

1 THE COURT: You have to push --

2 BY MS. HURTIK:

3 Q -- high enough up.

4 THE COURT: -- it up a little bit.

5 BY MS. HURTIK:

6 Q Okay. Let's shove it.

7 A Okay.

8 Q And it says, "1,617,300.38"

9 A Okay.

10 Q Is that what you were paid out from the insurance company?

11 A As far as the living place goes, the -- the condo that I was at,  
12 the insurance company paid those people directly.

13 Q Okay.

14 A So I -- I don't know how much they paid for those, but they  
15 paid them directly whatever the rent amount was.

16 Q Okay. But was your understanding that the total claim being  
17 paid was 1,617,300.38?

18 A I'll be honest with you, I do not know that number at all. I  
19 never included the rental payments for the condo because, like I said,  
20 that did not come through me, that went directly to the -- I don't  
21 remember even the apartment's name anymore.

22 Q So you're saying that you never went through this document,  
23 correct?

24 A I did not go through this document thoroughly absolutely  
25 not. No.

1 Q And you never knew what was paid out on this claim?

2 A The number that I knew about was the approximately 1.3  
3 million.

4 Q Okay. So we're in the same exhibit --

5 A Okay.

6 Q -- and it's IN-LO 155.

7 A IN-LO 155. Okay.

8 Q And it says, "Policyholder's release for Fireman's Fund policy  
9 number NZF03034346."

10 A Okay.

11 Q Okay. Now, this isn't signed, your counsel produced this.

12 A Okay.

13 Q We've never seen a signed release. This doesn't have a date  
14 on it, but if you look up in the first paragraph it says,

15 "For and in consideration of the total claimed payments to  
16 me at this time for the sum of \$1,617,300.38, the receipt of  
17 which is hereby acknowledged."

18 So you didn't ever see this policyholder release before?

19 A I mean, at this moment in time, I cannot recall it, but and  
20 you're saying I did sign this?

21 Q I'm asking you did you sign a release, because -- I'm asking  
22 you did you sign a release?

23 A I had to have signed a release. Yes.

24 Q Okay. So you would have read it? This is the policyholder  
25 release. Your counsel produced this.

1 A Okay.

2 Q It's not signed.

3 A Okay. I'm not sure if exactly what mine said. If this was the  
4 exact same one, but I had to have signed a release in order to get the  
5 insurance money so I could pay DVC.

6 Q So you did know how much was being paid out, correct?

7 A No, that is not correct, ma'am.

8 Q Well, how -- okay. And let me just --

9 A Okay.

10 Q -- clarify this a little bit. So you signed a -- you had to sign a  
11 release for the insurance company to pay out a final amount, correct?

12 A That is correct.

13 Q Okay. So you would have looked at the amount, would you  
14 not have?

15 A I don't recall this 1.6 million and the reason why is that I was  
16 more concerned about the 1.3 million that I was supposed to pay. I  
17 don't -- I did not count the pass through stuff that went directly to, let's  
18 say, to SERVPRO to -- for the mitigation, or -- or the condos, and stuff  
19 like that. I -- I don't know. Those are just pass through deals. I -- I don't  
20 know how much those were, but my main concern was that the -- the  
21 number that does stick in my head that I do distinctly remember was the  
22 approximate 1.3 million.

23 Q Do you know how much money you paid to Desert Valley  
24 Contracting?

25 A Okay. Let me think here. Approximately 1.1 -- I don't know

1 exactly how much, but it was in excess of 1.1 million.

2 Q Okay. So let's go to Exhibit 585. It's in the same binder.

3 THE COURT: And I missed the question on that -- the 1.1  
4 million was in response to -- what was the question?

5 MS. HURTIK: To what was paid -- what he paid to Desert  
6 Valley Contracting.

7 THE COURT: He -- okay.

8 THE WITNESS: Yep.

9 THE COURT: That's what --

10 THE WITNESS: Yes. I said it was in excess of 1.1 million.

11 THE COURT: Yeah. Okay.

12 THE WITNESS: I'm so sorry, did you say 585?

13 BY MS. HURTIK:

14 Q 585.

15 A Okay.

16 Q Okay. So this exhibit has -- it starts with IN-LO 419 and goes  
17 to IN-LO 425.

18 A That is correct.

19 Q Okay. The first one is on 419. This is a check to Desert Valley  
20 Contracting dated 9/24/14, in the amount of \$50,000. Is that the first  
21 payment you made to Desert Valley Contracting?

22 A It -- it appears so. I -- I don't know. I don't recall. This is  
23 almost five years ago. I don't remember if this was the actual first  
24 payment. I don't recall that.

25 Q Okay.

1           A     But as far as what is on -- on copies here, yes, it appears so --  
2     yes.

3           Q     Okay. And you produced in this litigation all the checks that  
4     were paid to any contractors, including Desert Valley Contracting,  
5     correct?

6           A     I believe so.

7           Q     Okay.

8           A     I believe I did.

9           Q     So this one is for 50,000, 9/24/14. And when did you enter  
10    into the contract with Desert Valley Contracting; do you recall?

11          A     It was in August of 2014, I believe.

12          Q     Okay. So then does that refresh your memory whether or  
13    not this would have been the first check?

14          A     I mean, it was pretty close. It had to be because that's  
15    pretty -- as far as the dates go, it sounds like it's pretty close.

16          Q     Okay. And then let's go to the next Exhibit 420.

17          A     Okay.

18          Q     And this one is Desert Valley Contracting 10/22/2014, and this  
19    one is for \$349,773.27; do you see that?

20          A     Yes, I do.

21          Q     Okay.

22                MS. HURTIK: And, Your Honor, do you want these on the  
23    Elmo, or can you --

24                THE COURT: I could read these ones. Thank you.

25                MS. HURTIK: Okay.

1 BY MS. HURTIK:

2 Q So then there's the check 421, which is 3351, and this is 1/12.

3 And is that 2015?

4 A That is correct, 2015, yes.

5 Q And how much is that one?

6 A 23,961.60, I believe.

7 Q Okay. And then the next one IN-LO 422, 3383 --

8 A Ma'am, I think that's 3363.

9 Q 3363.

10 A Yeah.

11 Q Okay. 300,000 and that's a payment -- progress payment to

12 Desert Valley?

13 A That is correct.

14 Q Okay. And then the next one IN-LO 423, 7/22 -- or 7/2 -- does  
15 it '15?

16 A Of 2015, that is correct.

17 Q And that is in the amount of?

18 A 350,000.

19 Q 350,000. Okay.

20 A Yes.

21 Q And then IN-LO 425, check 3398, 9/10/2015, that's in the  
22 amount of 25,000, correct?

23 A That is correct.

24 Q Okay. And then you have 4425, and that is in the amount of  
25 25,000, and is the date 9/25/2015?

1 A No, it looks -- I think it's 9/23/2015, I believe.  
2 Q Okay. 9/23/2015.  
3 A Yes.  
4 Q Is that everything that you paid to Desert Valley Contracting?  
5 A As far as I could recall right now, yes.  
6 Q Okay. And do you know the total number that you paid to  
7 Desert Valley Contracting?  
8 A I could add this up. I don't know off the top.  
9 Q Okay. So if we were --  
10 MR. BOSCHEE: I do.  
11 MS. HURTIK: I do.  
12 MR. BOSCHEE: Sorry.  
13 THE COURT: You're okay.  
14 THE WITNESS: I'm sorry I don't. Yeah.  
15 THE COURT: I don't, so if somebody could tell me.  
16 MS. HURTIK: So I'll represent that we added these up and  
17 it's 1,123,734.89.  
18 MR. BOSCHEE: Yeah. That's what I got.  
19 MS. HURTIK: Is that correct?  
20 THE COURT: Oh, good.  
21 MS. HURTIK: So we're in agreement.  
22 THE COURT: Do both parties stipulate to the --  
23 MR. BOSCHEE: We agree on the math.  
24 THE COURT: Okay.  
25 MR. BOSCHEE: That's newsworthy.

