KB HOME LOANS, A COUNTRYWIDE MORTGAGE VENTURES, LLC SERIES**, its successors and assigns, ("Assignor) to **OCWEN LOAN SERVICING, LLC**, whose address is 1661 Worthington Road, Suite 100, West Palm Beach, Florida, 33409, all its rights, title and interest in and to a certain mortgage duly recorded in the Office of the County Recorder of **CLARK** County, State of **NEVADA**, as follows;

Trustor: **ROGELIO CEDILLO**

Trustee: **FIRST AMERICAN TITLE COMPANY OF NEVADA**

Beneficiary: **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ACTING SOLELY AS NOMINEE FOR COUNTRYWIDE KB HOME LOANS, A COUNTRYWIDE MORTGAGE VENTURES, LLC SERIES**

Document Date: **APRIL 11, 2007**

Amount: **\$213,121.00**

Date Recorded: **APRIL 16, 2007**

Document/Instrument/Entry Number: **0001097**

Book: **20070416**

Property Address: **548 PRIMROSE HILL AVENUE, LAS VEGAS, NV**

APN: **176-18-516-089**

Property more particularly described in the above referenced recorded Deed of Trust

Together with any and all notes and obligations therein described or referred to, the debt respectively secured thereby and all sums of money due and to become due thereon, with interest thereon, and attorney's fees and all other charges.

This Assignment is made without recourse, representation or warranty.

DATED: JULY 09, 2009.

JA0365

**MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.
ACTING SOLELY AS NOMINEE FOR COUNTRYWIDE
KB HOME LOANS, A COUNTRYWIDE MORTGAGE
VENTURES, LLC SERIES**

BY: _____

NAME: Kevin M. Jackson

TITLE: Vice President

STATE OF FLORIDA)

)SS.

COUNTY OF PALM BEACH)

On JULY 09, 2009, before me, the undersigned, a Notary Public in and for said State, personally appeared Kevin M. Jackson, the Vice President at MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. ACTING SOLELY AS NOMINEE FOR COUNTRYWIDE KB HOME LOANS, A COUNTRYWIDE MORTGAGE VENTURES, LLC SERIES, personally known to me 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 entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.



Notary Signature

MIN: 1000157-0008021988-0

MERS Ph.#: (888) 679 - 6377

NOTARY PUBLIC-STATE OF FLORIDA
Leticia N. Arias
Commission #DD737904
Expires: NOV. 29, 2011
BONDED THRU ATLANTIC BONDING CO., INC

JA0366

11/11/17 10:53 AM
CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Debbie Conway
RECORDED

JA0367

EXHIBIT D

EXHIBIT D

Inst #: 20160527-0002171
Fees: \$18.00
N/C Fee: \$25.00
05/27/2016 11:31:37 AM
Receipt #: 2776969
Requestor:
SERVICELINK TITLE AGENCY IN
Recorded By: GYOUNG Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

RECORDING REQUESTED BY AND WHEN RECORDED RETURN TO:
CALIBER HOME LOANS
13801 Wireless Way
Oklahoma City, OK 73134

Prepared By: Gayle Clay
MERS Min: 100015700080219880
Parcel ID: 176-18-516-089

Control Number [REDACTED]

Space Above This Line For Recorder's Use

ASSIGNMENT OF DEED OF TRUST

FOR VALUE RECEIVED, the undersigned OCWEN LOAN SERVICING, LLC whose address is 402 STRAND STREET, FREDERIKSTED, ST. CROIX, VI 00840, hereby grants, assigns and transfers to U.S. BANK TRUST, N.A., AS TRUSTEE FOR LSF9 MASTER PARTICIPATION TRUST whose address is 13801 WIRELESS WAY, OKLAHOMA CITY, OK 73134 all beneficial interest under that certain Deed of Trust dated 04/11/2007 executed by ROGELIO CEDILLO to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., AS NOMINEE FOR COUNTRYWIDE KB HOME LOANS, A COUNTRYWIDE MORTGAGE VENTURES, LLC SERIES, AS ITS SUCCESSORS AND ASSIGNS in the amount of \$213,121.00 and recorded on 4/16/2007 as Instrument # 20070416-0001097, in Book/Volume or Liber No. —, Page/folio — of Official Records in the County Recorder's office of CLARK County, NV, describing land herein as: 'SEE ATTACHED 'EXHIBIT A'

Property Address: 548 PRIMROSE HILL AVE, LAS VEGAS NV 89178

TOGETHER with the note or notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said Deed of Trust.

Witness #1

[Signature]
Janelle Plaz

Witness #2

[Signature]
Jeffrey Starling

OCWEN LOAN SERVICING, LLC, BY CALIBER HOME LOANS, INC., AS ITS ATTORNEY IN FACT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

[Signature]
By: Melinda Girardeau
Title: Authorized Signatory

County of San Diego)
State of California)

On May 17, 2016 before me, Jeannette L. Faust, Notary Public, personally appeared, Melinda Girardeau who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand official seal,

[Signature]
Jeannette L. Faust
Notary Name: Jeannette L. Faust



My Commission Expires: May 6, 2018

JA0369

EXHIBIT "A"
LEGAL DESCRIPTION

Real property in the City of Las Vegas, County of Clark, State of Nevada, described as follows:

Parcel I:

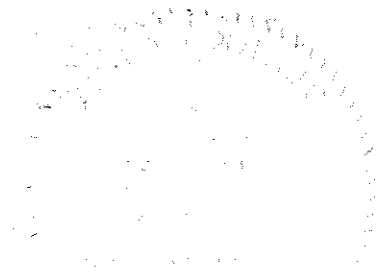
Lot 120 of Huntington Village B Unit 3 at Rhodes Ranch, as shown by map thereof on file in Book 129 of Plats, Page 58, in the Office of the County Recorder of Clark County, Nevada and amended by Certificate of Amendment recorded August 1, 2006 in Book 20060801 as Document No. 05319.

Reserving therefrom a private access easement over the West five (5) feet of said land for the benefit of Lot 119.

Parcel II:

An easement for ingress and egress over and across all those areas shown as private drives on the final of Huntington Village B Unit 1 at Rhodes Ranch.

APN: 176-18-516-089



JA0370

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Hebbie Conway
RECORDED

JA0371

EXHIBIT E

EXHIBIT E

Assessor Parcel Number: 176-18-516-089
File Number: R23167

20080709-0001377

Fee: \$14.00
N/C Fee: \$0.00

07/09/2008
T20080137595

10:19:00

Requestor:
NORTH AMERICAN TITLE COMPANY

Debbie Conway
Clark County Recorder Pgs: 1

62
LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

NOTICE IS HERBY GIVEN: Red Rock Financial Services, a division of RMI Management LLC, officially assigned as agent by the Liberty at Huntington Homeowners Association, herein also called the Association, in accordance with Nevada Revised Statutes and outlined in the Association Covenants, Conditions, and Restrictions, herein also called CC&R's, recorded on 10/7/2004, in Book Number 20041007, as Instrument Number 0002693 and including any and all Amendments and Annexations et. seq., of Official Records of Clark County, Nevada. Which have been supplied to and agreed upon by said owner.

Said Association imposes a Lien for Delinquent Assessments on the commonly known property:

548 Primrose Hill Avenue, Las Vegas, NV 89178

HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120, in
the County of Clark

Current Owner(s) of Record:

ROGELIO CEDILLO

The amount owing as of the date of preparation of this lien is **\$625.04.

This amount includes assessments, late fees, interest, fines/violations and collection fees and costs.

**The said amount will increase as assessments, late fees, interest, fines/violations, collection fees and costs and/or decrease as partial payments are applied to the account.

Dated: July 3, 2008

Christie Marling
Prepared By Christie Marling, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

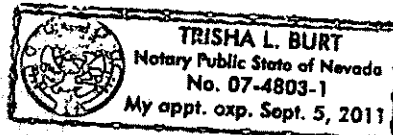
STATE OF NEVADA)
COUNTY OF CLARK)

On July 3, 2008, before me, personally appeared Christie Marling, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Trisha L. Burt
When Recorded Mail To: Red Rock Financial Services

6830 West Oquendo Road, Suite 201
Las Vegas, Nevada 89118
702-932-6887



JA0373

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2013 10. JAN.

Debbie Conway
RECORDED

JA0374

EXHIBIT F

EXHIBIT F

20080829-0002732

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Avenue
Las Vegas, NV 89178
Title Order Number: 04284

Fee: \$14.00
N/C Fee: \$0.00
08/29/2008 10:21:21
T200808194112
Requestor:
NORTH AMERICAN TITLE COMPANY

Debbie Conway SCA
Clark County Recorder Pgs: 1

**NOTICE OF DEFAULT AND ELECTION TO SELL PURSUANT TO THE
LIEN FOR DELINQUENT ASSESSMENTS**
◆ IMPORTANT NOTICE ◆

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

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

NOTICE IS HEREBY GIVEN: Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association, under the Lien for Delinquent Assessments, recorded on 7/9/2008, in Book Number 20080709, as Instrument Number 0001377, reflecting ROGELIO CEDILLO as the owner(s) of record on said lien, land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120, of the Official Records in the Office of the Recorder of Clark County, Nevada, makes known the obligation under the Covenants, Conditions and Restrictions recorded 10/7/2004, in Book Number 20041007, as Instrument Number 0002693, has been breached. As of forward, all assessments, whether monthly or otherwise, late fees, interest, Association charges, legal fees and collection fees and costs, less any credits, have gone unpaid.

Above stated, the Association has equipped Red Rock Financial Services with verification of the obligation according to the Covenants, Conditions and Restriction in addition to documents proving the debt, therefore declaring any and all amounts secured as well as due and payable, electing the property to be sold to satisfy the obligation. In accordance with Nevada Revised Statutes, no sale date may be set until the ninety-first (91) day after the recorded date or the mailing date of the Notice of Default and Election to Sell. As of August 25, 2008, the amount owed is \$1,668.57. This amount will continue to increase until paid in full.

Marsha Beason

Dated: August 25, 2008

Prepared By Marsha Beason, Red Rock Financial Services, on behalf of Liberty at Huntington Homeowners Association

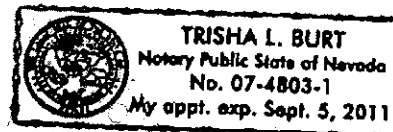
STATE OF NEVADA)
COUNTY OF CLARK)

On August 25, 2008, before me, personally appeared Marsha Beason, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Trisha L. Burt

When Recorded Red Rock Financial Services
Mail To: 6830 West Oquendo Road, Suite 201
Las Vegas, Nevada 89118 • 702-932-6887



JA0376

**CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS**

2018/10/JAN.

Debbie Conway
RECORDED

JA0377

EXHIBIT G

EXHIBIT G

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

Inst #: 20150424-0002386
Fees: \$18.00
N/C Fee: \$0.00
04/24/2015 11:40:53 AM
Receipt #: 2398195
Requestor:
RED ROCK FINANCIAL SERVICES
Recorded By: BERRYS Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF FORECLOSURE SALE
UNDER THE LIEN FOR DELINQUENT ASSESSMENTS

Red Rock Financial Services is a debt collector and is attempting to collect a debt. Any information obtained will be used for that purpose.

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL RED ROCK FINANCIAL SERVICES AT (702) 932-6887. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT (877) 829-9907 IMMEDIATELY.

Red Rock Financial Services officially assigned as agent by the Liberty at Huntington Homeowners Association under the Lien for Delinquent Assessments. **YOU ARE IN DEFAULT UNDER THE LIEN FOR DELINQUENT ASSESSMENTS**, recorded on 07/09/2008 in Book Number 20080709 as Instrument Number 0001377 reflecting ROGELIO CEDILLO as the owner(s) of record. **UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT PUBLIC SALE.** If you need an explanation of the nature of the proceedings against you, you should contact an attorney.

The Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments was recorded on 08/29/2008 in Book Number 20080829 as Instrument Number 0002732 of the Official Records in the Office of the Recorder.

NOTICE IS HEREBY GIVEN: That on **05/20/2015**, at **10:00 a.m.** at the front entrance of the Nevada Legal News located at 930 South Fourth Street, Las Vegas, Nevada 89101, that the property commonly known as 548 Primrose Hill Ave, Las Vegas, NV 89178 and land legally described as HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 of the Official Records in the Office of the County Recorder of Clark County, Nevada, will sell at public auction to the highest bidder, for cash payable at the time of sale in lawful money of the United States, by cash, a

Assessor Parcel Number: 176-18-516-089
File Number: R23167
Property Address: 548 Primrose Hill Ave
Las Vegas NV 89178

cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, state or federal savings and loan association or savings association authorized to do business in the State of Nevada, in the amount of **\$7,161.36** as of 4/24/2015, which includes the total amount of the unpaid balance and reasonably estimated costs, expenses and advances at the time of the initial publication of this notice. Any subsequent Association assessments, late fees interest, expenses or advancements, if any, of the Association or its Agent, under the terms of the Lien for Delinquent Assessments shall continue to accrue until the date of the sale. The property heretofore described is being sold "as is".

The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption to satisfy the indebtedness secured by said Lien, with interest thereon, as provided in the Declaration of Covenants, Conditions and Restrictions, recorded on 10/07/2004, in Book Number 20041007, as Instrument Number 0002693 of the Official Records in the Office of the Recorder and any subsequent amendments or updates that may have been recorded.

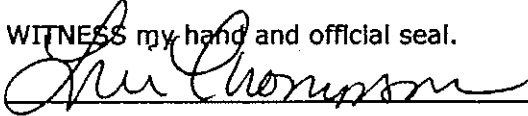
Dated: April 24, 2015


Prepared By Steven Koerner, Red Rock Financial Services, on behalf of Liberty at
Huntington Homeowners Association

STATE OF NEVADA)
COUNTY OF CLARK)

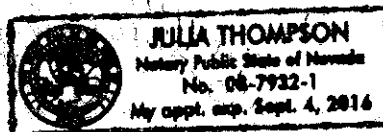
On April 24, 2015, before me, personally appeared Steven Koerner, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Reinstatement Information: (702) 483-2996 or **Sale Information:** (714) 573-7777

When Recorded Mail To:
Red Rock Financial Services
4775 W. Teco Avenue, Suite 140
Las Vegas, Nevada 89118
(702) 483-2996 or (702) 932-6887



JA0380

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Debbie Conway
RECORDED

JA0381

EXHIBIT H

EXHIBIT H

Mail Tax statement to:
Parcelnomics, LLC
3157 N. Rainbow Blvd #248
Las Vegas, NV 89108

APN # 176-18-516-089

(3)
1

Inst #: 20150901-0000488
Fees: \$18.00 N/C Fee: \$0.00
RPTT: \$754.80 Ex: #
09/01/2015 09:51:51 AM
Receipt #: 2542344
Requestor:
PARCELNOMICS LLC
Recorded By: ARO Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

FORECLOSURE DEED

The undersigned declares:

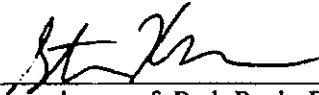
Red Rock Financial Services, herein called agent for (Liberty at Huntington Homeowners Association), was the duly appointed agent under that certain Lien for Delinquent Assessments, recorded 07/09/2008 as instrument number 0001377 Book 20080709, in Clark County. The previous owner as reflected on said lien is ROGELIO CEDILLO. Red Rock Financial Services as agent for Liberty at Huntington Homeowners Association does hereby grant and convey, but without warranty expressed or implied to: **Parcelnomics, LLC** (herein called grantee), pursuant to NRS 116.3116 through NRS 116.31168, all its right, title and interest in and to that certain property legally described as: HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH PLAT BOOK 129 PAGE 58 LOT 120 which is commonly known as **548 Primrose Hill Ave, Las Vegas, NV 89178**.