1 MS. HURTIK: Can we just take one second, Your Honor?  
2 THE COURT: Sure.  
3 MS. HURTIK: And I know this is a housekeeping matter, and  
4 maybe it's stupid on my part, but we stipulated to all the exhibits, but I  
5 haven't been offering them. Are they all admitted?  
6 THE COURT: They're all admitted.  
7 MR. BOSCHEE: They're all admitted.  
8 THE COURT: They're all admitted.  
9 MR. BOSCHEE: Yeah, they're all admitted.  
10 MS. HURTIK: Okay.  
11 THE COURT: Yeah.  
12 MR. BOSCHEE: Obviously, when we start doing math and  
13 things, we should probably at least discuss --  
14 THE COURT: Christian, they're all admitted.  
15 MR. BOSCHEE: -- what the totals are, but that's -- yeah.  
16 THE COURT: Well, they're all --  
17 MS. HURTIK: Yeah.  
18 THE COURT: -- all the exhibits are officially admitted.  
19 MS. HURTIK: Okay. Just want to make sure, because I  
20 usually am used to --  
21 THE COURT: No, that's fine.  
22 BY MS. HURTIK:  
23 Q Okay. So that's the total amount that, to you knowledge, that  
24 Desert Valley was paid -- or DVC?  
25 A Yes. That is correct.

1 Q Okay. And we discussed earlier at the previous exhibit, that  
2 the amount that was given for the entire job was 1,320,429.28, correct?

3 A Yes, if they completed the job. Yes.

4 Q Okay. So the 1.320 -- and I'm just saying approximate --  
5 minus what they were paid is what they -- what their contract would  
6 have called for 1.32042928, so the difference between those -- and I'm  
7 going to have to do the math -- I just want to make sure --

8 MR. BOSCHKE: All right. Hold on. So --

9 BY MS. HURTIK:

10 Q So because I have it right here, but I just want to make sure.  
11 So that is -- the difference between those is \$196,694.39, I'll represent  
12 and your counsel will confirm. We just want to make sure we have the  
13 same numbers.

14 MR. BOSCHKE: I think that's right. Yes, that's right. That's I  
15 had.

16 MS. HURTIK: Okay.

17 BY MS. HURTIK:

18 Q So --

19 MR. BOSCHKE: My calculator was a little slow because it's  
20 on a phone.

21 MS. HURTIK: That's why I've got the big one.

22 MR. BOSCHKE: I know. Epic fail.

23 BY MS. HURTIK:

24 Q So if -- earlier we talked about the contract, correct?

25 A Yeah, earlier today. Yes.

1 Q Yeah. And there was a little discussion about what the  
2 contract really meant -- what the contract said versus what it meant,  
3 correct?

4 A What it said versus what it -- I'm -- I'm not --

5 Q So let me clarify, okay. So we talked about if you terminated  
6 Desert Valley Contracting then the client was owed its profit; do you  
7 remember that discussion?

8 A Me, being the client?

9 Q Well, it's worded that way. Remember we had a discussion  
10 and the judge said that it wasn't being read correctly?

11 A Okay. I -- I do remember that the --

12 Q You do remember.

13 A -- judge did interject.

14 Q So let's go back to it.

15 A Okay.

16 Q So it's Exhibit 560.

17 A Wait, are we going to go back to IN-LO 4 --

18 MR. BOSCHEE: 560.

19 BY MS. HURTIK:

20 Q 560. Just go back to 560.

21 A Oh. 560.

22 Q Yeah, you're okay. I'm going to be switching --

23 A Okay.

24 Q -- you back and forth.

25 A Hold on a second here.

1 Q But you tell me when you get there, so that we make sure  
2 everybody is on the same page.

3 A Okay. I'm here.

4 Q Okay. So remember there was discussion on the first page  
5 of this contract -- and if you go down, and you get past the top part  
6 there's some paragraphs. There's two main paragraphs that are pretty  
7 big. And what I'm going to do is, I'm going to put it up on this Elmo,  
8 because it's small, and we'll make it a little bit easier hopefully. Okay.  
9 And I've got it highlighted, so it's easier to see, maybe. Let's hope.

10 Okay. So see the areas I have highlighted?

11 A Yes, I do.

12 Q Can you read it good on that?

13 A Yes, I can.

14 Q Okay. So I'm going to kind of point you where I am. Okay. It  
15 says, "Should client terminate the contract." What's your understanding  
16 of who the client is?

17 A "Should client terminate contract." I'm the client.

18 Q Okay. "The contractor", what's your understanding of the  
19 contractor?

20 A That would be DVC.

21 Q Okay. "After work has begun, but not completed in full, the  
22 client", which is you, "shall be responsible for any and all fees and costs  
23 with the work performed, plus the profit that the client would have made  
24 on the job had the client not repudiated the contract." Do you see that?

25 A That's where -- yeah, I do see that, yes.

1 Q So there's -- okay. So the intent of this, we would have to  
2 speak to the contractor about, but you're not the one getting profit on  
3 this, the contractor would be the one getting profit, not you, correct?

4 MR. BOSCHEE: Well, object, Your Honor. Object to form  
5 and the document says what it says. I mean, if we want to clarify it with  
6 the contractor, that's fine, but --

7 MS. HURTIK: We can do that.

8 MR. BOSCHEE: -- we've now gone over this like three times.

9 MS. HURTIK: Well, I'm going back because I want to -- we  
10 just talked about numbers. So we just talked about numbers about what  
11 the total contract price was versus what DVC was paid.

12 THE COURT: So he -- so are you rephrasing the question, in  
13 light of the objection then or --

14 MS. HURTIK: Yes.

15 THE COURT: Okay. She's rephrasing.

16 MS. HURTIK: I will.

17 MR. BOSCHEE: Okay, then. Okay. Well, I'll wait for the next  
18 question I guess.

19 THE COURT: Okay.

20 BY MS. HURTIK:

21 Q Okay. So I'm just kind of trying to bring you around. So we  
22 just talked about what was paid to DVC and what the bid was for, and  
23 that the difference of what they weren't paid was about approximately  
24 196,000 -- a little bit more. Okay. Do you recall that?

25 A I do recall that conversation right now. Yes.

1 Q Okay. And this clause states that the -- it says that someone  
2 is entitled to the profit, if the client had not repudiated the contract. Who  
3 is the client?

4 A I'm the client.

5 Q Okay. So repudiated does that -- what does that mean to  
6 you?

7 A As how I take it, is that if canceled, I guess. I don't know.

8 Q So you terminated DVC, correct?

9 A I did terminate DVC, in my opinion, yes.

10 Q Okay. So based on this, do you believe that they would have  
11 been entitled to their profit? Do you think that's what they meant by  
12 this? And this is your opinion, not -- just your opinion.

13 MR. BOSCHEE: Which makes it questionably relevant, but I  
14 will lodge that limited objection.

15 THE WITNESS: I mean -- okay -- ma'am, so you're asking me  
16 a question of how I'm reading it right now.

17 BY MS. HURTIK:

18 Q Yeah.

19 A Then -- then no.

20 Q No?

21 A You're asking me how I'm reading it right now, correct?

22 Q Yep.

23 A Then -- then yeah, then no.

24 Q So you don't think they were entitled to their profit? You  
25 don't think DVC was entitled to their profit?

1 A No.

2 Q Okay. We're going to look at the second page of that.

3 A Okay.

4 Q And it says in the second paragraph --

5 A Okay.

6 Q "The contract will be governed by the laws of the State of  
7 Nevada and should the client breach the contract, they shall  
8 be responsible for all attorneys' fees and costs associated  
9 with contractor having to collect any and all amounts due  
10 under the terms of the contract."

11 So do you think that if you breached the contract, you'd be  
12 responsible for attorneys' fees and costs for DVC?

13 A According to this sentence, it looks like that I, the client,  
14 would -- if I did breach the contract, then I would be responsible for the  
15 attorney fees.

16 Q Okay. And then the next paragraph says,  
17 "The client shall indemnify the contractor for any and all  
18 costs and fees associated with collection of any amounts due  
19 to the contractor pursuant to the terms of the contract, and/or  
20 any change orders or addendum if client refuses to pay the  
21 amounts due and owing to contractor."

22 Do you believe that you would have to pay for any change  
23 orders or additions if you refused to pay the amounts due and owing to  
24 DVC?

25 A If they were written and they were expressed, then yes. And

1 I -- and they were signed changed orders, then yes.

2 Q Does it say written there?

3 A Not on that particular sentence; however --

4 Q Okay.

5 A -- I believe there was another sentence that said that any and  
6 all change orders had to be written. I can't remember where I saw that.

7 Q Okay. If you can turn to Exhibit 569. Okay. So I want you to  
8 go to IN-LO 68, and it's actually -- there's two pages IN-LO 68 and 69 --

9 A Okay.

10 Q -- but the majority is on 68.

11 A Okay.

12 Q So I've highlighted to make it a little easier for you to see.

13 A Okay. Sure.

14 Q So this appears to be an email from Daniel Merritt from  
15 Desert Valley Contracting on August 25th, 2015, at 3:23 p.m. Do you see  
16 that?

17 A Yes, I do.

18 Q And this is -- it says, "Subject change order, not including  
19 material for bathroom walls." It says, "To Eugene Promotion  
20 Properties.com" and Rachelle Elliston Desert Valley Contracting , and  
21 Dennis Zachary Desert Valley Contracting.

22 A I -- I do see that, yes.

23 Q Okay. Do you ever remember seeing this email?

24 A Yes, I do.

25 Q Okay. So this says,

1 "Eugene, attached is the supported change order for items  
2 that were not in my original estimate for the repairs to the  
3 home. I will send you over a copy of this original estimate to  
4 match this and show you where the price difference is."

5 And then we'll skip a little bit, but the next line it says,  
6 "Please let Tina know that she has to reselect the wall tiles for the  
7 bathrooms, otherwise this order will be increased by 24,000." Okay.

8 "I have looked over everything and there are more items that  
9 need to be a part of this change order, but they've already been paid for,  
10 or settled out, so this is what is remaining regarding this."

11 Okay. "The balance that we cannot pay, due to the fact that  
12 they do not have the funds allocated in our estimate."

13 Do you recall this?

14 A Yes, I do.

15 Q So you did receive change orders, correct?

16 A No, ma'am. So this particular one, once I got this email we  
17 did not do these at all. We did not do the bathroom wall tiles at all.

18 Q Okay.

19 A Once there was a price associated to it, as I was very clear  
20 that we were not going to go above and beyond the insurance money.

21 Q Okay. So if you go down to the next paragraph, and I've  
22 highlighted for ease.

23 A Yes.

24 Q And this says, "I have attached the bids and highlighted what  
25 Gordy was going to charge for the wall install, if performed."

1                   Okay. We're going to skip past that because you're not doing  
2 it, you said?

3           A     Yeah, I did not.

4           Q     Yeah.

5           A     We didn't.

6           Q     But then it says,

7                   "This also includes Eagle Sentry's numbers for the items that  
8 they need, such as the Lutron panels in the theater area as  
9 well. If there are any other items that are unforeseen, we will  
10 make sure to address them. Please review this and let me  
11 know if you have any questions, as my next email will be the  
12 estimate for the original scope of work, so that you may see  
13 that none of these items are in there. I am also going to list  
14 the upgrades offered below and what we have credited back  
15 to make these happen, less the amount of this change order."

16          A     Okay.

17          Q     Okay. So now, let's move this up. There's a list. So this list  
18 it says, "Switch glass mirrors with electrical wiring framing and  
19 installation." Was that a change order?

20          A     Yes, it was.

21          Q     Okay. "Wine room with cooling unit, glass racks, wiring,  
22 framing, and lighting." Was that a change order?

23          A     When -- when you are saying it's a change order, are you  
24 saying that -- that's something I directed, because these are not change  
25 orders that I talked to subcontractors about at all.

1 Q Who decided on -- that there were going to be switched glass  
2 mirrors with electrical wiring?

3 A Well, so that was between myself and Daniel from Desert --  
4 from DVC. And he's the one that had all the talks and the change orders  
5 from the subcontractors.

6 Q Okay. But who decided the wine room was going to have  
7 glass racks, wire framing, and lighting?

8 A That's what I wanted.

9 Q Okay.

10 A Yes.

11 Q So these were at your direction, correct?

12 A These are -- these were at my -- what I wanted, correct.

13 Q Okay. So, "Master bathroom mirrors, \$20,000 raw materials,  
14 5,000 for the install and wiring." That was a change order, correct?

15 A That is a change order. May I add, though, that this email  
16 was sent to me over a year after we started this job, and this is the first  
17 time he's ever hitting me with any type of pricing or anything that was  
18 associated with any type of upgrades at all.