AGENT STATES THAT:

This conveyance is made pursuant to the powers conferred upon agent by Nevada Revised Statutes, the Liberty at Huntington Homeowners Association governing documents (CC&R's) and that certain Lien for Delinquent Assessments, described herein. Default occurred as set forth in a Notice of Default and Election to Sell, recorded on 08/29/2008 as instrument number 0002732 Book 20080829 which was recorded in the office of the recorder of said county. Red Rock Financial Services has complied with all requirements of law including, but not limited to, the elapsing of 90 days, mailing of copies of Lien for Delinquent Assessments and Notice of Default and the posting and publication of the Notice of Sale. Said property was sold by said agent, on behalf of Liberty at Huntington Homeowners Association at public auction on **August 25, 2015**, at the place indicated on the Notice of Sale. Grantee being the highest bidder at such sale became the purchaser of said property and paid therefore to said agent the amount bid **\$4,470.00** in lawful money of the United States, or by satisfaction, pro tanto, of the obligations then secured by the Lien for Delinquent Assessment.

JA0383

Dated: August 27, 2015


By: Steven Koerner, employee of Red Rock Financial Services, agent for Liberty at
Huntington Homeowners Association

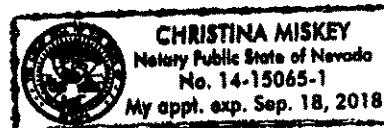
STATE OF NEVADA)
COUNTY OF CLARK)

On August 27, 2015, before me, personally appeared Steven Koerner, 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 they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



When Recorded Mail To: Parcelnomics, LLC
3157 N. Rainbow Blvd #248
Las Vegas, NV 89108



JA0384

STATE OF NEVADA DECLARATION OF VALUE



1. Assessor Parcel Number (s)

- a) 176-18-516-089
b) _____
c) _____
d) _____

2. Type of Property:

a) ☐	Vacant Land	b) ☒	Single Fam Res.
c) ☐	Condo/Twnhse	d) ☐	2-4 Plex
e) ☐	Apt. Bldg.	f) ☐	Comm'l/Ind'l
g) ☐	Agricultural	h) ☐	Mobile Home
i) ☐	Other		

FOR RECORDERS OPTIONAL USE ONLY

Notes: _____

3. Total Value/Sales Price of Property:

Deed in Lieu of Foreclosure Only (value of property) \$ 147,543.00 *J.C.*
Transfer Tax Value: \$ 147,543.00 *J.C.*
Real Property Transfer Tax Due: \$ 754.80 *J.C.*

4. If Exemption Claimed:

- a. Transfer Tax Exemption, per NRS 375.090, Section: _____
b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

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

Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature *[Signature]* Capacity AGENT
Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION

(REQUIRED)

Print Name: Red Rock Financial Services
Address: 4775 West Teco Ave #140
City: Las Vegas
State: NV Zip: 89118

BUYER (GRANTEE) INFORMATION

(REQUIRED)

Print Name: Parcelnomics, LLC
Address: 3157 N. Rainbow Blvd #240
City: Las Vegas
State: NV Zip: 89108

COMPANY/PERSON REQUESTING RECORDING

(REQUIRED IF NOT THE SELLER OR BUYER)

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

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED)

JA0385

**CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS**

2013 10 JAN.

Debbie Conway
RECORDER

JA0386

EXHIBIT I

EXHIBIT I



Statement

Statement on HOA Super-Priority Lien Foreclosures

FOR IMMEDIATE RELEASE

4/21/2015

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

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

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

###

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

Contacts:

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

Consumers: **Consumer Communications** or (202) 649-3811

© 2015 Federal Housing Finance Agency

JA0388

EXHIBIT J

EXHIBIT J

Inet #: 20150901-0000516

Fees: \$19.00 N/C Fee: \$0.00

RPTT: \$0.00 Ex: #003

09/01/2015 10:00:16 AM

Receipt #: 2542359

Requestor:

INVESTMENTS DEALS

Recorded By: ARO Pgs: 4

DEBBIE CONWAY

CLARK COUNTY RECORDER

RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only
and avoid printing in the 1" margins of document)

APN# 176-18-516-089, 160-22117-153
(11 digit Assessor's Parcel Number may be obtained at:
<http://redrock.co.clark.nv.us/assrrealprop/owner.aspx>)

TITLE OF DOCUMENT

(DO NOT Abbreviate)

Grant, Bargain, Sale Deed

Document Title on cover page must appear EXACTLY as the first page of the document
to be recorded.

RECORDING REQUESTED BY:

Investment Deals

RETURN TO: Name

Investment Deals

Address

3157 N Rainbow Blvd #248

City/State/Zip

Las Vegas, NV, 89108

MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name

Investment Deals

Address

3157 N Rainbow Blvd #248

City/State/Zip

Las Vegas, NV 89108

This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

Using this cover page does not exclude the document from assessing a noncompliance fee.

P:\Common\Forms & Notices\Cover Page Template Feb2014

JA0390

When Recorded Mail Deed
And Tax Statements To:
Investment Deals
3157 N Rainbow Blvd, #248
Las Vegas, NV 89108

A.P.N.: 176-18-516-089
160-22-117-153

GRANT, BARGAIN, SALE DEED

Parcelnomics, LLC (Grantor) does hereby Grant, Bargain, Sell and convey, all of their right, title and interest of the herein referenced properties to: **Investment Deals**, a Nevada Fictitious Firm Name, of 3157 N Rainbow Blvd, #248, Las Vegas, NV 89108 (Grantee), the real property in the County of Clark, State of Nevada, bounded and described as follows:

SEE EXHIBITS "A" ATTACHED HERETO AND MADE A PART HEREOF

More commonly known as:

1. **548 Primrose Hill Ave, Las Vegas, NV 89178** (Exhibit "A")
Assessor's Parcel No. 176-18-516-089
2. Legally described as: V AT LAKE LAS VEGAS PLAT BOOK 129 PAGE 2 UNIT
25101 BLDG 25 which is commonly known as:
26 Via Vasari, Unit 101, Henderson, NV 89011
Assessor's Parcel No. 160-22-117-153

Together with all tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.



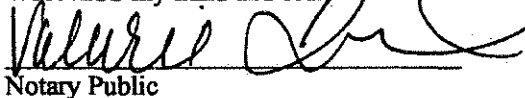
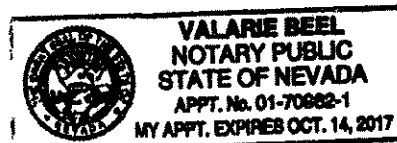
Jack Leal, Managing Member of Parcelnomics, LLC

Dated: September 1st 2015

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On 9/1/2015 before me, a notary public in and for the County of Clark, State of Nevada, personally appeared before me Jack Leal, properly identified to be the person described in the foregoing document, who acknowledged to me that he executed the same freely, voluntarily, and for the uses and purposes therein mentioned.

WITNESS my hand and seal


Notary Public

My Commissions expires: OCT 14, 2017

JA0391

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL I:

LOT 120 OF HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 129 OF PLATS, PAGE 58, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND AMENDED BY CERTIFICATE OF AMENDMENT RECORDED AUGUST 1, 2006 IN BOOK 20060801 AS DOCUMENT NO. 05319.

RESERVING THEREFROM A PRIVATE ACCESS EASEMENT OVER THE WEST FIVE (5) FEET OF SAID LAND FOR THE BENEFIT OF LOT 119.

PARCEL II:

AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS ALL THOSE AREAS SHOWN AS PRIVATE DRIVES ON THE FINAL OF HUNTINGTON VILLAGE B UNIT 1 AT RHODES RANCH.

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

a. 176-18-516-089

b. 160-22-117-153

c.

d.

2. Type of Property:

a. ☐ Vacant Land

b. ☒ Single Fam. Res.

c. ☐ Condo/Twnhse

d. ☐ 2-4 Plex

e. ☐ Apt. Bldg

f. ☐ Comm'l/Ind'l

g. ☐ Agricultural

h. ☐ Mobile Home

☐ Other

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____

Date of Recording: _____

Notes: _____

3.a. Total Value/Sales Price of Property

\$ 0

b. Deed in Lieu of Foreclosure Only (value of property (_____)

c. Transfer Tax Value:

\$ 0

d. Real Property Transfer Tax Due

\$ 0

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section 3

b. Explain Reason for Exemption: Recognize true status - Transfer from LLC to

Fictitious Firm Name with same owners. Need to show actual DBA name-NO SALE

5. Partial Interest: Percentage being transferred: _____ %

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

Signature

Jessica Garcia

Capacity:

Managing Member

Signature

Paul Lee

Capacity:

Managing Member

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

Print Name: Parcelnomics, LLC

Address: 3157 N Rainbow Blvd, #248

City: Las Vegas

State: NV

Zip: 89108

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Investment Deals

Address: 3157 N Rainbow Blvd, #248

City: Las Vegas

State: NV

Zip: 89108

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

Print Name: _____

Escrow # _____

Address: _____

City: _____

State: _____

Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

JA0393

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10. JAN.

Debbie Conway
RECORDED

JA0394

EXHIBIT K

EXHIBIT K

④-1

Inst #: 20151023-0000841
Fees: \$19.00 N/C Fee: \$0.00
RPTT: \$754.80 Ex: #
10/23/2015 11:03:30 AM
Receipt #: 2587878
Requestor:
NOUNE GRAEFF
Recorded By: LEX Pgs: 4
DEBBIE CONWAY
CLARK COUNTY RECORDER

RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only
and avoid printing in the 1" margins of document)

APN# 176-18-516-089

(11 digit Assessor's Parcel Number may be obtained at:
<http://redrock.co.clark.nv.us/assrrealprop/owner.aspx>)

TITLE OF DOCUMENT

(DO NOT Abbreviate)

GRANT, BARGAIN, SALE DEED

Document Title on cover page must appear EXACTLY as the first page of the document
to be recorded.

RECORDING REQUESTED BY:

Noune Graeff

RETURN TO: Name Noune Graeff

Address 4823 Castlerock Ct

City/State/Zip Las Vegas, NV 89147

MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name Noune Graeff

Address 4823 Castlerock Ct

City/State/Zip Las Vegas, NV 89147

This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

Using this cover page does not exclude the document from assessing a noncompliance fee.

P:\Common\Forms & Notices\Cover Page Template Feb2014

JA0396

When Recorded Mail Deed

And Tax Statements To:

Noune Graeff

4823 Castlerock Ct

Las Vegas, NV 89147

GRANT, BARGAIN, SALE DEED

Investment Deals, a Nevada Fictitious Firm Name, of 3157 N Rainbow Blvd, #248, Las Vegas, NV 89108, (Grantor) for a valuable consideration, receipt of which is hereby acknowledged, does hereby Grant, Bargain, Sell and convey, all of Grantor's right, title and interest, if any, of the herein referenced property unto Grantee, without warranty whether expressed or implied, in "as-is, where-is condition" and with any faults to: **Noune Graeff, of 4823 Castlerock Ct, Las Vegas, NV 89147 (Grantee)**, the real properties in the County of Clark, State of Nevada, bounded and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

More commonly known as:

1. **548 Primrose Hill Ave, Unit 103, Las Vegas, NV 89178 (Exhibit "A")**
Assessor's Parcel No. 176-18-516-089

Together with all tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof. Grantee will take title to the property subject to any claims, liens, and other encumbrances, if any. The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption.

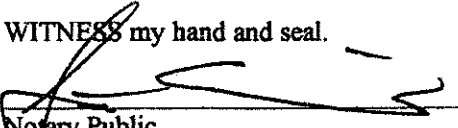

Jack Leal, on behalf of Investment Deals

Dated: October 23rd 2015

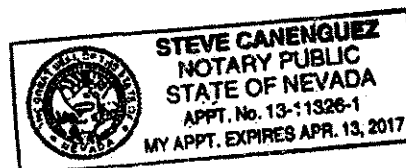
STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On 10/23/2015 before me, a notary public in and for the County of Clark, State of Nevada, personally appeared before me Jack Leal, properly identified to be the person described in the foregoing document, who acknowledged to me that he executed the same freely, voluntarily, and for the uses and purposes therein mentioned.

WITNESS my hand and seal.


Notary Public

My Commissions expires: 4/13/17



JA0397

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL I:

LOT 120 OF HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 129 OF PLATS, PAGE 58, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND AMENDED BY CERTIFICATE OF AMENDMENT RECORDED AUGUST 1, 2006 IN BOOK 20060801 AS DOCUMENT NO. 05319.

RESERVING THEREFROM A PRIVATE ACCESS EASEMENT OVER THE WEST FIVE (5) FEET OF SAID LAND FOR THE BENEFIT OF LOT 119.

PARCEL II:

AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS ALL THOSE AREAS SHOWN AS PRIVATE DRIVES ON THE FINAL OF HUNTINGTON VILLAGE B UNIT 1 AT RHODES RANCH.

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

- a. 176-18-516-089
b. _____
c. _____
d. _____

2. Type of Property:

- a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Twnhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
Other _____

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____
Date of Recording: _____
Notes: _____

- 3.a. Total Value/Sales Price of Property \$ 147,543.00
b. Deed in Lieu of Foreclosure Only (value of property (_____)
c. Transfer Tax Value: \$ 147,543.00
d. Real Property Transfer Tax Due \$ 754.80

4. If Exemption Claimed:

- a. Transfer Tax Exemption per NRS 375.090, Section _____
b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

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

Signature _____ Capacity: Grantor

Signature _____ Capacity: _____

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Investment Deals
Address: 3157 N Rainbow Blvd, #248
City: Las Vegas
State: NV Zip: 89108

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: Nouna Graeff
Address: 4823 Castlerock Cr
City: Las Vegas
State: NV Zip: 89147

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

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

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

JA0399

CERTIFIED COPY, THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Debbie Conway
RECORDED

JA0400

EXHIBIT L

EXHIBIT L

4-1

Inst #: 20160120-0001525

Fees: \$19.00 N/C Fee: \$0.00

RPTT: \$818.55 Ex: #

01/20/2016 10:21:18 AM

Receipt #: 2661743

Requestor:

DANIEL LAKES

Recorded By: RIVASR Pgs: 4

DEBBIE CONWAY

CLARK COUNTY RECORDER

RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only
and avoid printing in the 1" margins of document)

APN# 176-18-516-089

(11 digit Assessor's Parcel Number may be obtained at:
<http://redrock.co.clark.nv.us/assrrealprop/owner.aspx>)

TITLE OF DOCUMENT

(DO NOT Abbreviate)

GRANT, BARGAIN, SALE DEED

Document Title on cover page must appear EXACTLY as the first page of the document
to be recorded.

RECORDING REQUESTED BY:

Daniel Lakes

RETURN TO: Name Daniel Lakes

Address 9145 Las Vegas Blvd

City/State/Zip Las Vegas, NV 89123

MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name Daniel Lakes

Address 9145 Las Vegas Blvd

City/State/Zip Las Vegas, NV 89123

This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

Using this cover page does not exclude the document from assessing a noncompliance fee.

P:\Common\Forms & Notices\Cover Page Template Feb2014

JA0402

When Recorded Mail Deed

And Tax Statements To:

Daniel Lakes
9145 Las Vegas Blvd
Las Vegas, NV 89123

GRANT, BARGAIN, SALE DEED

Noune Graeff, a single woman, of 3395 S Jones Blvd, Las Vegas, NV 89146, (Grantor) for a valuable consideration, receipt of which is hereby acknowledged, does hereby Grant, Bargain, Sell and convey, all of Grantor's right, title and interest, if any, of the herein referenced property unto Grantee, without warranty whether expressed or implied, in "as-is, where-is condition" and with any faults to: **Daniel Lakes, of 9145 Las Vegas Blvd, Las Vegas, NV 89123 (Grantee)**, the real properties in the County of Clark, State of Nevada bounded and described as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

More commonly known as:

1. **548 Primrose Hill Ave, Unit 103, Las Vegas, NV 89178** (Exhibit "A")
Assessor's Parcel No. 176-18-516-089

Together with all tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof. Grantee will take title to the property subject to any claims, liens, and other encumbrances, if any. The sale will be made without covenant or warranty, expressed or implied regarding, but not limited to, title or possession, encumbrances, obligations to satisfy any secured or unsecured liens or against all right, title and interest of the owner, without equity or right of redemption.