19 Q Did you make -- you had an interior designer?

20 A Tina.

21 Q Tina.

22 A Yes.

23 Q Okay. So did you have one plan and you never changed it,  
24 you never made any changes --

25 A The only time that --

1 Q -- from the beginning?

2 A -- the -- the only time that I made changes was because that  
3 material was no longer available. Like, she would pick something out  
4 and either the color had to change, or the -- because, like, she goes, oh, I  
5 thought this manufacturer was still making it, but they don't, and we'd  
6 have to switch it; however, there was nothing installed. It was not  
7 ordered yet. It was just something that once her and I went over  
8 something, and I said oh, okay, I like that, then she would make sure that  
9 it's still in stock at -- like, I -- I forget, like, Tuscany, or -- I can't remember  
10 the other stores around town, but those type of stores.

11 And then they would tell her, oh, they no longer make that  
12 any more. And then so we would have to reselect. That is the only time  
13 I -- I reselected something. I never installed anything and said oh, I don't  
14 like that, take it out. Never,

15 Q So, but there were change orders made, because things  
16 weren't available, correct?

17 A No. They weren't -- so the selection -- how the selection  
18 worked was, basically her -- she would come to me with let's -- let's just  
19 say three different things, says do you like A, B, or C. And I'd be, like, I  
20 like B. She goes okay. So you like B. She would go down make sure  
21 that it was available and in stock, and if it wasn't -- because it was not  
22 ordered yet, because we couldn't order it if it's not in stock, or if it's not  
23 here. Then she would say oh, that is no longer available, or that color is  
24 no longer available, or the -- whatever reason. It's not available, so you  
25 have to reselect. That's the only time I would reselect.

1 Q Okay. So this master bathroom mirrors 20,000 raw  
2 materials, 5,000 for install and wiring, this was in the original bid?  
3 A I -- I don't -- what do you mean it was in the original bid?  
4 Q So this email --  
5 A Yes.  
6 Q -- let's go back.  
7 A Yes.  
8 Q It says, "I have attached the bids and highlighted", we'll skip  
9 past that, okay. He says, "Please review this and let me know if there are  
10 any questions, as my next email will be the estimate for the original  
11 scope of work so that you may see that none of these items are in there."  
12 A Okay.  
13 Q So I'm going to list the upgrades offered below and what  
14 we've credited back to make these happen. So these --  
15 A Okay.  
16 Q -- were in the original bid, or no?  
17 A I don't -- I never seen the original bids to the subcontractors  
18 from DVC to the subcontractors, vice versa, so I don't know what the  
19 original bid said; however, I do know what you're talking about in the  
20 master bathroom mirrors, if that's what you're asking.  
21 Q Well, I'm -- okay. So let's just keep on going through the list.  
22 A Okay.  
23 Q Okay. Because you're saying these are change orders.  
24 "Granite for the laundry room countertop area. Original was laminate."  
25 A Yeah. I don't know what it was made out of, but yes, that's --

1 if Danny says it was laminate, then it was laminate.

2 Q "Pool decking for the rear pool area."

3 A But can -- can I go back to the laundry room? It was not  
4 granite that I put in there. It was a man-made quartzite, which was  
5 pretty -- fairly inexpensive.

6 Q It was more than laminate though wasn't it?

7 A It was definitely more than laminate.

8 Q Yes. Okay. So we'll get to the actual --

9 A Okay.

10 Q -- we'll get to the actual numbers. I just want to be clear that  
11 you're saying these are upgrades, correct?

12 A Yes.

13 Q Okay.

14 A But I just wanted to clarify that it wasn't granite that I put in  
15 the laundry room. It was a -- it was a man-made quartz.

16 Q Okay. And pool decking for the rear pool area -- okay -- the  
17 interior of the house was affected, so why are you replacing pool  
18 decking?

19 A So there were cracks in the driveway area. They had used  
20 this big machine -- so I -- and I -- I can't remember the name of it, but it's  
21 a -- basically it dries out the house, because there was a flood and it's  
22 huge. And basically it makes a ton of noise, because it's vibrating for  
23 hours, and hours, and hours. Anyway, so that -- what that did was it  
24 cracked quite a bit of my driveway. It cracked all around there.

25 And so Daniel said hey, you know what, we're going to go

1 ahead and take care of that. We're going to have the -- the concrete guy  
2 out here taking care of all that stuff for you. I said okay. And he said, is  
3 there anything else that you want done while he's out here, and I said,  
4 oh, I -- you know, there's some pool decking area that's also cracked too,  
5 and then that's when he said we'll -- we'll have him take a look at that  
6 also.

7 Q So are you saying that the pool deck was -- decking for the  
8 rear pool area was cracked as a result of this machine, or are you just --

9 A No, no, no, no, no -- I'm -- I'm not stating that at all.

10 Q Okay.

11 A No.

12 Q All right. So then the -- you said "they cracked", SERVPRO of  
13 Henderson was the one who used that machine, correct?

14 A I don't know exactly who put that machine out there. I was  
15 not there at the moment that they were putting the machine. I just know  
16 there was a huge machine in my driveway.

17 Q Okay. "House painting and stucco patches across the  
18 perimeter." Okay. That wasn't related to the flood, correct?

19 A No, that was not.

20 Q Okay. "Membrane for the downstairs floor, net \$11,000."  
21 That was an upgrade, correct?

22 A I don't know if that was an upgrade, but however, it was  
23 something that Daniel wanted to put in there and I wanted to put in  
24 there.

25 Q It wasn't there previously, correct?

1           A     You know, I don't know if there was a membrane there  
2 previously or not.

3           Q     Okay. So now it says, "Installation cost 30,000 over budget  
4 for the downstairs tile flooring." That was an upgrade, correct?

5           A     No, ma'am. That was from -- well, what I believe this was  
6 from is they over ordered a lot of material. DVC ordered -- over ordered  
7 a lot of material for the flooring.

8           Q     DVC measured for the flooring or the flooring contractor?

9           A     I don't know. I was not there, but Daniel was my general  
10 contractor and I believe -- or DVC was my general contractor. Dan --  
11 Daniel was my point of contact and, as far as I knew, he's the one that  
12 was coming out and measuring everything. I don't know if there was a  
13 flooring contractor that did it, or it was Daniel, but someone had to have  
14 been there to say, this is where we're going to be using limestone, and  
15 this is where we're not using limestone anymore.

16          Q     So what was Rob Ramirez's role?

17          A     He was a supervisor.

18          Q     So when wouldn't it have been Rob Ramirez's role to --

19          A     I don't know when --

20          Q     -- figure this out?

21          A     -- when they actually sat there and measured that stuff out.

22          No, I don't -- I do not know, and I do not recall that, because Robert  
23 Ramirez was not there from the very, very start. He was hired on at  
24 some point

25          Q     So why use -- so why use Robert Ramirez if Danny is your

1 contact? Why use Robert Ramirez?

2 A Because Daniel told me he was not, like -- they needed a  
3 supervisor. Daniel is not a supervisor. He's not going to be there at the  
4 house every single second of the day.