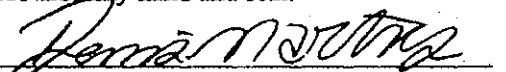
Noune Graeff

Dated: January 20, 2016

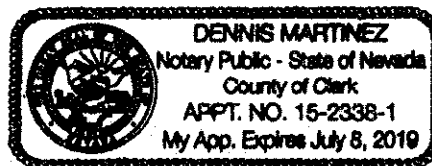
STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On 01/20/2016 before me, a notary public in and for the County of Clark, State of Nevada, personally appeared before me Noune Graeff, properly identified to be the person described in the foregoing document, who acknowledged to me that he executed the same freely, voluntarily, and for the uses and purposes therein mentioned.

WITNESS my hand and seal.



Notary Public
My Commission expires: July 8th 2019



JA0403

EXHIBIT "A"

LEGAL DESCRIPTION

PARCEL I:

LOT 120 OF HUNTINGTON VILLAGE B UNIT 3 AT RHODES RANCH, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 129 OF PLATS, PAGE 58, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND AMENDED BY CERTIFICATE OF AMENDMENT RECORDED AUGUST 1, 2006 IN BOOK 20060801 AS DOCUMENT NO. 05319.

RESERVING THEREFROM A PRIVATE ACCESS EASEMENT OVER THE WEST FIVE (5) FEET OF SAID LAND FOR THE BENEFIT OF LOT 119.

PARCEL II:

AN EASEMENT FOR INGRESS AND EGRESS OVER AND ACROSS ALL THOSE AREAS SHOWN AS PRIVATE DRIVES ON THE FINAL OF HUNTINGTON VILLAGE B UNIT 1 AT RHODES RANCH.

**STATE OF NEVADA
DECLARATION OF VALUE**

1. Assessor Parcel Number(s)

- a. 176-18-516-089
b. _____
c. _____
d. _____

2. Type of Property:

- a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Twnhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
i. ☐ Other

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____

Date of Recording: _____

Notes: _____

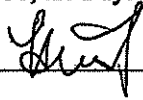
- 3.a. Total Value/Sales Price of Property \$ 180,014.00
b. Deed in Lieu of Foreclosure Only (value of property (_____)
c. Transfer Tax Value: \$ 180,014.00
d. Real Property Transfer Tax Due \$ 818.55

4. If Exemption Claimed:

- a. Transfer Tax Exemption per NRS 375.090, Section _____
b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

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

Signature  Capacity: Grantor

Signature _____ Capacity: _____

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

Print Name: Noune Graeff
Address: 3395 S Jones Blvd
City: Las Vegas
State: NV Zip: 89146

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Daniel Lakes
Address: 9145 Las Vegas Blvd
City: Las Vegas
State: NV Zip: 89123

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

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

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

JA0405

CERTIFIED COPY. THIS
DOCUMENT IS A TRUE AND
CORRECT COPY OF THE
RECORDED DOCUMENT MINUS
ANY REDACTED PORTIONS

2018 10 JAN.

Debbie Conway
RECORDED

JA0406

EXHIBIT M

EXHIBIT M

1 AACC
Abran E. Vigil
2 Nevada Bar No. 7548
Joel E. Tasca
3 Nevada Bar No. 14124
Holly Ann Priest
4 Nevada Bar No. 13226
BALLARD SPAHR LLP
5 100 North City Parkway, Suite 1750
Las Vegas, Nevada 89106-4617
6 Telephone: (702) 471-7000
Facsimile: (702) 471-7070
7 vigila@ballardspahr.com
tasca@ballardspahr.com
8 priesth@ballardspahr.com

9 *Attorneys for Defendant U.S. Bank Trust,*
Trustee for LSF9 Mater Participation Trust

10
11 DISTRICT COURT
12 CLARK COUNTY, NEVADA

13 DANIEL LAKES, an Individual;

14 Plaintiff,

15 v.

16 BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
17 Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
18 PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
19 PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
20 DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
21 CORPORATIONS, I-X, inclusive,

22 Defendants.

Case No.: A-17-759016-C

Dept No. 28

**DECLARATION OF RYAN BENNETT IN
SUPPORT OF U.S. BANK, N.A., AS
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST'S MOTION FOR
SUMMARY JUDGMENT**

U.S. BANK TRUST, TRUSTEE FOR
LSF9 MASTER PARTICIPATION
TRUST;

Counter-claimant

v.

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counter-defendants

DECLARATION OF RYAN BENNETT

I, Ryan Bennett, declare as follows:

1. My name is Ryan Bennett. I have personal knowledge of and am competent to testify as to the matters stated herein by virtue of my position as Default Servicing Officer for Caliber Home Loans, Inc. (**Caliber**).

2. As Default Servicing Officer for Caliber, I am familiar with certain Caliber systems and databases that contain data regarding mortgage loans owned or formerly owned by Federal Home Loan Mortgage Corporation (**Freddie Mac**) that Caliber serviced or services on behalf of U.S. Bank Trust, N.A., as Trustee for LSF9 Master Participation Trust (**U.S. Bank**). I have reviewed Caliber's systems and databases containing information and data related to the Loan at issue in this litigation.

3. Entries in Caliber's systems and corresponding databases are made at or near the time of the events recorded by, or from information transmitted by, persons with knowledge. Caliber's systems and databases are maintained and kept in the course of Caliber's regularly conducted business activity, and it is the regular practice of Caliber to keep and maintain information regarding loans owned by U.S. Bank that Caliber serviced or services in Caliber's databases. Caliber's systems and databases consist of records that were made and kept by Caliber in the course of its regularly conducted activities pursuant to its regular business practice of creating such records. These systems and databases are Caliber's business records.

1 4. The records in Caliber's systems and corresponding databases are consistent with
2 my knowledge of the following matters:

3 5. A Deed of Trust listing Rogelio Cedillo (**Borrower**) as the borrower and
4 Countrywide KB Home Loans, a Countrywide Mortgage Ventures, LLC Series (**Countrywide**)
5 as the lender (**Lender**), was executed on or about April 12, 2007 and recorded on April 16, 2007.
6 The Deed of Trust granted Lender a security interest in real property known as 548 Primrose Hill
7 Avenue, Las Vegas, Nevada 89178 (**Property**) to secure the repayment of a loan in the original
8 amount of \$213,121.00 to Borrower (the **Loan**).

9 6. As part of the Loan, the Borrower executed a note in the amount of \$213,121.00
10 dated April 11, 2007 in favor of Lender.

11 7. Freddie Mac sold and transferred the Loan to U.S. Bank on or about December 6,
12 2015. In addition to my testimony, I can authenticate that true and correct copies of printouts
13 from Caliber's records pertaining to Freddie Mac's ownership interest in the Loan are attached
14 hereto as **Exhibit 1 (the Acquisition Contract Maintenance Screen)**.

15 8. The Acquisition Contract Maintenance Screen documents Freddie Mac's
16 ownership of the Loan at the time the Loan was transferred to U.S. Bank.

17 9. On August 19, 2009, an assignment of the Deed of Trust from Countrywide to
18 Ocwen Loan Servicing, LLC (**Ocwen**) was recorded.

19 10. On May 27, 2016, an assignment of the Deed of Trust from Ocwen to U.S. Bank
20 Trust, N.A. as Trustee for LSF9 Master Participation Trust was recorded.

21 11. Based upon the business records maintained by Caliber, on or about May 13,
22 2015, Ocwen, U.S. Bank's predecessor in interest, forwarded a check in the amount of three
23 thousand two hundred and forty one dollars and fifty two cents (\$3,241.52) to Red Rock
24 Financial Services in response to the Notice of Foreclosure Sale recorded on April 24, 2015. A
25 copy of the cancelled check negotiated on May 19, 2015 is attached as **Exhibit 2**.

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

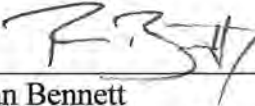
27 Executed this 10th day of April, 2019.

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U.S. Bank Trust, N.A., as Trustee for
LSF9 Master Participation Trust, by
Caliber Home Loans, Inc., as its Attorney
in Fact

By:



Ryan Bennett
Default Servicing Officer
Caliber Home Loans, Inc.

EXHIBIT 1

EXHIBIT 1

ACQUISITION CONTRACT MAINTENANCE

8673/07/2019 3:34:13 PM ETPFSP4502

SELLER ID / CONTRACT NBR - A/C/D Seller Company ACQ TYPE CONTRACT TYPE CONTRACT SALE DATE LOAD TRANSFER DATE YEAREND RPTG (FULL/ PARTIAL) PENDING LOAN COUNT PENDING UPB ACTUAL LOAN COUNT ACTUAL UPB LOAN RANGE : TO LN TYPE SUMMARY: FIXED: ARM: BALLOON: INVESTOR TYPE RECOURSE CD / DATE / HISTORY CONVERTED (Y/N) HIST MTHS CONVERTED FINANCIAL HISTORY YRS RECD MEDIA FORMAT ANALYSIS YRS RECD MEDIA FORMAT LOCATION OF FILES CORP RESOLUTION / POWER OF ATTY CLIENT RELATIONSHIP MGR ACQ CONTACT GOODBYE LTRS DATE MAILED HELLO LTRS DATE MAILED SOFT HELLO LTRS DATE MAILED TAX CONTRACT VENDOR TRANS / CANCEL (T / C) FLOOD CONTRACT VENDOR TRANS / CANCEL (T / C) OPT INS Y / N TRANSFER / CANCEL (T / C) BISAVER Y / N TRANSFER / CANCEL (T / C) ACH Y / N TRANSFER / CANCEL (T / C) BIWEEKLY Y / N

COMMENTS:

Message: Command:

JA0413

EXHIBIT 2

EXHIBIT 2

THIS CHECK CONTAINS A BLUE & RED BACKGROUND. SEE REVERSE SIDE FOR A LISTING OF SECURITY FEATURES

Deutsche Bank 

2112945228
Date 05 13 2015
1-103/210
Amount

CASHIERS CHECK

Pay to the order of: **RED ROCK FINANCIAL SERVICES**

The sum of: **Three thousand four hundred and no/100 dollars**

OCWEN LOAN SERVICING LLC
Reference: CHECK
Payable at DBTC Americas New York Non-Negotiable after 180days

[Signature]
Authorized Signature

2112945228 1021001033 00905360 23107 NV

Credited to Acct
153751166148
Return Acct 153751166148

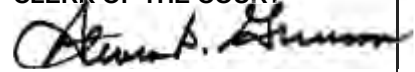
For Deposit only
U.S. Bank

NY DISBURSEMENTS AND CASH

Item Information

Account	905360	Amount	3241.52
Control	0	Cycle	1
Cycle Date	05/19/2015	Date	05/19/2015
Depositor Acct	905360	Depositor ISN	66013710
Doc Type	New York CAD	Entry	2102
ISN	66015060	RT	02100103
Serial Number	2112945228		

JA0415



OPP

Doreen Spears Hartwell, Esq.
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doreen@hartwellthalacker.com
Laura Thalacker, Esq.
Nevada State Bar No. 5522
laura@hartwellthalacker.com
HARTWELL THALACKER, LTD
11920 Southern Highlands Pkwy #201
Las Vegas, Nevada 89141
Phone; (702) 850-1074; Fax; (702) 508-9551

*Attorneys for Plaintiff-Counterdefendant Daniel Lakes
In Conjunction with the Senior Law Project*

DISTRICT COURT

CLARK COUNTY, NEVADA

DANIEL LAKES, an individual

Plaintiff,

v.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; U.S. BANK TRUST,
TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST; ROGELIO
CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada
limited liability company d/b/a
INVESTMENT DEALS; NOUNE
GRAEFF, an individual; DOES I-X,
inclusive; and ROE CORPORATIONS,
I-X, inclusive,

Defendants.

Case No.: A-17-759016-C
Dept. No.: 28

Daniel Lakes' Opposition to US Bank Trust's
Motion for Summary Judgment

Plaintiff/Counterdefendant Daniel Lakes opposes U.S. Bank Trust, Trustee for LSF9
Master Participation Trusts' Motion for Summary Judgment ("Motion") for the following
reasons:

1. Defendant/Counterclaimant U.S. Bank Trust's reliance on the federal law in
support of its motion for summary judgment is misplaced and has no bearing on the quiet title

1 claims at issue in this matter.

2 2. U.S. Bank's failure to record its purchase of the Cedillo Loan makes the security
3 interest void as to Mr. Lakes, a subsequent purchaser of the Subject Property for value and
4 without knowledge of U.S. Bank's prior security interest.

5 3. U.S. Bank has failed to establish either the amount or full satisfaction of Liberty
6 at Huntington Homeowners' Association's (the "HOA") superpriority lien prior to the
7 foreclosure sale.
8

9 Therefore, U.S. Bank Trust is not entitled to summary judgment against Mr. Lakes as a
10 matter of law.

11 HARTWELL THALACKER, LTD

12 /s/Doreen Spears Hartwell
13 Doreen Spears Hartwell, Esq.
14 Laura J. Thalacker, Esq.
15 11920 Southern Highlands Pkwy #201
16 Las Vegas, NV 89141
Attorneys for Daniel Lakes

17 **MEMORANDUM OF POINTS AND AUTHORITIES**

18 **I. SUMMARY**

19 Mr. Lakes has brought a quiet title action relating to the real property located at 548
20 Primrose Hill Ave., Las Vegas, NV, 89138 (the "Property") which he purchased on January 20,
21 2016, without any actual or constructive knowledge of U.S. Bank's alleged security interest in
22 same. See Declaration of Daniel Lakes ("Lakes Dec."), attached as Ex. 1. At the time Mr. Lakes
23 purchased the Subject Property, Nouna Graeff was the most recent owner of the Subject Property
24 pursuant to a Grant, Bargain Sale Deed recorded on October 23, 2015. See Grant, Bargain Sale
25 Deed, attached as Ex. K to Appendix of Exhibits in Support of U.S. Bank Trust's Motion for
26 Summary Judgment ("Appendix"). Based on the Declaration of Dean Meyer, a Freddie Mac
27 employee, Freddie Mac sold its security interest in the Property to U.S. Bank Trust on November
28

1 12, 2015 and completed the transfer of the loan as of December 6, 2015. *See* Declaration of Dean
2 Meyer, Director of Loss Management for Federal Home Loan Home Mortgage Corporation, Ex.
3 B to Appendix, at ¶ 5 (e), (j), (k) and (n) and Declaration of Ryan Bennett, Ex. M to Appendix, at
4 ¶ 7. Mr. Meyers clearly states that Freddie Mac no longer had an interest in the Cedillo Loan as
5 of November 12, 2015. *Id.* at Paragraph 5 (k) and (n). Mr. Bennett states that the Cedillo
6 mortgage was sold on November 12, 2015 and the transfer was completed by December 6, 2015.
7
8 *See* Ex. M.

9 However, U.S. Bank Trust did not record the Assignment of Deed of Trust relating to the
10 Cedillo Loan until May 20, 2016, months after acquiring the Loan from Freddie Mac. *See*
11 Assignment of Deed of Trust from Ocwen Loan Services to U.S. Bank Trust recorded on May
12 27, 2016, Ex. D to Appendix; *see also* Declaration of Ryan Bennett, Ex. M, at ¶ 7.

13
14 The fact that Freddie Mac sold and transferred its security interest to U.S. Bank Trust as
15 of December 6, 2015, almost two months before Mr. Lakes purchased the Property, makes
16 federal law inapplicable to Mr. Lakes' quiet title claim against U.S. Bank Trust. U.S. Bank Trust
17 was required to record the change of ownership of the security interest under N.R.S. § 111.315 to
18 give third parties such as Mr. Lakes did not have constructive notice or actual knowledge of U.S.
19 Bank Trust's unrecorded security interest when he purchased the Property. *See* Lakes Dec. at ¶
20 24. Based on NRS §111.325, U.S. Bank Trust's unrecorded security interest is void against Mr.
21 Lakes as a subsequent bona fide purchaser who paid \$112,000 in cash to purchase the Property
22 from Noun Graeff and made thousands of dollars in repairs in order to move into the house. Mr.
23 Lakes would never had purchased the Property had he known of U.S. Bank Trust's unrecorded
24 security interest in the form of a \$213,000 deed of trust. U.S. Bank Trust's failure to timely
25 record its security interest makes it void as to Mr. Lakes who was a subsequent bona fide
26 purchaser under N.R.S. § 111.325 and Nevada common law. *See Moore v. De Bernardi*, 220 P.
27
28

1 544, 47 Nev. 33 (1923) (holding unrecorded conveyances are void against subsequent purchasers
2 in good faith).

3 Thus, U.S. Bank Trust has failed to prove the lack of no genuine issues of material fact
4 regarding the quiet title claims and its motion should be denied in its entirety.
5

6 **II. ARGUMENT**

7 **A. Federal Foreclosure Bar Is Not Applicable to Mr. Lakes' Quiet Title Claim.**

8 U.S. Bank Trust's reliance on federal law in support of its quiet title counterclaim and/or
9 to defeat Mr. Lakes quiet title claim is misplaced. Mr. Lakes' quiet title claim against U.S. Bank
10 Trust has resulted from U.S. Bank's failure to timely record its security interest in the Loan
11 obtained from Freddie Mac as required under Nevada law. N.R.S. §111.315 states:

12 Every conveyance of real property, and every instrument of writing
13 setting forth an agreement to convey any real property, or whereby any
14 real property may be affected, proved acknowledged and certified in the
15 manner prescribed in this chapter ... shall be recorded....

16 Nev. Rev. Stat. Ann. § 111.325 states:

17 Every conveyance of real property within this State hereafter made, which shall
18 not be recorded as provided in this chapter, shall be void as against any
19 subsequent purchaser, in good faith and for a valuable consideration, of the same
20 real property, or any portion thereof, where his or her own conveyance shall be
21 first duly recorded.

22 Here, U.S. Bank Trust violated N.R.S. § 111.315 by failing to record its security interest
23 making its interest either void to or unenforceable against Mr. Lakes as a subsequent bona fide
24 purchaser. U.S. Bank Trust's reliance on the Federal Foreclosure Bar is misplaced. State law, not
25 federal law, determines the existence of a property interest under the Erie Doctrine. *See*
26 *Berezovsky v. Moniz*, 869 F. 3d 923, 932 (9th Cir. 2017). The Ninth Circuit acknowledges that
27 Nevada law requires recording of a lien for it to be enforceable. *Id.* Mr. Lakes' quiet title claim
28 arises from U.S. Bank Trust's failure to record *its* Deed of Trust prior to Lakes' 1/20/16 Grant,
Bargain Sale Deed in violation of N.R.S. §111.315.

1 Therefore, federal law neither governs nor preempts Mr. Lakes' quiet title claim based on
2 its status as a bona fide subsequent purchaser arising from U.S. Bank Trust's failure to record its
3 security interest relating to the Subject Property.

4 **B. Mr. Lakes Is a Bona Fide Purchaser under NRS § 111.325.**

5 Mr. Lakes purchased the Property in good faith and for valuable consideration without
6 actual knowledge, constructive notice or cause to know of U.S. Bank Trust's unrecorded security
7 interest. Under Nevada law, bona fide purchasers for value and without notice of an unrecorded
8 interest have priority. *See Nev. Rev. Stat. § 111.325; see also Shadow Wood HOA v. N.Y. Cmty.*
9 *Bancorp.*, 366 P.3d 1105, 1114 (Nev. 2016) (holding that a subsequent purchaser for value
10 without notice has priority over an earlier unrecorded interest); *Berge v. Fredericks*, 95 Nev. 183,
11 186, 591 P.2d 246, 247 (1979) (a party claiming title to land by a subsequent conveyance must
12 show that the purchase was made in good faith, for a valuable consideration; and that the
13 conveyance of the legal title was received before notice of any equities of the prior grantee.);
14 *Moore v. De Bernardi*, 47 Nev. 33, 54, 220 P. 544, 547 (1923) ("The decisions are uniform that
15 the bona fide purchaser of a legal title is not affected by any latent equity founded either on a
16 trust, [e]ncumbrance, or otherwise, of which he has no notice, actual or constructive.").

17 Here, Mr. Lakes was a subsequent purchaser without notice of U.S. Bank Trust's (or
18 Freddie Mac's former) security interest in the Property. *See Lakes Dec. at ¶ 24.* Mr. Lakes
19 learned of the Subject Property in January 2016, after his son saw an ad on Zillow listing the
20 Property for sale by owner for \$115,000. *Id. at ¶ 5.* The Zillow estimated value was \$160,000. *Id.*
21 at ¶ 6. However, the Property had been vacant for over four years and needed substantial work in
22 order to be habitable. *Id. at ¶¶ 8-9.*

23 After inspecting the Property, Mr. Lakes investigated the title to the Property by going to
24 the Clark County Recorder's Office in person to verify Nouna Graeff's ownership of the
25

1 Property. *Id.* at ¶¶ 3-19. The clerk at the Recorder's Office informed Mr. Lakes that Graeff
2 owned the Subject Property outright based on the recorded documents. *Id.* Mr. Lakes returned to
3 the Clark County Recorder's Office prior to purchasing the Property with questions about the
4 language contained in the Grant, Bargain Sale Deed. *Id.* The clerk informed Mr. Lakes that there
5 were public computers available on the premises to perform online searches for liens and
6 encumbrances. *Id.* at ¶¶ 15-18. Mr. Lakes did not know how to do online research and the clerk
7 offered to do it for him. *Id.* After performing the search for liens and encumbrances, the clerk
8 informed Mr. Lakes that there was Republic Services had a trash lien and provided Mr. Lakes
9 with the outstanding amount. *Id.* At the time of Mr. Lakes research, U.S. Bank Trust had not
10 recorded its security interest in the Subject Property. Mr. Lakes had neither constructive nor
11 actual knowledge of U.S. Bank Trusts' alleged security interest when he purchased the Property.
12
13 *Id.*

14
15 Finally, Mr. Lakes purchased the Property in good faith with the intent to fix and live in
16 the house for as long possible. *Id.* Mr. Lakes lives on a fixed income and has used most of his
17 savings-inheritance to purchase the Property. *Id.* He would not have put most of his money into
18 the house if he had known that U.S. Bank Trust would attempt to foreclose on the Property four
19 months after Mr. Lakes purchased his home and after making substantial repairs and costs.

20
21 **C. U.S. Bank Trust Is Not Entitled to Summary Judgment Based on the**
22 **Equities Which Weigh in Favor of Mr. Lakes.**

23 When sitting in equity, courts must consider the entirety of the circumstances that bear
24 upon the equities, including the status and actions of all parties involved, and including whether
25 an innocent party may be harmed by granting the desired relief. *Shadow Wood HOA v. N.Y.*
26 *Cnty. Bancorp.*, 132 Nev. Adv. Op. 5, 366 P.3d 1105, 1115 (2016). When sitting in equity,
27 however, courts must consider the entirety of the circumstances that bear upon the equities. See,
28 e.g., *In re Petition of Nelson*, 495 N.W.2d 200, 203 (Minn.1993) (considering whether the

1 totality of the circumstances supported granting equitable relief to set aside a sale when the
2 former owner had failed to act during the redemption period); *see also La Quinta Worldwide*
3 *LLC v. Q.R.T.M., S.A. de C.V.*, 762 F.3d 867, 880 (9th Cir.2014) (remanding for reconsideration
4 of a district court's decision granting a permanent injunction because the district court's analysis
5 did not discuss a fact relevant to the weighing of the equities); *see also In re Vlasek*, 325 F.3d
6 955, 963 (7th Cir.2003) (“[I]t is an age-old principle that in formulating equitable relief a court
7 must consider the effects of the relief on innocent third parties.”); *Riganti v. McElhinney*, 248
8 Cal.App.2d 116, 56 Cal.Rptr. 195, 199 (1967) (“[E]quitable relief should not be granted where it
9 would work a gross injustice upon innocent third parties.”).

11 At the time of Mr. Lakes purchase, the Property had been vacant for over four years and
12 needed substantial repairs to be habitable. *See Lakes Dec.* at ¶¶ 8-10, 20-22. Mr. Lakes
13 immediately began making the necessary repairs, including, but not limited to, fixing toilets,
14 holes in the walls, a leaky roof, replace moldy carpet and appliances, paint both the interior and
15 exterior of the Property, and landscape the yard. *Id.* He began doing many of the repairs himself
16 and moved into the Property in February 2016. *Id.* In addition to making improvements to the
17 house, Mr. Lakes paid past due HOA fees and assessments and back taxes on the Property. *Id.*

19 U.S. Bank has not disclosed how many pennies on the dollar it paid for the \$213,000
20 Loan that it attempted to enforce against the Subject Property just four months after Mr. Lakes
21 put over a to \$150,000 purchase and repair the Property as wells as numerous hours of his labor
22 performing whatever repairs he could do himself. *See Lakes Dec.* at ¶ 11. The Subject Property
23 has been Mr. Lakes home since February 2016. *Id.* at ¶ 8. There is no way that Mr. Lakes would
24 have purchased the Property using most of his cash had he known that U.S. Bank Trust could
25 potential foreclose on the Property and unfairly benefit from Lakes time, labor and financial
26 investments spent on the Property.
27
28

1 Meanwhile, U.S. Bank Trust could have avoided this situation by complying with
2 Nevada's recordation laws and timely recording its November 2015 purchase of the Cedillo
3 Loan which it likely paid just pennies on the dollar. The Property value was less than \$160,000
4 when U.S. Bank Trust obtained its security interest in the amount of \$213,000 not including
5 interest and late fees. None of the equities favor U.S. Bank Trust preventing quiet title in its
6 favor.
7

8 **D. U.S. Bank Trust Cannot Prove that Ocwen Satisfied N.R.S. 116.31162.**

9 Mr. Lakes incorporates Liberty at Huntington Homeowners' Association's legal
10 argument relating to its compliance with NRS 116.31162(1) (providing that "the association may
11 foreclose its lien by sale" upon compliance with the statutory notice and timing rules) when it
12 conducted the May 20, 2015, nonjudicial foreclosure sale.
13

14 In addition, U.S. Bank Trust failed to provide evidence of the actual amount of the
15 HOA's superpriority lien as of the Notice of Foreclosure Sale. U.S. Bank Trust also failed to
16 establish that the 5/13/15 Ocwen check for approximately \$3400 satisfied the superpriority lien
17 on the Property, which was much less than the payoff amount of \$7161.36 included in the Notice
18 of Foreclosure Sale. *See* Notice of Foreclosure Sale, attached as Appendix as Ex. G. The
19 superpriority lien consists of unpaid maintenance assessments, nuisance abatement and master
20 HOA dues identified in §116.31162.
21

22 Meanwhile, after Mr. Lakes' 1/20/16 purchase of the Subject Property, he was informed
23 by Huntington HOA of past due HOA fees and assessments related regarding the dead plants and
24 overgrown grass in the yard and the need to paint the exterior of the house. *See* Lakes Dec. at ¶¶
25 21-23. Lakes negotiated with the HOA regarding the unpaid fees and assessments resulting in a
26 payment in the amount of \$2407.04. *See* Check to Liberty Huntington HOA, dated 3/14/16,
27 attached as Ex. 3. Although the issue of whether or not Freddie Mac loan was extinguished by
28

1 the 5/20/15 Foreclosure Sale is not relevant to Mr. Lakes' quiet title claim against U.S. Bank,
2 there are genuine issues of material fact regarding the amount of the superpriority lien and
3 whether or not the Ocwen check was in full satisfaction of same. Therefore, U.S. Bank is not
4 entitled to summary judgment on this issue.

5 **III. CONCLUSION**

6
7 For the reasons discussed above, Mr. Lakes respectfully request that U.S. Bank's motion
8 for summary judgment be denied in its entirety.

9 HARTWELL THALACKER, LTD

10 /s/Doreen Spears Hartwell
11 Doreen Spears Hartwell, Esq.
12 Laura J. Thalacker, Esq.
13 11920 Southern Highlands Pkwy #201
14 Las Vegas, NV 89141
15 *Attorneys for Daniel Lakes*

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*Attorneys for Defendants U.S. Bank Trust,
Trustee for LSF9 Master Participation Trust*

/s/Doreen Spears Harwell
An Employee of Hartwell Thalacker, Ltd.

EXHIBIT 1

DECLARATION OF DANIEL LAKES

I, Daniel Lakes, declare under penalty of perjury of the laws of the State of Nevada as follows:

1. I am the plaintiff/counterdefendant in this case and this declaration is in support of my Opposition to U.S. Bank Trust's Motion for Summary Judgment.
2. I have personal knowledge of the facts set forth below and the same are true and accurate to the best of my knowledge.
3. I'm a senior citizen and veteran of the U.S. Army with a limited fixed income.
4. In 2015, I received an inheritance from my parents that I used to purchase the real property located at 548 Primrose Hill Ave, Las Vegas, NV 89178 (the "Property") in January 2016.
5. I learned about the Property from my son, who saw an ad on Zillow listing it for sale by owner for \$115,000.
6. The Zillow estimate of the Property was approximately \$160,000 in January 2016.
7. After speaking to Noune Graeff, I scheduled an appointment to see the Property.
8. The Property had been unoccupied for at least four years prior to me moving in in February 2016.
9. There were a number of issues with the home, including, but not limited to, bird droppings inside the house, moldy refrigerator, many holes in the walls, non-functioning toilets, it needed new carpet, new paint and had a leaky roof.
10. In addition, the exterior of the house needed painting and all the vegetation was either overgrown or dead.

11. I made Graeff an offer of \$112,000 with the intention of doing most of the work myself.

12. Shortly after our initial meeting, I went with Nouné Graeff to the Clark County Recorder's Office to verify ownership of the Property.

13. The clerk at the Recorder's Office verified that Nouné Graeff "owned the Property outright."

14. However, the Grant, Bargain, Sale Deed that Graeff proposed contained language regarding "liens and encumbrances."

15. I went back to the Clark County Recorder's Office and asked what that language meant.

16. The clerk told me that I needed to do a record search and that there computers available in the office to do it.

17. I informed the clerk that I did not know how to research on the computer and he said that he would do the search for me.

18. After performing the computer search, he stated that Republic Service had trash liens on the Property and gave me the total amount owed.

19. On January 20, 2016, I finalized the sale with Graeff by paying her a cashier's check in the amount of \$112,000 in exchange for the Grant, Bargain, Sale Deed. A true and correct copy of the Cashier's Check is attached as Ex. 2.

20. I immediately started the repairs to make the Property habitable and moved into the house the following month, February 2016.

21. After I moved into the Property, I was informed by Liberty Huntington HOA that there were past due fees and assessments on the Property and that I needed to paint the exterior of the house and clean up the yard to avoid additional assessments.

22. I negotiated the outstanding fees with the HOA resulting in my payment of \$2407.04 on March 14, 2016. A true and correct copy of the payment to the HOA is attached as Ex. 3.

23. I also paid all the back taxes due on the Property to bring them current.

24. I had no knowledge of the Foreclosure Deed or any other encumbrances on the Property until July 2016, when I received a letter from Quality Loan Services containing a Notice of Breach and Election to Sell.

Dated: this 24th day of April, 2019.