5 Q But they told you that nobody at -- they had other  
6 supervisors from Desert Valley Contracting on the job, didn't they?

7 A Yes. And I recommended that if they didn't have anyone  
8 qualified, because they did mention that their guys aren't really up to  
9 speed on this type of home. I said, well, I suggest that --

10 Q Who told you -- who told you that?

11 A I believe it was Daniel. And I said, you know, I think we  
12 should use Robert Ramirez, because he knows this house. He -- he built  
13 it. And, you know, he's going to know, like, all the little intricate details  
14 of what's behind those walls.

15 Q Okay. So let's continue on the list. So we stopped at the  
16 downtown -- or downstairs tile flooring.

17 A Yes.

18 Q Then it says, "ESP closet foil phase, 7,000", which was not  
19 approved by the insurance for this upgrade. What was that?

20 A Okay. The original closet that I had they no longer had that  
21 type of finish anymore. And the only other finish was this type of finish.  
22 This is from what was told to me. I don't know exactly. I'm not a closet  
23 expert, nor a finish expert in closets, but they said that that's the -- that's  
24 the finish that is now available today, 12 years later.

25 Q "Extra wall paper \$14,000 for wall paper. Insurance only

1 allowed 4,000."

2 A Once again, this one I know for sure that Daniel ordered  
3 incorrectly because he, himself, told me that -- so I had this wood veneer  
4 wall covering that goes into the formal dining room. And they over  
5 ordered probably four or five times more, or maybe even six times more  
6 than they should have, and the reason is, is that Daniel told me he made  
7 this mistake, he thought that he's supposed to measure that in square  
8 feet -- no, wait -- he's supposed to -- he thought he -- he measured it  
9 thinking it was supposed to be in square feet, but in -- in -- in -- in truth,  
10 is that in wall coverings it comes in square yards.

11 So when we got this wall covering shipment, we're like wow  
12 what -- what do we need all this for, and that's when Daniel said, oh,  
13 wow, he goes, I -- I really screwed that one up. I thought it was in square  
14 footage, but it's in square yards.

15 Q Danny said that?

16 A Yes, Danny said that for sure.

17 Q Okay. And Dyba Interiors Tina did not measure for the wall  
18 covering?

19 A No -- no.

20 Q "Remove the LED lights in both rotundas."

21 A That was more of a cost-saving thing that I -- I had them do.

22 Q Okay. "New order from Tuscany for the replacement broken  
23 granite was over 2,500 and the broken granite was 900."

24 A I don't know which room he's referring to this -- this  
25 particular one. And I cannot recall what he's talking about on that

1 particular one.

2 Q Okay. So,

3 "You have paid 2,100 for the duct cleaning, which we will  
4 factor in this equation, but the larger difference from the  
5 2,500 slab to 900 slab is the issue which takes up most of the  
6 allowance: the granite install is \$12,000 over the insurance  
7 company's allowance for granite install, but this is absorbed.  
8 Most of the trades to install these upgraded items are  
9 absorbed, but these are for the costs that we cannot,"  
10 And it goes to the next page, "bury. Thank you."

11 A Yes.

12 Q So was he -- your understanding was he was telling you, not  
13 all of these things are covered in the bid -- original bid, correct?

14 A No. What he was saying right there is that everything is  
15 absorbed, except for he -- he -- he did state that I did -- I paid for the duct  
16 cleaning, because they did not want to sit there -- they wanted to wait a  
17 while for the duct cleaning; however, because of the time of the year,  
18 and everything like that, I had other trades telling me you got to get this  
19 duct cleaning done, or else you're going to have a bigger problem than  
20 you have right now. So I went ahead and paid for that because this is  
21 my house. And I wanted to go ahead and get that thing done because I  
22 did not want a bigger problem later on, because I think at that time of  
23 year, this was August, there was like a monsoon time, and it's like really  
24 humid. And they told me to get my duct cleaning done, and I got that  
25 done, and I paid for that out of my own pocket.

1           Furthermore, if you look at this, Danny is saying that  
2 everything here is absorbed. He's saying that we're taking care of all  
3 this. The issue here is the \$2,500 slab versus the \$900 slab, and then the  
4 granite install for \$12,000, which I believe he's talking about is the --  
5 the -- the limestone difference because they -- they ordered way too  
6 much.

7           Q     But you're not sure who did the measurements for that?

8           A     I'm not 100 percent sure, no.

9           Q     Okay.

10          THE COURT: If you're done with that exhibit, this would be a  
11 good time.

12          MS. HURTIK: Yeah, we can take a little break.

13          MR. BOSCHEE: I'm just saying, like, five minutes.

14          THE COURT: All right. Well, I --

15          MS. HURTIK: No, we can take a little break.

16          MR. BOSCHEE: Run down the hall break.

17          THE COURT: -- I'm saying more than five.

18          MS. HURTIK: Well, yeah, that's okay. Because you've been  
19 here all day.

20          THE COURT: Yeah.

21          MR. BOSCHEE: And I do, Your Honor, I do have to today -- I  
22 do need to adjourn, if we can, at 4:45, if that's all right with everybody. I  
23 need just a couple of minutes early.

24          THE COURT: That's fine.

25          MR. BOSCHEE: Okay.

1 THE COURT: All right. Well, let's take 15.

2 MR. BOSCHKE: Okay.

3 THE WITNESS: Okay. Thank you.

4 [Recess at 3:11 p.m., recommencing at 3:41p.m.]

5 THE COURT: Okay

6 MS. HURTIK: I'll try to be more lively.

7 THE COURT: No. That's not a problem.

8 MS. HURTIK: Or maybe not.

9 BY MS. HURTIK:

10 Q Okay. So, Mr. Inose, let's go -- you're still in Volume 8. I  
11 think that's what -- and I want you to go to Exhibit 586. So just tell me  
12 when you get to --

13 A I just got there right now.

14 Q Okay. So 586 starts with IN-LO 426 through 429.

15 A Okay.

16 Q These are checks that are paid to Summit Tile & Stone. So  
17 let's go through the -- we're going to go through them and then I'm  
18 going to ask you some questions. Okay. So the first check, and I have a  
19 little trouble with your fives. I'm not sure if they're fives or sixes.

20 A That's a five.

21 Q Okay. So check 3420, December 12th, 2015, that's the first  
22 one, for 16,406.50 to Summit Tile & Stone. Was this paid after you  
23 terminated Desert Valley Contracting?

24 A Yes, I believe so.

25 Q Okay. And that says in the memo final payment -- what does

1 it say?

2 A I believe it says final payment on original contract. That's  
3 what I believe it says.

4 Q Okay. And that's your handwriting; you wrote that?

5 A Yes.

6 Q Okay. And then the next one is IN-LO 427 Bates stamped?

7 A Yes.

8 Q Just turn the page. And that's dated 12/12/2015, and that is  
9 3,593.50. That's also to Summit Tile & Stone, correct?

10 A That is correct.

11 Q And what does that say in your memo?

12 A I believe it says it's a progress payment. And there's an  
13 invoice number, I believe it says 1503, but I'm not a hundred percent  
14 sure that's what it says.