Daniel Lakes

EXHIBIT 2

WITHDRAWAL/RETIRO

CHASE

WITHDRAWAL/RETIRO

CHECKING/CHEQUES ☒
SAVINGS/AHORROS ☐
R/T 500001017

Today's Date/Fecha 1-19-16 Customer Name (Please Print)/Nombre del cliente (en letra de molde) Daniel Lakes
 If Purchasing a Cashier's Check Provide Payee Name/Si desea comprar un cheque de caja, escriba el nombre del beneficiario aquí
 Cashier Check = Roone Graeff

N13063-CH (Rev. 07/12) 50012104 01/15

Customer Signature/Firma del cliente

x Daniel Lakes

Start your account number here/
Emplee su número de cuenta aquí

AMOUNT/CANTIDAD

TOTAL \$

112000.00

#7

Posting Date: 20160119

Sequence Number: 1590245149

Amount: \$112,000.00

Account: [REDACTED]

Routing Transit
Number: 50000101Check/Serial
Number: 000340191720

Bank Number: 703

IRD Indicator: 0

BOFD: 111900057

Capture Source: BY

Entry Number: 0000012883

UDK: 703160119001590245149

Cost Center: 740949

Teller Number: 8

Teller Sequence Number: 35

Missing Image: 5

PE Indicator: P

Application Code: 1

Trancode: 000000

DB/CR: DB

Item Type: P

Processing Date: 20160119

EXHIBIT 3

JPMorgan

CHASE **CASHIER'S CHECK** 9518822732 01-2
 Date 01/19/2016 Void after 7 years 1221

Remitter: DANIEL P LAKES

Pay To The **NOUNE GRAEFF**
 Order Of:

Pay: ONE HUNDRED TWELVE THOUSAND DOLLARS AND 00 CENTS \$** 112,000.00 **

Drawn: JPMORGAN CHASE BANK, N.A.
Brian Volcan
 Senior Vice President
 JPMorgan Chase Bank, N.A.
 Phoenix, AZ

Do not write outside this box

Memo: _____
 Note: For information only. Comment has no effect on bank's payment.

⑈9518822732⑈ ⑆122100024⑆ 806002234⑈

FOR INFORMATION ONLY: REMITTING THIS INSTRUMENT
 CO. ACT: JPMORGAN CHASE BANK, N.A.
 1-800-234-0336

DO NOT WRITE / SIGN / STAMP BELOW THIS LINE
 DEPOSITION AND PROCEEDINGS

WARNING - DO NOT CASH CHECK
 WITHOUT NOTING WATERMARK.
 HOLD TO LIGHT TO VERIFY WATERMARK

113501294

Posting Date: 01/20/2016
 Sequence Number:
 9870358550
 Amount: 112,000.00
 Account: XXXXXXXXXX
 Routing Transit Number:
 12210002
 Check/Serial Number:
 009518822732
 Bank Number: 601
 IRD: 0
 Image type: P
 BOFD: 111900057
 Cost Center: 740949
 Teller Number: 1
 Teller Sequence Number:
 109
 Capture Source: BY
 Entry Number: 0000004366
 UDK:
 601160120009870358550

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 Reserved

WITHDRAWAL/RETIRO

CHASE

WITHDRAWAL/RETIRO

CHECKING/CHEQUES ☒
SAVINGS/AHORROS ☐
R/T 500001017

Today's Date/Fecha 1-19-16 Customer Name (Please Print)/Nombre del cliente (en letra de molde) Daniel Lakes
 If Purchasing a Cashier's Check Provide Payee Name/Si desea comprar un cheque de caja, escriba el nombre del beneficiario aquí
 Cashier Check = Noone Graeff

N13063-CH (Rev. 07/12) 50012104 01/15

Customer Signature/Firma del cliente

x Daniel Lakes

Start your account number here/
Emplee su número de cuenta aquí

AMOUNT/CANTIDAD

TOTAL \$

112000.00

#7

Posting Date: 20160119

Sequence Number: 1590245149

Amount: \$112,000.00

Account: [REDACTED]

Routing Transit
Number: 50000101Check/Serial
Number: 000340191720

Bank Number: 703

IRD Indicator: 0

BOFD: 111900057

Capture Source: BY

Entry Number: 0000012883

UDK: 703160119001590245149

Cost Center: 740949

Teller Number: 8

Teller Sequence Number: 35

Missing Image: 5

PE Indicator: P

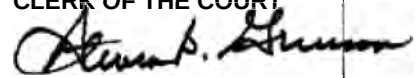
Application Code: 1

Trancode: 000000

DB/CR: DB

Item Type: P

Processing Date: 20160119



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Liberty at Huntington Homeowners' Association

DISTRICT COURT
CLARK COUNTY, NEVADA

DANIEL LAKES, an Individual,
Plaintiff,

vs.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage Ventures,
LLC; U.S. BANK TRUST, TRUSTEE FOR
LSF9 MASTER PARTICIPATION TRUST;
ROGELIO CEDILLO, an individual;
PARCELNOMICS, LLC, a Nevada limited
liability company d/b/a INVESTMENT
DEALS; NOUNE GRAEFF, an individual;
DOES I-X, inclusive; and ROE
CORPORATIONS, I-X, inclusive

Defendants.

U.S. BANK TRUST, TRUSTEE FOR LSF9
MASTER PARTICIPATION TRUST,

Counterclaimant,

vs.

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counterdefendants.

Case No. A-17-759016-C
Dept. No. 28

**LIBERTY AT HUNTINGTON
HOMEOWNERS' ASSOCIATION'S
REPLY IN SUPPORT OF MOTION
FOR SUMMARY JUDGMENT**

Hearing Date: June 4, 2019

Hearing Time: 9:30 a.m.

LEACH KERN GRUCHOW ANDERSON SONG
2525 Box Canyon Drive, Las Vegas, Nevada 89128
Telephone: (702) 538-9074 – Facsimile (702) 538-9113

JA0435

1 Liberty at Huntington Homeowners' Association ("Association") by and through its
2 attorneys of record, Leach Kern Gruchow Anderson Song, respectfully submits its Reply in
3 support of Motion for Summary Judgment ("Reply"). This Reply is based upon NRCP 56 and
4 the attached Memorandum of Points and Authorities, together with such other and further
5 evidence and argument as may be presented and considered by this Court at any hearing of this
6 Motion.

7 **MEMORANDUM OF POINTS AND AUTHORITIES**

8 **I. ARGUMENT**

9 **A. The Association is entitled to Summary Judgment On All Claims Because it** 10 **Complied with Nevada law.**

11 In its Motion, the Association established that it was entitled to summary judgment
12 because it complied with the requirements set forth in NRS 116.31162 though NRS 1116.31168
13 when it foreclosed on the property. *See* Motion for Summary Judgment at 4-5. The Bank failed
14 to oppose this portion of the Association's Motion. *See* Bank Opposition. The Bank's failure to
15 respond to or oppose this argument as set forth in the Motion serves as an admission of merit and
16 as a consent to the granting of the Motion in this regard pursuant to EDCR 2.20. *See Las Vegas*
17 *Fetish & Fantasy Halloween Ball, Inc. v. Ahern Rentals, Inc.*, 124 Nev. 272, 278, 182 P.3d 764,
18 768 (2008). As such, the Association requests summary judgment be granted in its favor.

19 **B. The Bank's Claims Fail as a Matter of Law.**

20 In its Motion, the Association requested summary judgment be granting in its favor
21 because the Bank's request that the Association's foreclosure sale be declared void pursuant to
22 the protections set forth in 12 U.S.C. § 4617(j)(3) failed pursuant to the Supreme Court of
23 Nevada's decision in *Saticoy Bay LLC Series 9641 Christine View v. Fed. Nat'l Mortg. Ass'n*,
24 134 Nev. Adv. Op. 36, 417 P.3d 363, 366 (2018). *See* Motion for Summary Judgment at 6.
25 Rather than opposing this argument, the Bank appears to restate arguments made in its Motion
26 for Summary Judgment regarding tender along with combining arguments it intends to make in
27 reply to the Association's Opposition to the Bank's Motion for Summary Judgment. *See* Bank
28 Opposition at 4. Although confusing, the Bank's arguments regarding tender further supports

1 the Association's request for summary judgment.

2 Pursuant to Nevada precedent, the Bank's purported tender does not result in voiding the
3 Association's foreclosure sale. The Supreme Court of Nevada has confirmed this point in *Bank*
4 *of Am., N.A. v. SFR Investments Pool 1, LLC*, 134 Nev. Adv. Op. 72, 427 P.3d 113 (2018), as
5 amended on denial of reh'g (Nov. 13, 2018) wherein it held that a payment of the superpriority
6 amount of the Association's lien results in the Bank's deed of trust surviving the foreclosure
7 sale—not a void sale. This holding has been confirmed by the Supreme Court of Nevada in
8 numerous unpublished opinions such as *Bank of America N.A. v. SFR Investments Pool 1, LLC*,
9 No. 71781, 2018 WL 6133935, at *1 (Nev. Nov. 16, 2018). Accordingly, the Association is
10 entitled to summary judgment.

11 **C. The Bank Mischaracterizes the Supreme Court of Nevada's Holding in *Nationstar***
12 ***Mortg., LLC v. Saticoy Bay LLC, Series 2227 Shadow Canyon.***

13 As set forth in the Association's Motion, in *Nationstar Mortg., LLC v. Saticoy Bay LLC*
14 *Series 2227 Shadow Canyon*, 405 P.3d 641, 642 (Nev. 2017), reh'g denied (Dec. 13,
15 2017), reconsideration en banc denied (Feb. 23, 2018), the Supreme Court of Nevada held that
16 commercial reasonability "has no applicability to the context of an HOA foreclosure involving
17 the sale of real property." *Id.* The Bank's Counterclaim contains no allegations that the
18 foreclosure sale resulted in an inadequate sales price brought about by fraud, oppressions or
19 unfairness. The Bank's Opposition again fails to even allege or provide evidence of the
20 existence of fraud, oppression or unfairness that brought about any purported inadequate sales
21 price at the foreclosure sale. Instead, the Bank simply states "Here, Liberty sold the Property for
22 less than 2% of the original principal balance due. In light of this "palpabl[y] and great[ly]"
23 inadequate sales price, only slight evidence of unfairness is needed to set aside the foreclosure
24 sale. *See Shadow Canyon*, 133 Nev. Adv. Op. 91, at 15. These actions and representations,
25 standing alone, are sufficient to hold Liberty's foreclosure sale did not extinguish the Deed of
26 Trust. *See Shadow Canyon*, 133 Nev. Adv. Op. 91, at 15." Because the Bank has failed to allege
27 or provide evidence of the existence of fraud, oppression or unfairness that brought about any
28 purported inadequate sales price at the foreclosure sale, summary judgment must be awarded in

1 the Association's favor.

2 Even if the Association were to assume that the Bank was referring to its tender as
3 evidence of unfairness, this analysis mischaracterizes the Supreme Court's analysis in *Nationstar*
4 *Mortg., LLC v. Saticoy Bay LLC Series 2227 Shadow Canyon*, 405 P.3d 641, 650 (Nev. 2017),
5 *reh'g denied* (Dec. 13, 2017), *reconsideration en banc denied* (Feb. 23, 2018) ("*Shadow*
6 *Canyon*"). First, the Bank's analysis regarding the purported inadequate sales price ignores
7 "the reality of the foreclosure process." *Bank of Am., N.A. v. Bar Arbor Glen at Providence*
8 *Homeowners Ass'n*, No. 216CV2535JCMGWF, 2018 WL 2120992, at *5 (D. Nev. May 7, 2018)
9 "The amount of the lien—not the fair market value of the property—is what typically sets the
10 sales price." *Id.*

11 Furthermore, tender is not an example of "unfairness" found within the Court's list of
12 "irregularities that may rise to the level of fraud, unfairness or oppression" in *Shadow Canyon*.
13 The Supreme Court of Nevada identified five (5) "irregularities" which "may rise to the level of
14 fraud, unfairness, or oppression" in its *Shadow Canyon* decision. *Shadow Canyon*, 405 P.3d at
15 fn. 11. Those examples include

- 16 • Failure to mail a deed of trust beneficiary the statutorily required notices;
- 17 • An HOA's representation that the foreclosure sale will not extinguish the first
- 18 deed of trust;
- 19 • Collusion between the winning bidder and the entity selling the property;
- 20 • A foreclosure trustee's refusal to accept a higher bid;
- 21 • A foreclosure trustee's misrepresentation of the sale date.

22 Despite the Bank's misrepresentation, a tender of an amount less than what was owed
23 prior to a foreclosure sale is not found within the list of examples of "fraud, unfairness or
24 oppression" in *Shadow Canyon*. While the list in the footnote was not intended to be an
25 exhaustive list, it is clear that the similarities among the examples suggest a heightened level of
26 wrongdoing best described by the first of the three descriptive words used by the Court; fraud.
27 Simply put, a tender does not equate to fraud.

1 Finally, the Supreme Court of Nevada was clear in *Shadow Canyon*, “inadequacy of
2 price, however gross, is not in itself a sufficient ground for setting aside a trustee’s sale absent
3 additional proof of some element of fraud, unfairness, or oppression as accounts for and brings
4 about the inadequacy of price.” *Shadow Canyon*, 113 Nev. Adv. Op. 91 at 13 (citing *Golden*
5 *v. Tomiyasu*, 79 Nev. 503, 387 P.2d 989 (1963))(emphasis added). This rule of law was
6 reinforced by the Supreme Court of Nevada in *Res. Grp., LLC as Tr. of E. Sunset Rd. Tr. Res.*
7 *Grp., LLC as Tr. of E. Sunset Rd. Tr.*, 135 Nev. Adv. Op. 8 (“The district court and HODC,
8 however, fail to demonstrate that any of these equities constitute “fraud, unfairness, or
9 oppression” that affected the sales price.”).

10 Here, the Bank fails to even attempt to make the necessary connection between what it
11 believes was fraudulent conduct by the Association and the alleged low sales price at the
12 foreclosure sale. This is because there is no evidence in this case. Simply put, this Court cannot
13 set aside this foreclosure sale under *Shadow Canyon*. As such, the Association requests
14 summary judgment be granted in its favor.

15 II. CONCLUSION

16 For the reasons set forth above, the Association respectfully requests that the
17 Association’s Motion be granted in its entirety.

18 Dated this 28th day of May, 2019.

19 LEACH KERN GRUCHOW ANDERSON SONG

20
21 

22 Sean L. Anderson
23 Nevada Bar No. 7259
24 T. Chase Pittsenbarger
25 Nevada Bar No. 13740
26 2525 Box Canyon Drive
27 Las Vegas, Nevada 89128
28 *Attorneys for Counter-Defendant Liberty at*
Huntington Association

CERTIFICATE OF SERVICE

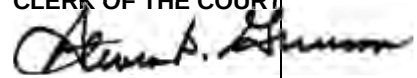
Pursuant to NRCP 5(b), the undersigned, an employee of LEACH KERN GRUCHOW ANDERSON SONG, hereby certifies that on the 28th day of May, 2019, service of the foregoing, *Liberty at Huntington Homeowners' Association's Reply in Support of Motion for Summary Judgment*, was made on all parties via the Court's CM/ECF System, as follows:

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*Attorneys for U.S. Bank Trust, Trustee for
SLF9 Master Participation Trust*

/s/ Gina M. LaCascia

An employee of LEACH KERN GRUCHOW
ANDERSON SONG



RTRAN

**DISTRICT COURT
CLARK COUNTY, NEVADA**

DANIEL LAKES,

Plaintiff,

CASE#: A-17-759016-C

DEPT. XXVIII

vs.

BANK OF AMERICA N.A.,

Defendant.

BEFORE THE HONORABLE RONALD J. ISRAEL, DISTRICT COURT JUDGE
TUESDAY, JUNE 4, 2019

***RECORDER'S TRANSCRIPT OF HEARING
PRETRIAL CONFERENCE***

**U.S. BANK TRUST, TRUSTEE FOR LSF9 MASTER
PARTICIPATION TRUST'S MOTION FOR SUMMARY JUDGMENT**

**COUNTERDEFENDANT LIBERTY AT HUNTINGTON HOMEOWNERS'
ASSOCIATION'S MOTION FOR SUMMARY JUDGMENT**

SEE APPEARANCES ON PAGE 2

RECORDED BY: JUDY CHAPPELL, COURT RECORDER

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APPEARANCES:

For the Plaintiff/Counter
Defendant:

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For the Defendant/Counter
Claimant, US Bank Trust:

JOSEPH SAKAI, ESQ.

For the Counter Defendant,
Liberty at Huntington
Homeowners' Association:

TIMOTHY C. PITTSBARGER, ESQ.

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Las Vegas, Nevada, Tuesday, June 4, 2019

[Case called at 10:16 a.m.]

THE CLERK: Case Number A759016, Daniel Lakes versus Bank of America.

THE COURT: Counsel, state your appearance.

MS. HARTWELL: Good morning, Doreen Hartwell on behalf of the plaintiff slash counter defendant, Daniel Lakes. Bar Number 7525.

MR. SAKAI: Good morning, Your Honor. Joseph Sakai, on behalf of defendant, counter claimant, US Bank Trust.

MR. PITTSBARGER: Good morning, Your Honor. Chase Pittsenbarger for Liberty at Huntington Homeowners' Association.

THE COURT: So federal foreclosure and a tender. Let's start off with – and competing motions for summary judgment as always on yet another HOA.

Who wants to start?

MR. SAKAI: Your Honor, if I could start really quick. I'm sorry. I'm going to hopefully simplify things just a little bit.

THE COURT: Yeah. Did you settle any part of this?

MR. SAKAI: I think we might be able to but unfortunately have not yet.

THE COURT: Okay.

MR. SAKAI: So first off, our MSJ did have some pretty significant arguments based upon the Federal Foreclosure Bar. Unfortunately after we had filed that, then after – so on the brief it happens some other information came to our attention about the

1 sequencing of events that took place with Freddie Mac's interest in this.
2 We're going to be withdrawing that argument. We will still be maintaining
3 our tender and commercial reasonableness arguments as the Freddie's
4 interest or non-interest as it may be now doesn't affect those continued
5 arguments.

6 THE COURT: Okay. So tell me about the tender.

7 MR. SAKAI: Your Honor, so the prior servicer, Ocwen,
8 received the notice of foreclosure from Redrock Financial Services in
9 April of 2015. The tendered a check to Redrock Financial Services
10 shortly thereafter in May of 2015. To be specific, that was on --

11 THE COURT: 5/13, --

12 MR. SAKAI: -- May 13th.

13 THE COURT: -- I got that.

14 MR. SAKAI: And that check was cashed on May 19th, the
15 foreclosure sale still went ahead. There was no other information that's
16 provided to Ocwen to say that that wasn't sufficient to govern
17 superpriority or that the foreclosure wouldn't be one that was attempting
18 to wipe out the first deed of trust. Based on all of the information that we
19 have and that we've attached to our Motion for Summary Judgment, the
20 ensuing foreclosure that took place in August a few months after that
21 check was cashed should not have foreclosed upon the priority position
22 of the first deed of trust. It rather should have been a subsequent or a
23 junior foreclosure to that deed.

24 And we've asked then that the foreclosure -- that the interest
25 that was sold in that foreclosure sale be subsequent to our deed of trust.

1 THE COURT: Which is exactly what I just ruled on about
2 three or four cases ago.

3 Tell me why there is something different. You heard my
4 argument. Were you here or no?

5 MS. HARTWELL: With – I did not hear –

6 THE COURT: Oh.

7 MS. HARTWELL: -- an argument earlier with regards to this
8 same interest. In this particular case, my client is a subsequent – bona
9 fide subsequent purchaser who purchased the property in January of
10 2016. The property – he purchases it in January from a buyer, so I'll just
11 go all the --

12 THE COURT: Bought at the HOA.

13 MS. HARTWELL: -- way back. With the, no, not – there has
14 been three subsequent –

15 THE COURT: Okay.

16 MS. HARTWELL: -- transactions after the foreclosure sale.
17 He purchased the – he purchases it from, purchases it in October, or
18 sorry, in –

19 THE COURT: I get it. You're arguing a BFP, but just like
20 every other case, whether it's second, third, fourth, if the superpriority
21 was satisfied and the Supreme Court, I believe, certainly – certainly with
22 the Federal Foreclosure Bar, has said it doesn't matter. It exists. So
23 how is that different somehow –

24 MS. HARTWELL: This – I can tell you –

25 THE COURT: -- by the satisfying –

1 MS. HARTWELL: I can tell you exactly why this is different.
2 And whether or not it's been satisfied I think they've not proven that
3 based on – and that's for the HOA to make that argument.

4 But for now, just forgetting completely about the superpriority
5 law and so forth, US Bank purchased this interest in November of 2015.
6 They did not record it. They did not record it in violation of NRS 111,
7 what is it, 111.325, which makes – my client would not have purchased,
8 this is a straightforward, traditional, simple bona fide purchaser case. My
9 client had no actual or constructive notice and could not have had of
10 US Bank's interest because they did not record their assignment. They
11 purchased the loan in – in November, between November and December
12 of 2015. They recorded their interest in May of 2016.

13 My client purchases the property for \$112,000 in January of
14 2016, months after, or basically a couple months after US Bank has
15 gained its interest. My client would never, ever have purchased a
16 property that had a 200 plus thousand dollar lien on it or deed of trust on
17 it for 112,000. The property was worth pretty much what he purchased it
18 for. It needed a lot of repairs which he put into it, moved into the home,
19 has been living in it since January of 2016.

20 This is a straightforward, simple, bona fide purchaser case
21 that has absolutely nothing to do with the foreclosure laws, superpriority
22 liens and things sticking. To the extent that US Bank still claims that it
23 has an interest, that interest is not enforceable against my client. Under
24 the statute, both case law and statutory law, that – their failure to record
25 their interest which was their obligation to do regardless of who they're

1 purchasing it from, their failure to record it makes that interest void as to
2 my client. The statute's very plain and clear on its language. Failure to
3 record that interest makes it unenforceable as to my client. Doesn't wipe
4 it out or whatever to the extent that it would exist, but it's not enforceable
5 to my client who purchased that home for value and without notice or
6 knowledge of that purchase.

7 And it's not – and based on, granted there are, the foreclosure
8 bar, the Federal Foreclosure Bar law is there's a lot of history now over
9 just the recent years and clarification with regards of how that works. But
10 just to be clear, prior to both the Ninth Circuit ruling, I guess that was last
11 year in 2018, or could have been 2017, --

12 THE COURT: Which one?

13 MS. HARTWELL: -- Judge Christensen's ruling where
14 basically she finds that our priority, superpriority law is – she finds that it's
15 unconstitutional to the extent that it would wipe out or that it would allow
16 foreclosures when Freddie Mac's in a receivership. All that, that whole
17 line of law.

18 THE COURT: *Bourne Valley*?

19 MS. HARTWELL: Actually – and I can't recall. That's –

20 THE COURT: Well, okay.

21 MS. HARTWELL: -- I can't, but basic – but just to be clear,
22 with regards to the whole knowledge, constructive knowledge, and so
23 forth, my client would never have had notice, constructive-wise, and he
24 didn't have actual notice with regards to Freddie Mac's interest in this
25 loan because Freddie Mac's not listed as on the deeds of trust at any

1 point. But this is just --

2 THE COURT: But they never are.

3 MS. HARTWELL: But this is just giving you history and why
4 we are clearly and truly a bona fide purchaser just under, straightforward
5 under statute, statutory in common law. Based on the sale, the HOA
6 sale of the property purchased by, was actually Parcelnomics purchased
7 it.

8 THE COURT: Which is on the record.

9 MS. HARTWELL: Which is, right, which is on the record. And
10 at that point, there's no -- Parcelnomics is purchasing this property and
11 there's no, there's no, there's no way for my client to know, or even the
12 bank, and he's not, this we're talking of, at the time, a 68 year old. He
13 wasn't sophisticated buyer. So we're just -- if someone to look, they
14 weren't, and he's not going to know the law, but just even taken in that
15 we assume that everyone knows the law and has constructive notice,
16 they would, he would never, he would never know that federal, that
17 Freddie Mac had some interest in this. But put that aside. So --

18 THE COURT: I agree --

19 MS. HARTWELL: -- let's say --

20 THE COURT: -- the law's, well, been defined, if you will, --

21 MS. HARTWELL: Right.

22 THE COURT: -- in the last 10 years, --

23 MS. HARTWELL: Right.

24 THE COURT: -- 8 years.

25 MS. HARTWELL: And so but even with Ocwen being the

1 servicer, there's a failure to pay the dues, there's a foreclosure, the
2 property sold. Someone purchases it. The title now just shows title in
3 the name of the new purchaser. That purchaser then sells it to someone
4 else. That person gets a grant bargain sale deed. And it shows – the
5 chain of title shows that the property goes from Countrywide to Ocwen.
6 Ocwen purchases on behalf of Freddie Mac but Freddie Mac never
7 shows up. Then it goes from – at that point, it goes to Parcelnomics
8 because there's a foreclosure so at that point, the – let's say the
9 unsophisticated or just any buyer, forget sophistication or not, assumes
10 looking at the chain of title, that this property is now owned by
11 Parcelnomics. Parcelnomics then transfers it to another entity that's
12 owned by Parcelnomics. And then that entity sells it to Nouna Graeff
13 who purchases it for a hundred whatever thousand dollars.

14 My client purchases it months later and it shows – and he
15 looks and it shows that Nouna Graeff is the – the title holder of this
16 property. It has a grant bargain sale deed of trust. Purchased it for
17 value. He then purchases it months later. In between that transaction,
18 US Bank purchases the deed of trust from Freddie Mac. US Bank was
19 required, under, and it doesn't matter, you can take Freddie Mac out of
20 the picture, even if that – the deed of trust did stick for Freddie Mac, if
21 Freddie Mac chose to enforce that, its rights or whatever, which it didn't,
22 it sold whatever interest it had to US Bank. And it was US Bank's
23 obligation, and that's why the law exists, it was US Bank's obligation to
24 record its assignment of the purchase of that deed of trust. And it did
25 not. And had US Bank did what it was supposed to do in the deed of

1 trust that it got for pennies on the dollar, had it did what it was supposed
2 to do, then my client – we wouldn't be here today. My client would not
3 have, even being as unsophisticated as he is, he would have known
4 when he went to the recorder's office because that's what he did, he
5 went to the Clark County Recorder's Officer and he asked the clerk, can
6 you tell me if this person owns this property outright. And the clerk looks
7 through and says yes. They are the sole –

8 THE COURT: How – how is that different from any of the
9 other ten thousand or maybe hundred thousand cases where there's
10 been a tender and the Supreme Court has said that's valid. The
11 mortgage exists and you take it subject to.

12 MS. HARTWELL: The – well this, well this ---

13 THE COURT: How is that any different?

14 MS. HARTWELL: The difference is at the – the, to the extent
15 that every time that there is a change in ownership and title, if there's a
16 change of ownership, it has to be recorded. Even with all – with, to the
17 extent if Freddie Mac doesn't record its notice or ownership, it's
18 unenforceable too. I mean, it's –

19 THE COURT: Well –

20 MS. HARTWELL: -- that's where it starts, that's where it starts
21 and that's where –

22 THE COURT: Supreme Court seems to disagree.

23 MS. HARTWELL: But no, the Supreme Court doesn't Even in
24 the Ninth Circuit case where Judge Christensen finds that the Nevada
25 statute would be unconstitutional to the extent that it allows for

1 foreclosures on – or to proceed against Freddie Mac when in receiver, or
2 in conservatorship. It says, but first before we get there, we have to find
3 out if Freddie Mac has an enforceable right under state law because
4 state law is when it gives, that determines the property interest. And if
5 Freddie Mac does not record its interest, it's not enforceable. That's the
6 starting point.

7 THE COURT: But you understand that there's been a split
8 between the fed and the state court decisions and the state court
9 decisions are binding. The federal are not. It hasn't gone up to the
10 Supremes, they've had a chance to do it and so.

11 MS. HARTWELL: That's – well, state law is one hundred
12 percent on our side. Under state law, we win. I mean, it's – under
13 federal law, we win too. This is – I am saying and if you look at the law
14 and you look at the facts here, regardless of Freddie, that's why they
15 withdrew the whole Federal Bar argument and so forth because of the
16 timing. This is you can completely take out of the picture, take out of the,
17 completely take whole foreclosure bar, federal bar, foreclosure bar law
18 out of the picture because it doesn't apply here. Freddie Mac does not
19 have an interest in these loans –

20 THE COURT: Okay, but the tender issue --

21 MS. HARTWELL: -- at the time that my client come into the
22 picture.

23 THE COURT: -- if it, it's similar in that if it's tendered, that's it.
24 The superpriority has been satisfied.

25 MS. HARTWELL: Well this is, well, you can, you can even – it

1 doesn't, this is my, the whole with regards to the superpriority, had
2 Freddie Mac been enforcing its rights as the holder of the deed of trusts
3 on that property and to – and tendering isn't necessarily
4 disefficient [sic] –

5 THE COURT: You're just arguing that they needed to record.
6 Period, --

7 MS. HARTWELL: That's what I'm saying, --

8 THE COURT: -- right?

9 MS. HARTWELL: -- it has nothing to do, that's one –

10 THE COURT: All right.

11 MS. HARTWELL: -- hundred percent my point.

12 THE COURT: Let's hear from them. It's recording, yes.
13 Go ahead.

14 MR. SAKAI: Your Honor, --

15 THE COURT: Why does recording not apply?

16 MR. SAKAI: To the – to US Bank's interest?

17 THE COURT: If they had a – if they tendered the amount, tell
18 me why they shouldn't have recorded it. The HERA – or the federal
19 foreclosure's off the table so I assume you're arguing that they tendered.

20 MR. SAKAI: Correct, Your Honor. And as far as US Bank's
21 interest in the property, that was previously recorded via the deed of
22 trust. While the assignment was recorded later on, there was a recorded
23 deed of trust against the property since 2007.

24 That deed of trust specifically stated that not only was that
25 deed of trust applicable to the beneficiary at the time recording

1 Countrywide, it's applicable to any of its successors or assigns which in
2 this case would be US Bank. So regardless of whether US Bank at the
3 time of Mr. Lakes' purchase was the beneficiary in a deed of trust or
4 whether it was still Ocwen. That's irrelevant to the point of tender.
5 Because that deed of trust is still recorded. That is there on title. Ocwen,
6 who at the time of the sale was the beneficiary and the deed of trust
7 tendered the superpriority amount to Redrock Financial Services ahead
8 of the sale. The foreclosure went ahead. There was no other notice that
9 was provided that the superpriority wasn't met. There was no other
10 notice provided that there was a reduction in the amount of the lien. The
11 sale just continued to go forward after the superpriority amount is
12 tendered. The -- I don't know that I've seen a case where there has been
13 a subsequent recording necessarily. I'm sure maybe there was that a
14 HOA recorded notice that the amount of the lien was reduced and the
15 superpriority amount had been eliminated. Unfortunately, that's not the
16 case here. But I also don't know that there's any requirement for an HOA
17 to do that.

18 The law in Nevada, and I think it's pretty clear, *SFR versus*
19 *US Bank* states that if you tender an amount for the superpriority, a
20 foreclosure subsequent to that does not wipe out a first deed of trust. It
21 takes an interest in the property subsequent to that deed of trust. I think
22 that's the case that we have here.

23 THE COURT: What about her argument that this is a BFP.

24 MR. SAKAI: Your Honor, I think --

25 THE COURT: And I think I know the answer that you're going

1 to give.