15 Q And this was paid after you terminated Desert Valley  
16 Contracting, correct?

17 A I believe so, yes.

18 Q Okay. And then the next one, IN-LO 428, it's check 3439. It's  
19 dated 1/14/2016; is that correct?

20 A That is correct.

21 Q And that's for 5,302.50, correct?

22 A That is correct.

23 Q Okay. The first one we talked about, it was dated 12/12/2015,  
24 and that said final payment.

25 A Yes.

1 Q This one's after that date?

2 A That is correct.

3 Q What is this for?

4 A So throughout this job Desert Valley did not do a good job at  
5 making sure a lot of areas were finished, and so in order for me to get  
6 my house done, I had to pay Summit Tile & Stone the moneys owed in  
7 order to get my house complete.

8 Q So you're saying -- but the only one that you wrote for  
9 original contract was the first check. The other two were not -- it doesn't  
10 say it was for the original contract, does it?

11 A That's correct. But like I said, it was because there was a lot  
12 of things missing and I'm not going to go without, you know, certain  
13 areas not being done. That's not how my house was before.

14 Q Okay. So let's go IN-LO 429. It's dated 4/22. Does that say  
15 2016 as well?

16 A Yes, ma'am.

17 Q And that is for \$7,429 to Summit Tile & Stone as well,  
18 correct?

19 A That is correct.

20 Q What was that for? Because that's quite a bit after the other  
21 two -- that's three months after the January one and four months after  
22 when you said the final payment was made. What was that for?

23 A You know, I honestly do not know exactly what this was for,  
24 but I guarantee you that this was for something to put my house back  
25 together. I just don't know the specific, what these invoices -- how they

1 relate.

2 Q So --

3 A What is it --

4 Q -- these checks are the only checks you paid to Summit Tile &  
5 Stone after Desert Valley was terminated, correct?

6 A It appears so, yes.

7 Q And you can't match them to invoices?

8 A What do you mean by that?

9 Q Can you match them to invoices? Do you know what they  
10 were paid for?

11 A If I had the invoices in front of me, absolutely I could.

12 Q Okay. And you're saying that all of these payments were for  
13 items that were in the original estimate that DVC did?

14 A No, I don't know what was in the original estimate. What I'm  
15 saying is, is that there was a lot of areas that were not fixed once DVC  
16 was fired that I had to make sure that it was complete so then my house  
17 was complete.

18 Q So these were upgrades and change orders, correct?

19 A No, that's not what I'm saying at all.

20 Q But how do we know they weren't because you haven't --  
21 there's nothing giving any indication what's being paid, what invoice? It  
22 doesn't say on any of these checks. The last one gives some invoices.  
23 That's the only one that gives invoices.

24 A There's an invoice on -- if you look at IN-LO 00427, ma'am,  
25 there is an invoice number on that particular one as a progress payment.

1 It says I believe this is invoice number 150 -- 1503.

2 Q Okay. So you're saying IN-LO 427 says invoice 1503. But if  
3 you go back to IN-LO 429, that check also has invoice 1503.

4 A Yeah. So that's probably the final payment for 1503. So  
5 basically, I probably paid them like half of what was owed on 1503 on  
6 December the 12th, and then on April the 22nd I probably paid them the  
7 full balance.

8 Q So if I was to pull up the invoices that you are listing here, it's  
9 going to match the 7,429.50 check dated 4/22/2016, and it's going to  
10 match the invoice 15 -- or the other check, the 3421 on 12/12/2015?

11 A It should.

12 Q It should. But what about the others? There's no invoices on  
13 those. The memo line's blank.

14 A Yeah. I don't know exactly what check number 3439 would  
15 be for, but -- and I don't want to make any assumptions, but it was  
16 definitely made to Summit Tile & Stone.

17 Q Okay. So if we were to add these invoices up -- because this  
18 is part of what you're saying is your damages, correct?

19 A That is correct.

20 Q So these amount to -- these are one, two, three, four checks.  
21 They go all the way to 2016. When was your notice of completion,  
22 certificate of occupancy issued on the house?

23 A I do not recall exactly when it was.

24 Q Okay. Did you have any work done after the certificate of  
25 occupancy was done?

1 A Absolutely.

2 Q So was it extras that you did?

3 A No, ma'am. Like I had explained to you before, a certificate  
4 of occupancy, you only need the bare minimum in order to be -- make it  
5 livable. That does not mean that all of the things that were supposed to  
6 be in my house are back in my house.

7 Q Okay.

8 A Like there were still missing sinks, flooring, back -- I mean,  
9 there's a lot of things that were missing.

10 Q Did you make any changes?

11 A No.

12 Q After Desert Valley Contracting was off the job you didn't do  
13 any changes?

14 A When you -- can you define changes?

15 Q You didn't change anything from the bid that was done by  
16 Desert Valley Contracting and what the scope was in each of the  
17 contractor's contracts after Desert Valley was gone?

18 A I don't know each and every contractor's contract. That's the  
19 first thing. I don't know what was in their scope because I didn't see  
20 their contracts.

21 Q So you wouldn't know whether or not there were upgrades  
22 or change orders, would you?

23 A No. What I'm saying is that when you have certain areas of  
24 the house that are just not complete because Desert -- DVC did not  
25 complete them, I had to finish them off and complete them.

1 Q Okay. So if we were to add these checks for Summit --  
2 A Okay.  
3 Q -- they amount to --  
4 MS. HURTIK: Do you want to add it because --  
5 MR. BOSCHEE: Well, you have the calculator.  
6 BY MS. HURTIK:  
7 Q -- \$32,731.50. Is that what you paid Summit after Desert  
8 Valley was gone?  
9 A Whatever these add up to, then, yes. If that's what it adds up  
10 to.  
11 Q Okay.  
12 A I did not -- I did not add it up right now.  
13 Q Well, you gave a calculation as to what your damages were,  
14 what you had to pay out.  
15 A That's correct.  
16 Q So you do know what that number is, correct?  
17 A The total number or what is just owed to Summit.  
18 Q The total number. What's the total number?  
19 A It's probably 60-, 70,000. I'm not really a hundred percent  
20 sure.  
21 Q Okay. Probably 60- or 70,000. Okay.  
22 A You're talking -- are you talking the -- I'm sorry. Can you  
23 clarify that for me, please? As far as like the difference?  
24 Q So you're claiming that you had to pay subcontractors after  
25 DVC was off the job --

1 A Okay.

2 Q -- to complete the --

3 A Okay.

4 Q -- to complete the house --

5 A I get it.

6 Q -- correct?

7 A Yes. That equaled out to like 200 and -- I don't remember the  
8 exact amount, but two -- approximately 260,000.

9 Q But were all of those amounts that were paid out, were they  
10 included in the original scope?

11 A Yes. So of that, a hundred and -- I can't remember the exact  
12 number, but that stuff was part of their original contracts.