2 MR. SAKAI: While –

3 THE COURT: Isn't there a case that says that BFP isn't an
4 issue when the tender has already been made.

5 MR. SAKAI: That is correct, Your Honor, and I'm sorry I'm
6 drawing a blank on specifically what that one is. But I do know as far as
7 the BFP argument goes, I think a reasonable person at this point in time
8 buying a property that was subject to an HOA foreclosure sale. Again,
9 this was a purchase that took place in early 2016. The investigation into
10 the title likely took place in like 2015. I think any title report, any attempt
11 to get title insurance that a reasonable person purchasing a property
12 would have done, would have flagged a litany of issues that properties
13 subject to HOA foreclosures were dealing with at that point in time.

14 There was still a lot of litigation going on. Unfortunately,
15 clearly there still is. But there are a lot of unanswered questions at that
16 point in time. There was a split between *Bourne Valley* in Ninth Circuit
17 and *SFR* in Nevada. And I don't think that we could look at somebody
18 who's taken actions only to look at a recorded – the recorded history of
19 the title and grant them BFP status, especially with case laws such as
20 *Berge* that says a reasonable person, not just the person that we're
21 dealing with. And I think the reasonable steps in purchasing real
22 property is going to be receiving actual title report or trying to purchase
23 title insurance.

24 THE COURT: And you don't have an interest, right?

25 MR. PITTSBARGER: Yeah, Your Honor, our opposition to

1 the bank's motion is pretty short and sweet. It's just – they're requesting
2 a declaration that their deed of trust survive the foreclosure sale. The
3 HOA simply doesn't have a dog in that fight, as far as the title dispute
4 and the effect of the foreclosure sale.

5 THE COURT: And there is – there's evidence that it was
6 tendered, correct?

7 MR. PITTSBARGER: Correct.

8 THE COURT: That's not in dispute.

9 MR. PITTSBARGER: Correct. And that's, you know the
10 subsequent basis for our request for summary judgment, that because
11 we're not, you know, really a party to that title dispute and we've
12 established that the foreclosure sale was connected properly. We
13 believe as far as the claims against the association are concerned that
14 summary judgment should be granted in his favor.

15 THE COURT: Okay. Go ahead.

16 MS. HARTWELL: Just two things. With regards to the tender,
17 there's nothing in the record with regards to what the actual amount of
18 the superpriority lien was. We don't know – we know that there was a
19 payment of 3,000. However the notice of default and intent to sell was
20 for 7,000 and change. They didn't, there was nothing that proved that on
21 the bank side that shows that what they paid was actually covered, the
22 superpriority lien. So I don't think – just that alone they failed to meet
23 their burden of proof with regard to that issue which I did argue in our
24 opposition and they didn't address.

25 But going, just going back and because – there's a huge

1 difference between whether or not, and there's separate issues, distinct
2 issues, whether or not this deed of trust survives and whether or not it's
3 enforceable against my client. And they are very – they're separate
4 issues, they're not one in the same. We're not talking about Freddie Mac
5 trying to enforce its interest because Freddie Mac sold its interest. We're
6 talking about US Bank, US Bank trying to enforce its interest against my
7 client. And under NRS 111.325, it states: every conveyance of real
8 property within this state hereafter made which shall not be recorded as
9 provided in this chapter shall be void as against any subsequent
10 purchaser in good faith and for valuable consideration.

11 And that is what – that's what we have here. And it says
12 every, every, every conveyance. Their conveyance is not, US Bank's
13 conveyance is not enforceable against my client based on its failure to
14 record its interest. It's not saying, in the case law where it said, a bona
15 fide purchaser argument is not – is not at issue. It wasn't a case where a
16 bona fide purchaser, a subsequent purchaser was trying to wipe out, or I
17 should say, in that particular case, a person who properly, had a properly
18 recorded interest in real property or entity that had a properly recorded
19 interest in real property was enforcing that interest against a subsequent
20 purchaser.

21 This is not this case. Our case – US Bank does not have a
22 properly reported interest with regards to that deed of trust against my
23 client. They did not record it and despite opposing counsel's argument
24 that prior – because of the recording by Ocwen when the loan was
25 purchased by, from – the Freddie Mac purchased it from Countrywide,

1 prior to the HOA years, prior to that. Whatever happened, that is of no
2 matter. That's not of any import with regards to the issue that's before
3 the Court with regards to US Bank and Daniel Lakes.

4 Daniel Lakes is truly a bona fide purchaser under the law.

5 And despite – in looking at with regards to impugning constructive
6 knowledge, you cannot impune constructive knowledge as to Daniel
7 Lakes with regards to any deeds of trust associated with that property
8 after a foreclosure, to the extent that US Bank is trying to say that they
9 can enforce it against my client when they did not record their interest.

10 NRS 111.325 is really, really, really clear and straightforward. And –

11 THE COURT: All right.

12 MS. HARTWELL: -- it says, it shall, every shall be recorded.

13 THE COURT: Thank you.

14 I know it's – everybody who says they're a BFP and in this
15 case we obviously have a BFP several purchasers down the road. And,
16 yes, it's harsh, and I may not like it, but what my understanding, once the
17 tender was made, the sale is only a subpriority. And that doesn't change.
18 The fact that your argument is that Ocwen has to, I guess, re-record it, if
19 you will, that, oh, we paid off the superpriority and this is only a
20 subpriority sale and therefore –

21 MS. HARTWELL: No, that's not my argument.

22 THE COURT: Counsel, don't interrupt.

23 MS. HARTWELL: Sorry. I'm --

24 THE COURT: I'm giving you my --

25 MS. HARTWELL: -- sorry. I'm sorry.

1 THE COURT: -- my decision.

2 MS. HARTWELL: I'm sorry.

3 THE COURT: I let you go on for what? Fifteen minutes. You
4 should be writing down my decision. I understand you have the right to
5 appeal. I may be wrong, 50/50 shot. These cases are always taken up.
6 I get that. But this is my decision.

7 So, I don't know where I -- other than the tender was made.
8 The sale was a subpriority sale and therefore the mortgage, if you will,
9 was in place. And Mr. Lakes takes it subsequent -- subject to the
10 mortgage.

11 That's -- that's it. Prepare the order, pass it by counsel. And --

12 MS. HARTWELL: I have a couple of questions for you. One,
13 with regards to the extent that you're claiming that he takes it subject to
14 the mortgage. Well we had a trial that's set for July 1st with regards to --

15 THE COURT: Trial date is vacated, yes.

16 MS. HARTWELL: -- whether or not my client was a bona fide
17 purchaser which would be --

18 THE COURT: I'm not deciding the issue of whether it was the
19 amount. That would be the subject for a trial, the fair market value, that
20 issue. But as far as because I'm granting summary judgment to them on
21 that issue, there's no reason for a trial. You can certainly file your appeal
22 and let the Supreme Court decide some of these. There's only a few
23 more issues. This happens to be one of them.

24 MS. HARTWELL: And this, and so, and the issue being, just
25 to be clear, that the failure to record an assignment, a new ownership

1 interest in a deed of trust –

2 THE COURT: There is no failure.

3 MS. HARTWELL: -- does not apply.

4 THE COURT: You don't have to record a subsequent assignment.

5 That's my decision, yes.

6 Thank you.

7 MR. PITTSBARGER: Your Honor, as far as the HOA's
8 motion for summary judgment, because of that ruling, does that deem the
9 HOA's motion moot and the claims –

10 THE COURT: It makes it --

11 MR. PITTSBARGER: -- against the association is
12 dismissed or?

13 THE COURT: -- the HOA's moot, yeah.

14 MR. PITTSBARGER: Okay.

15 THE COURT: Yeah. Thank you.

16 THE COURT: Thank you, Your Honor.

17 MR. SAKAI: Thank you, Your Honor.

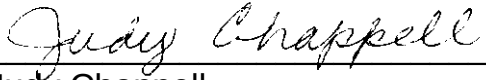
18 THE COURT: So pass it by the other parties.

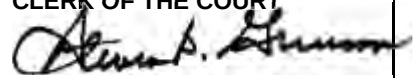
19 Thank you.

20 [Hearing concluded at 10:43 a.m.]

21 * * * * *

22 ATTEST: I do hereby certify that I have truly and correctly transcribed the
23 audio/video proceedings in the above-entitled case to the best of my ability.

24 
25 Judy Chappell
Court Recorder/Transcriber



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DISTRICT COURT
CLARK COUNTY, NEVADA

DANIEL LAKES, an Individual;

Plaintiff,

v.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; et. al.

Defendants.

Case No.: A-17-759016-C

Dept. No.: 28

U.S. BANK TRUST, TRUSTEE FOR
LSF9 MASTER PARTICIPATION
TRUST;

Counter-claimant,

v.

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counter-defendants.

**NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW ON
MOTIONS FOR SUMMARY JUDGMENT**

JA0460

1 PLEASE TAKE NOTICE that on the 17th day of July, 2019, the Clerk of the
2 Court entered a **Findings of Fact and Conclusions of Law on Motions for Summary**
3 **Judgment**, a copy of which is attached hereto.

4 DATED this 18th day of July, 2019.

5
6 BALLARD SPAHR LLP

7 By: /s/ Joseph Sakai
8 Joel E. Tasca
9 Nevada Bar No. 14124
10 Joseph P. Sakai
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14 *Attorneys for Defendant U.S. Bank Trust, Trustee*
15 *for LSF9 Master Participation Trust*
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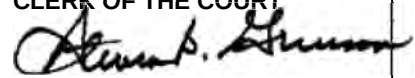
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 18th day of July, 2019, and pursuant to N.R.C.P. 5(b), a true and correct copy of the foregoing **NOTICE OF ENTRY OF FINDINGS OF FACT AND CONCLUSIONS OF LAW ON MOTIONS FOR SUMMARY JUDGMENT**, was served via the Court's Odyssey E-File and Serve system to the following parties:

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DISTRICT COURT
CLARK COUNTY, NEVADA

DANIEL LAKES, an Individual;
Plaintiff,

Case No.: A-17-759016-C

Dept. No.: 28

v.

BANK OF AMERICA, N.A., successor-by-
merger to Countrywide Mortgage
Ventures, LLC; et. al.

Defendants.

U.S. BANK TRUST, TRUSTEE FOR
LSF9 MASTER PARTICIPATION
TRUST;

Counter-claimant,

v.

DANIEL LAKES, an individual;
PARCELNOMICS, LLC; NOUNE
GRAEFF, an individual; INVESTMENT
DEALS; REGELIO CEDILLO, an
individual; LIBERTY AT HUNTINGTON
HOMEOWNERS ASSOCIATION,

Counter-defendants.

☐ Voluntary Dismissal	☒ Summary Judgment
☐ Involuntary Dismissal	☐ Stipulated Judgment
☐ Stipulated Dismissal	☐ Default Judgment
☐ Motion to Dismiss by Deft(s)	☐ Judgment of Arbitration

7/18/19
JA0463

1 **FINDINGS OF FACT AND CONCLUSIONS OF LAW ON MOTIONS FOR**
2 **SUMMARY JUDGMENT**

3 Defendant/Counter-Claimant/Cross-Claimant U.S. Bank Trust, Trustee for
4 LSF9 Master Participation Trust's (U.S. Bank) motions for summary judgment
5 against Plaintiff, Daniel Lakes (Lakes) and Defendant/Cross-Defendant Liberty At
6 Huntington Homeowners' Association (HOA), and the HOA's motion for summary
7 judgment against U.S. Bank came for hearing on June 4, 2019. Doreen Spears
8 Hartwell, Esq. appeared on behalf of Plaintiff, Chase Pittsenbarger, Esq. appeared on
9 behalf of the HOA, and Joseph P. Sakai, Esq. appeared on behalf of U.S. Bank. The
10 Court, having reviewed the motions, the responses in opposition, and the replies in
11 support, and good cause appearing, makes the following findings of fact and
12 conclusions of law.

13 **FINDINGS OF FACT**

14 ***The Subject Property, Note, and Deed of Trust***

- 15 1. Lakes filed suit for quiet title alleging that he was a bona fide purchaser
16 who purchased the real property located at 548 Primrose Hill Ave., Las
17 Vegas, NV without notice of, and not subject to, an interim assignment
18 of a Deed of Trust from Freddie Mac to U.S. Bank.
- 19 2. A deed of trust listing Rogelio Cedillo as the borrower ("Borrower");
20 Countrywide KB Home Loans, a Countrywide Mortgage Ventures, LLC
21 series as the lender ("Lender"); and MERS, as beneficiary solely as
22 nominee for Lender and Lender's successors and assigns, was executed
23 on April 12, 2007, and recorded on April 16, 2007 ("Deed of Trust"). The
24 Deed of Trust granted Lender a security interest in real property known
25 as 548 Primrose Hill Ave in Las Vegas (the "Property") to secure the
26 repayment of a loan in the original amount of \$213,121.00 to the
27 Borrower (the promissory note and Deed of Trust together are the
28 "Loan").

2. On August 19, 2009, MERS, as nominee for Lender and Lender's successors and assigns, recorded an assignment of the Deed of Trust to Ocwen.

At the time of the HOA Sale on August 25, 2015, Ocwen was the servicer of the Loan for Freddie Mac.

3. On December 6, 2015, U.S. Bank acquired the Loan from Freddie Mac. On May 27, 2016, Ocwen recorded an assignment of the Deed of Trust to U.S. Bank. U.S. Bank is currently the beneficiary of record of the Deed of Trust and owner of the Loan.

The HOA Foreclosure Sale and Plaintiff's Acquisition of the Property

4. In July 2008 through April 2015, the HOA recorded a Lien for Delinquent Assessments concerning past due assessments, followed by a Notice of Default and Election to Sell, and a Notice of Foreclosure Sale against the Property.

5. On August 25, 2015, the HOA foreclosed on its lien and sold the Property to Parcelnomics, LLC, which paid \$4,470.00 according to the Foreclosure Deed recorded on September 1, 2015.

6. On September 1, 2015, Parcelnomics recorded a Grant, Bargain, Sale Deed purporting to convey its interest in the property to Investment Deals.

7. On October 23, 2015, Noune Graeff purchased the property from Investment Deals pursuant to a recorded Grant, Bargain, Sale Deed.

8. Lakes purchased the property for Noune Graeff for \$112,000 on January 20, 2016.

9. Lakes recorded the Grant, Bargain, Sale Deed for the property on January 20, 2016, without knowledge of U.S. Bank's unrecorded 12/6/15 assignment of Deed of Trust.,

Ocwen's Superpriority Tender to the HOA

8. After the HOA recorded its notice of default and prior to the foreclosure sale, Ocwen, then servicer of the Loan, tendered the super-priority portion of the HOA lien to the HOA.

Standard of Proof

2. While the pleadings and other evidence must be construed in the light most favorable to the nonmoving party, "that party has the burden to 'do more than simply show that there is some metaphysical doubt' as to the operative facts to defeat a motion for summary judgment." *Id.* at 1031 (quoting *Matsushita Elec. Indus. Co. v. Zenith Radio*, 475 U.S. 574, 586 (1986)). The governing law determines which "factual disputes are material and will preclude summary judgment; other factual disputes are irrelevant." *Id.* Accordingly, Nevada courts follow the federal summary judgment standard, not the "slightest doubt" standard previously applicable before *Wood*. *Id.* at 1031, 1037.

3. The HOA Sale did not extinguish the Deed of Trust because Ocwen, which was servicing the Loan at the time of the HOA sale, tendered the superpriority portion of the Lien prior to the sale. Under NRS § 116.3116(1), an HOA has a statutory lien for unpaid assessments. Also by statute, only nine-months of HOA

1 assessments are entitled to this “super-priority” status. NRS § 116.3116(2)(b)-(c). The
2 Nevada Supreme Court in *SFR Investments*, applying the plain language of the
3 statute, explained “[a]s to first deeds of trust, NRS § 116.3116(2) thus splits an HOA
4 lien into two pieces, a superpriority piece and a subpriority piece.” *SFR Investments*
5 *Pool 1, LLC v. U.S. Bank, N.A.*, 334 P.3d 408, 411 (Nev. 2014). As explained by the
6 *SFR* Court, “NRS 116.3116 gives a homeowners’ association (HOA) a superpriority
7 lien on an individual homeowners’ property for up to nine months of unpaid HOA
8 dues.” *Id.* at 409 (emphasis added). The *SFR* Court further provides the beneficiary of
9 record of a deed of trust can preserve its interest by “determining the precise
10 superpriority amount” and tendering it “in advance of the sale.” *Id.* at 418.