13 Q And if it wasn't, then these would be upgrades, correct?

14 A No, that is not correct.

15 Q Okay. So let's go to Exhibit 587. This consists of two pages,  
16 and it's Bates stamped IN-LO 430 and IN-LO 431.

17 A Okay.

18 Q There's a check dated 12/14/2015, and that says \$15,000. In  
19 the memo what does that say?

20 A You know, it says invoice number, but I -- I cannot read the  
21 invoice number exactly because there's a black line covering half the  
22 numbers.

23 Q Okay. So who told you to pay these amounts to the  
24 subcontractors? Who gave you the amounts and the invoices to pay to  
25 the subcontractors?

1 A As far as how much that they were owed, you mean?

2 Q Right here. This HyBar. HyBar, you paid them --

3 A Okay.

4 Q -- 15,000, you say for invoice 72, maybe 98, I can't really read  
5 it, but who gave you that invoice and said, here, you owe me this, pay it?

6 A So the -- so after DVC was fired, I went to every  
7 subcontractor and asked them if they could finish the job, and they  
8 agreed to do it, and I asked them what DVC had paid them and what was  
9 still owed to them.

10 Q All right. And the amounts we discussed earlier were  
11 1,320,000 approximately?

12 A Approximately, yes.

13 Q And so their amounts were included in Desert Valley  
14 Contracting's estimate, correct?

15 A Like I said earlier, I didn't see their original contracts, but I  
16 believe, yes, they were included in that 1.32 million, I believe.

17 Q Okay. So you didn't ask for any confirmation or proof,  
18 documentation of what they had actually been paid?

19 A They showed me invoices, their invoices. I did not get copies  
20 of those. And they showed me what DVC had paid. Like let's take  
21 Summit Tile -- I'll just give an example. Summit Tile showed me on their  
22 computer screen what was paid, what was still owed, and we had a  
23 meeting. I went down to their office and they said this is what DVC has  
24 paid up to this point and this is what's left on their contract.

25 Q So they showed you checks?

1           A     The actual checks, no. It was on their computer, like a --  
2     some sort of accounting software.

3           Q     So they actually -- you did ask them for confirmation of what  
4     was paid?

5           A     Yes. I had to know what was owed still. They wanted to get  
6     paid, just as much as I wanted to get my house done.

7           Q     Okay. All right. So HyBar, this is 15,047.43, and the second  
8     check is dated -- and I can't tell. Is this 1/15/2016?

9           A     That is correct.

10          Q     And it says final?

11          A     Yes.

12          Q     Okay. Is that all, these two checks are all that you paid  
13     HyBar, or is there anymore?

14          A     As far as I know, this should be it.

15          Q     Okay. And those amount to \$19,743?

16          A     That looks like it, yes.

17          Q     Okay. So now let's go to Artesia --

18          A     What --

19          Q     -- which is Exhibit 588.

20          A     Okay.

21          Q     So if there was another exhibit that said you paid HyBar in  
22     February of 2016, that would have been for an add-on, after the fact?

23          A     I would not know unless I saw the invoice to refresh my  
24     memory.

25          Q     So you didn't keep the invoices with your checks?

1 A What I keep -- no, I do not keep the invoices with my checks.

2 MS. HURTIK: Hold on just a minute.

3 [Pause]

4 BY MS. HURTIK:

5 Q Okay. Go to Exhibit 599.

6 A 599. 599. Okay. All right.

7 Q It's in the same book.

8 A Okay.

9 Q Okay. So this consists of -- it starts with IN-LO 469 to 471.

10 A Okay.

11 MS. HURTIK: Sorry. I'm not in the right place. Hold on a  
12 minute. Just one second because I'm looking for something, and I had it  
13 written for this number and it's not.

14 [Pause]

15 BY MS. HURTIK:

16 Q So we're going to come back to that because I'm not finding  
17 it right now.

18 A Okay.

19 Q But there's a check that you wrote for 1978 on 2/18/2016, and  
20 that, again, is a couple months after the first initial one in December.

21 A Okay.

22 Q So you were continuing to have HyBar do what at your  
23 house?

24 A Do you happen to have the invoice number to that, I mean  
25 invoice? Because I could tell you exactly what that was for if I could see

1 the invoice. Is it in here at all, in these exhibits?

2 Q I'll have to find it for you.

3 A Okay.

4 Q But we're going to move on. I'm asking you if you recall.

5 A I do not recall right now, no --

6 Q Okay.

7 A -- I do not.

8 Q All right. So Artesia Cabinets --

9 A Oh.

10 Q -- if you go to Exhibit 587.

11 THE COURT: I think Artesia was 588.

12 MS. HURTIK:

13 Q Okay. You're there on that exhibit, right?

14 A Ma'am, I -- that one shows HyBar.

15 Q I'm sorry?

16 MR. BOSCHEE: 588.

17 THE WITNESS: Oh, I thought she said -- I'm sorry.

18 MS. HURTIK: 588.

19 THE WITNESS: Oh, sorry, sorry, sorry.

20 THE COURT: She said 587, but --

21 MR. BOSCHEE: The Judge corrected it.

22 THE COURT: Yeah.

23 THE WITNESS: Oh, oh. Okay, okay.

24 BY MS. HURTIK:

25 Q Okay. On 588 the first one is Artesia. It's IN-LO 432 through

1 434.

2 A Yes.

3 Q So these are a series of checks to Artesia. What did Artesia  
4 Cabinets do?

5 A Artesia Cabinets did the cabinetry.

6 Q The cabinetry in where?

7 A In the house.

8 Q Well, there's cabinetry in several rooms. Which rooms?

9 A Oh, jeez, in the kitchen, in -- oh, my gosh, let me think here.  
10 Master bathroom, kitchen. I believe -- I'm blanking out right now. I'm so  
11 sorry. I definitely remember the kitchen, a hundred percent sure in the  
12 kitchen. Let me think.

13 Q Laundry room?

14 A I believe -- oh, pantry, laundry room.

15 Q Outside the theater room?

16 A Outside the theater room. They did the -- I have a theater  
17 cabinet over there that was -- that was damaged, yes.

18 Q Okay. So this says -- this first check is dated 12/14/15; is that  
19 correct?

20 A Yes, that is correct.

21 Q And that's in the amount of \$33,000, correct?

22 A That is correct.

23 Q Then the next check, which is 433, is 1600 and that is dated  
24 12/14/15, and that says in the memo theater cabinets, pool --

25 A And pool bath.

1 Q Pool bath?

2 A Yes.

3 Q Are these upgrades?

4 A No, they are not upgrades.

5 Q So there was a pool bath cabinet that had to be replaced as  
6 well as the theater cabinet?

7 A So the theater cabinet was there. The pool bath is -- instead  
8 of doing a sauna back in the pool bath, what we did was, to be cost  
9 effective, we just put a changing room in there.

10 Q Okay. So the next check, which is IN-LO 434, that's for \$5,932  
11 and it says final. Is this all of the checks that you paid to Artesia after  
12 Desert Valley was off of the project?