11 4. Since the *SFR Investments* decision, the Nevada Supreme Court held—
12 again as a matter of statutory interpretation—the superpriority portion of an HOA
13 lien does *not* include collection fees and foreclosure costs incurred by an HOA.
14 *Horizons at Seven Hills Homeowners Ass’n v. Ikon Holdings*, 373 P.3d 66, 71–72
15 (Nev. 2016). The *Ikon Holdings* court confirmed the superpriority amount is “limited
16 to an amount equal to the common expense assessments due during the nine months
17 before foreclosure.” *Id.*

18 5. Here, Ocwen tendered 9 months of monthly assessments – the full
19 superpriority debt - entitled to superpriority protection which totaled \$3241.52. Upon
20 receipt of the check from Ocwen, the HOA, through it’s agent, Red Rocks, accepted
21 Ocwen’s tender and negotiated the check. It cannot be disputed that U.S. Bank’s
22 predecessor in interest, Ocwen, did exactly what it was required to under Nevada law
23 to protect the Deed of Trust.

24 *The HOA Conducted a Sub-Priority Sale*

25 6. Because Ocwen satisfied the superpriority debt, the HOA foreclosed a
26 subpriority lien and passed title subject to the Deed of Trust.

27 7. Under NRS 116.3116, an association's lien is split "into two pieces, a
28 superpriority piece and a sub-priority piece.” *SFR Investments Pool 1, LLC v. U.S.*

1 *Bank, N.A.*, 130 Nev. Adv. Op. 75, 334 P.3d 408, 410 (2014). "The superpriority piece"
2 is "prior to a first deed of trust." *Id.* "The subpriority piece, consisting of all other
3 HOA fees or assessments, is subordinate to a first deed of trust." *Id.*

4 8. The Nevada supreme court has made clear an association can choose to
5 foreclose on either the subpriority or superpriority portion of its lien. *See Shadow*
6 *Wood Homeowners Ass'n v. New York Cmty. Bancorp, Inc.*, 132 Nev. Adv. Op. 5, 366
7 P.3d 1105, 1116 (2016) ("And if the association forecloses on its superpriority lien
8 portion, the sale also would extinguish other subordinate interests in the property.")
9 (emphasis added); *Stone Hollow Ave. Trust v. Bank of America, N.A.*, 382 P.3d 911
10 (Table), 2016 WL 4543202 (Nev. 2016) (vacated on other grounds) (*Stone Hollow II*).
11 An association's foreclosure of its subpriority lien does not extinguish a senior deed of
12 trust. *See Stone Hollow*, 382 P.3d at 911.

13 9. The Nevada supreme court's holding in *SFR Investments* that an
14 association's foreclosure of its superpriority lien could extinguish a senior deed of
15 trust does not mean every association's foreclosure has such an effect – only proper
16 superpriority foreclosures do.

17 10. Here, the evidence shows the HOA conducted a subpriority foreclosure,
18 which could not extinguish the Deed of Trust. Accordingly, Plaintiff purchased the
19 Property subject to BANA's Deed of Trust.

20 11. Lakes argument that U.S. Bank's interest in the Deed of Trust is void
21 and unenforceable as to him pursuant to N.R.S. § 111.325 is without merit because
22 the timing of the Assignment is immaterial to the HOA Sale not extinguishing the
23 Deed of Trust. .

24 *Remaining Issues*

25 12. U.S. Bank dropped its federal foreclosure bar arguments as being not
26 applicable based on the chronology of events in this matter.

27 13. Any remaining issues raised in U.S. Bank's motion for summary
28 judgment against Plaintiff are moot.

1 14. U.S. Bank's motion for summary judgment against the HOA is also
2 moot.

3 15. The HOA's motion for summary judgment against U.S. Bank is also
4 moot.

5 *The Deed of Trust Remains a Valid, Secured Encumbrance*

6 16. The HOA Sale did not extinguish the Deed of Trust.

7 17. The Deed of Trust remains a valid, secured encumbrance against the
8 Property.

9 18. All persons or entities whom were granted title or an interest in the
10 Property through the HOA Sale took such title or interest subject to the Deed of
11 Trust.

12 19. U.S. Bank's Motion for Summary Judgment against Plaintiff is granted.

13 20. U.S. Bank's Motion for Summary Judgment against the HOA is denied
14 as moot.

15 21. The HOA's Motion for Summary Judgment against U.S. Bank is denied
16 as moot.

17 *Rule 54(b) Certification*

18 There being no reason for delay, this Order should be certified as final
19 pursuant to NRCP 54(b). Accordingly, this Order is a final judgment for purposes of
20 appeal.

21 DATED: this 12 day of July, 2019.

22 
23 DISTRICT COURT JUDGE MF
24 RONALD J. ISRAEL
25 A-17-759016-C
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Respectfully submitted by:

Dated this ____ day of July, 2019

Ballard Spahr LLP

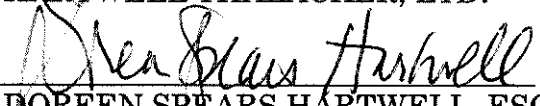
By: _____
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Joseph P. Sakai, Esq.
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*Attorneys for U.S. Bank Trust,
Trustee for LSF9 Master Participation
Trust*

Approved as to form by:

Dated this ____ day of July, 2019.

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Respectfully submitted by:

Dated this ____ day of July, 2019

Ballard Spahr LLP

By:

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Dated this ____ day of July, 2019.

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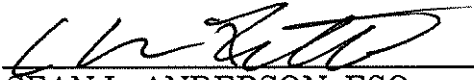
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Dated this 10 day of July 2019:

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ANDERSON SONG

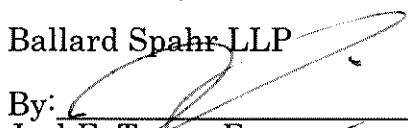

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*Attorney for Cross-Defendant Liberty at
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1
2 *Respectfully submitted by:*

3 Dated this 10th day of July, 2019

4 Ballard Spahr LLP

5 By: 

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7 Joseph P. Sakai, Esq.

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Las Vegas, Nevada 89134

8 *Attorneys for U.S. Bank Trust,*
9 *Trustee for LSF9 Master Participation*
10 *Trust*

Approved as to form by:

Dated this ____ day of July, 2019.

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Defendant,, Daniel Lakes

Approved as to form by:

Dated this ____ day of July 2019:

LEACH KERN GRUCHOW
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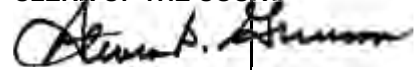
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Attorneys for Plaintiff-Counterdefendant Daniel Lakes

In Conjunction with the Legal Aid Center of Southern Nevada

DISTRICT COURT

CLARK COUNTY, NEVADA

DANIEL LAKES, an individual

Plaintiff,

v.

BANK OF AMERICA, N.A., successor-by-merger to Countrywide Mortgage Ventures, LLC; U.S. BANK TRUST, TRUSTEE FOR LSF9 MASTER PARTICIPATION TRUST; ROGELIO CEDILLO, an individual; PARCELNOMICS, LLC, a Nevada limited liability company d/b/a INVESTMENT DEALS; NOUNE GRAEFF, an individual; DOES I-X, inclusive; and ROE CORPORATIONS, I-X, inclusive,

Defendants.

Case No.: A-17-759016-C

Dept. No.: 28

NOTICE OF APPEAL

Notice is hereby given in the above-entitled case, that Daniel Lakes hereby appeals to the Supreme Court of Nevada from the Notice of Entry of Findings of Facts, Conclusions of Law and Judgment entered on July 18, 2019.

1 Dated: this 29th day of July, 2019.

2 Hartwell Thalacker, Ltd.

3 /s/Doreen Spears Hartwell

4 Doreen Spears Hartwell, Esq.

5 Nevada Bar. No. 7525

6 Laura J. Thalacker, Esq.

7 Nevada Bar No. 5522

8 11920 Southern Highlands Pkwy, Suite 201

9 Las Vegas, Nevada 89141

10 *Attorneys for Daniel Lakes*

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on July 29, 2019, a true and correct copy of Notice of Appeal was
3 served via Odyssey's electronic service to the following:
4

5 Abran E. Vigil
6 Nevada Bar No. 7548
7 Joel E. Tasca
8 Nevada Bar No. 14124
9 Holly Ann Priest
10 Nevada Bar No. 13226
11 BALLARD SPAHR, LLC
12 1980 Festival Plaza Drive, Suite 900
13 Las Vegas, Nevada 89135
14 *Attorneys for Defendants U.S. Bank Trust,*
15 *Trustee for LSF9 Master Participation Trust*

16 Sean L. Anderson, Esq.
17 Nevada Bar No.7259
18 P. Chase Pittensbarger, Esq.
19 Nevada Bar No.13740
20 LEACH, KERN, GRUCHOW, ANDERSON, SONG
21 2525 Box Canyon Dr.
22 Las Vegas, Nevada 89128
23 *Attorneys for Counterdefendants Liberty at Huntington*
24 *Homeowners' Association*

25
26
27
28 s/ Doreen Spears Hartwell
An employee of Hartwell Thalacker, Ltd.

DANIEL P LAKES
1181 WARREN VISTA AVE
YUCCA VALLEY, CA 92284-0999

RECEIVED MAR 14 2016 6776
DATE 3-14-16 90/7162

PAY TO THE ORDER OF LIBERTY B. Pennington \$2407.04
Two Thousand Four Hundred and 04/100 DOLLARS

CHASE
JPMorgan Chase Bank, N.A.
www.Chase.com

MEMO Hmo Daniel P. Lakes MP

#3

Posting Date: 20160324

Sequence Number: 4270224736

Amount: \$2,407.04

Account: [REDACTED]

Routing Transit
Number: 32227162Check/Serial
Number: 000000006776

Bank Number: 703

IRD Indicator: 0

BOFD: 000000000

Capture Source: PV

Entry Number: 0000005946

UDK: 703160324004270224736

Cost Center:

Teller Number:

Teller Sequence Number:

Missing Image: 5

PE Indicator: N

Application Code: 1

Trancode: 006776

DB/CR: DB

Item Type: P

Processing Date:

Credited to Acct
153751736155
Return Acct 153751736155

For Deposit Only
U.S. Bank

APN(s): 176-18-516-089

Recording requested by:

When recorded mail to:
Quality Loan Service Corporation
411 Ivy Street
San Diego, CA 92101
619-645-7711

TS No.: NV-15-687342-AB

Space above this line for recorders use only

Order No.: 150245730-NV-VOI

Property Address: 548 Primrose Hill Ave, Las Vegas, NV 89178

It is hereby affirmed that this document submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030).

Notice of Breach and Default and of Election to Cause Sale of Real Property under Deed of Trust

NOTICE IS HEREBY GIVEN: That **Quality Loan Service Corporation** is either the original trustee or the duly appointed substituted trustee under a Deed of Trust dated 4/11/2007, executed by **ROGELIO CEDILLO, AN UNMARRIED MAN**, as Trustor, to secure certain obligations in favor of **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., AS NOMINEE FOR COUNTRYWIDE KB HOME LOANS, A COUNTRYWIDE MORTGAGE VENTURES, LLC SERIES**, as beneficiary, recorded 4/16/2007, as **Instrument No. 20070416-0001097**, of Official Records in the Office of the Recorder of **CLARK County, Nevada** securing, among other obligations including **1 NOTE(S) FOR THE ORIGINAL sum of \$213,121.00**, that the beneficial interest under such Deed of Trust and the obligations secured thereby are presently held by the beneficiary; that a breach of, and default in, the obligations for which such Deed of Trust is security has occurred in that payment has not been made of:

The installments of principal and interest which became due on 7/1/2008, and all subsequent installments of principal and interest through the date of this Notice, plus amounts that are due for late charges, delinquent property taxes, insurance premiums, advances made on senior liens, taxes and/or insurance, trustee's fees, and any attorney fees and court costs arising from or associated with the beneficiaries efforts to protect and preserve its security, all of which must be paid as a condition of reinstatement, including all sums that shall accrue through reinstatement or pay-off. This amount owed will increase until your account becomes current. Nothing in this notice shall be construed as a waiver of any fees owing to the Beneficiary under the Deed of Trust pursuant to the terms of the loan documents.

The present Beneficiary under such Deed of Trust has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

TS No.: NV-15-687342-AB
Notice of Default

NOTICE

You may have the right to cure the default hereon and reinstate the one obligation secured by such Deed of Trust above described. Section NRS 107.080 permits certain defaults to be cured upon the payment of the amounts required by that statutory section without requiring payment of that portion of principal and interest which would not be due had no default occurred. As to owner occupied property, where reinstatement is possible, the time to reinstate may be extended to 5 days before the date of sale pursuant to NRS 107.080. The Trustor may have the right to bring a court action to assert the nonexistence of a default or any other defense of Trustor to acceleration and sale.

For information relating to the foreclosure status of the property and/or to determine if a reinstatement is possible and the amount, if any, to cure the default, please contact:

U.S. Bank Trust, N.A. as Trustee for LSF9 Master Participation Trust
c/o Quality Loan Service Corporation
411 Ivy Street
San Diego, CA 92101
619-645-7711

To reach a Loss Mitigation Representative who is authorized to negotiate a loan modification, please contact:

Caliber Home Loans, Inc.
Contact: Gloria Luna
Department: Loss Mitigation Department
Phone: 800-621-1437
Toll Free: (800) 401-6587
Email: gloria.luna@caliberhomeloans.com

You may wish to consult a credit-counseling agency to assist you. The following are two local counseling agencies approved by the Department of Housing and Urban Development (HUD): Nevada Legal Services, Inc., 877-693-2163, <http://www.nlslaw.net>; and Southern Nevada Regional Housing Authority, 702-922-6900, <http://www.snrha.org>. HUD can provide you with the names and addresses of additional local counseling agencies if you call HUD's toll-free telephone number: 800-569-4287. Additional information may also be found on HUD's website: <http://portal.hud.gov/portal/page/portal/HUD/localoffices>.

If you have any questions, you should contact a lawyer or the governmental agency which may have insured your loan. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale provided the sale is concluded prior to the conclusion of the foreclosure.

As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit report agency if you fail to fulfill the terms of your credit obligations.

QUALITY MAY BE CONSIDERED A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

TS No.: NV-15-687342-AB
Notice of Default

Dated:

7/8/16

Quality Loan Service Corporation, as Trustee



By: Long Do, Assistant Secretary

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of: California

County of: San Diego

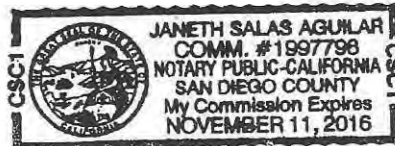
On 7.8.16 before me, **JANETH SALAS AGUILAR**, a notary public, personally appeared Long Do, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under *PENALTY OF PERJURY* under the laws of the State of **California** that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Seal)

Signature Janeth Salas
JANETH SALAS AGUILAR



JA0479

CERTIFICATE OF SERVICE

I certify that on the 25th day of March 2020, I served a copy of the above Appellant's Appendix Volume II upon counsel of record:

- ☐ By personally serving it upon him/her; or
- ☐ By mailing it by first class mail with sufficient postage prepaid to the following address(es); or
- ☒ By email to the following email addresses:

tasca@ballardspahr.com

sakaij@ballardspahr.com

Joel E. Tasca, Esq.

Joseph P. Sakai, Esq.

Ballard Spahr

1980 Festival Plaza Dr. #900

Las Vegas, NV 89135

U.S. Bank Trust, Trustee for LSF9 Master Participation Trust

/s/Doreen Spears Hartwell
An Employee of Hartwell Thalacker, Ltd