13 A As far as I could recollect right now, yes, that is correct.

14 Q Okay. Why was this so late after all of the rest? It's dated in  
15 May of 2016.

16 A So on that particular one, I believe it's because scheduling,  
17 and also they had to still make the cabinet.

18 Q Okay. I'll represent that those three checks total \$40,532. Is  
19 that all that you paid Artesia, and you believe that that was part of the  
20 scope of the contract?

21 A Yes, that is correct.

22 Q And you don't believe that any of that was upgrades?

23 A No.

24 Q Okay. So now let's go to Exhibit 589.

25 A Okay.

1 Q So 589 consists of IN-LO 435 through 438?  
2 A Yes. I see that.  
3 Q Okay. These checks are written to Desert Home Electric,  
4 correct?  
5 A That is correct.  
6 Q All right. So the first one is for \$8,997.60?  
7 A That is correct.  
8 Q It says final. That's dated 12/15/2015?  
9 A Yes.  
10 Q Okay. Again, we have another one just following that that is  
11 Bates stamped IN-LO 436 that is written on the same date and that is  
12 \$4,000, and I can't read in the memo. It gives an invoice, but what does  
13 it say after that?  
14 A It probably says progress payment.  
15 Q What does it say?  
16 A Progress payment.  
17 Q Okay. So you wrote -- so that one is written after -- that  
18 check number's 3430. The check you wrote previously is 3429, and that  
19 one said final payment. Why'd you write final payment on the check that  
20 you wrote before the next check that was 3430?  
21 A So that was on DVC's original contract that they had with  
22 Desert Home Electric. So, however, there was still a lot of work to do to  
23 get my home working, and to have all these things done, which either  
24 DVC missed or they just -- I don't know what they were doing. But --  
25 Q So these -- okay. So these were additional items that were

1 not on the original estimate?

2 A Once again, I don't know what the original estimate said.  
3 However, this is just to get my house back working in order again.  
4 That's all it was.

5 Q So my question to you is if you don't know what the  
6 contracts say, you don't know what the scope is, how do you know what  
7 to pay these contractors?

8 A You're talking about like, let's say, Desert Home Electric or --

9 Q Any of them.

10 A Okay.

11 Q Any of them.

12 A After DVC got fired, correct?

13 Q Right.

14 A Okay. Like I said, I -- I talked to each and every one of them  
15 after DVC got fired and I asked them how much did DVC pay them and  
16 how much is still owed, and what else do we need to do in order to make  
17 this house run again, I mean, just so it's back to normal.

18 Q But that's not the question.

19 A Okay. I'm sorry.

20 Q The question is how do you know that these weren't in the  
21 scope of the estimate and that they were already paid for this?

22 A I'm going by what the contractors told me at that point.

23 Q The subcontractors?

24 A The sub -- I'm sorry, yes. The subcontractors, yes.

25 Q Okay. So then you have, on 1/14/2016 --

1 A I'm so sorry. Where are you now?

2 Q The next one in order, 437.

3 A Okay.

4 Q That's dated 1/14. Is that a 2016 as well?

5 A Yes, it is.

6 Q And that's for \$5,044. And then you have after that, on IN-LO

7 438, you have a check that's written in August of 2016, and it says final

8 and that one's \$477.95. So these weren't extras? These --

9 A No. This is just to get my house back together again to have

10 it working.

11 Q Okay. Have it working, or have additional electronics

12 installed?

13 A No. There was nothing -- as far as what do you mean by

14 extra electronics installed?

15 Q Did you upgrade your electronics in the house? Did you

16 have upgrades in the house?

17 A From when it was original?

18 Q Uh-huh.

19 A There was probably some lights certain areas and stuff like

20 that because they had to change certain things around, Desert Home

21 Electric, and when I found that certain things weren't working correctly

22 as they should have been, whether it be something like recessed lighting

23 or whatever it may have been that there was, they had to come out and

24 take care of it.

25 Q Okay. But we don't have the invoices here to say what this

1 is?

2 A I don't know exactly what these relate to, correct --

3 Q Okay.

4 A -- at this moment in time.

5 Q So let's just go with the numbers right now, and then we'll  
6 go through invoices a little bit later here.

7 A Okay.

8 Q Okay. So if you take these checks -- and, you know, you put  
9 final, but then after that you've got progress payments.

10 A Right.

11 Q So doesn't that indicate that you're having additional work  
12 done that wasn't part of the contract?

13 MR. BOSCHKE: Objection. Asked and answered.

14 THE COURT: Overruled.

15 MS. HURTIK: You have to answer.

16 THE WITNESS: I'm sorry. I'm sorry. Could you rephrase  
17 that question, please?

18 MS. HURTIK: Okay.

19 MR. BOSCHKE: Or repeat it.

20 THE WITNESS: Or repeat it.

21 THE COURT: Yeah, you could repeat it because I overruled  
22 the objection.

23 MR. BOSCHKE: Yeah.

24 BY MS. HURTIK:

25 Q So these checks, the first one you wrote final, that's in

1 12/15/2015?

2 A That's correct.

3 Q You then write three checks after that. They're for progress  
4 payments?

5 A That's correct.

6 Q So this is -- are they for additional work, because you wrote  
7 final on this one in December?

8 A Yes. Like I had explained to you before, that's the final that  
9 Desert Home Electric had as the original scope of work that -- that they  
10 believed that -- between Desert Valley and Desert Home Electric.

11 However, they said that in order to get your house -- there was a  
12 lot of things that DVC missed. They said these additional things have got  
13 to be done because -- or else the house is not going to be working  
14 properly.

15 Q Who said DVC missed?

16 A DH -- Desert Home Electric.

17 Q And you're -- okay. So they told you that specifically;  
18 somebody from Desert Valley Home Electric told you that specifically?

19 A Desert Home Electric told me that DVC, yes, missed a lot of  
20 things, missed a lot of items.

21 Q Who told you that?

22 A Steve from Desert Home Electric.

23 Q Okay. So if you were to add up these four invoices, they add  
24 up to 18,519.35. So you're claiming those all are related to the original  
25 bid; is that correct?

1 A I don't know what the original bid is, but --  
2 Q Okay. There we go. We'll move on. So Exhibit 590. Who is  
3 ESP?  
4 A They do the closets.  
5 Q Okay. This is a check, 1/14/2016, it says final, and I can't read  
6 what --  
7 A \$5,500.  
8 Q No. What do you got in the memo?  
9 A Oh, final closet, and then my address.  
10 Q Okay. So this \$5,500, are you saying this is part of the  
11 original estimate --  
12 A Yes, this is --  
13 Q -- or you're not sure because you never saw the contract and  
14 scope of work?  
15 A No. So they -- so when I talked to ESP, DVC had paid them a  
16 deposit, but they did not give them the rest of the money. So I asked  
17 ESP if they would go ahead and take a discount on this particular one,  
18 and they agreed to it, and I went ahead and paid it and subsequently  
19 saved a bit of money on there.  
20 Q Didn't you ask all the contractors to take discounts?  
21 A The other contractors were not -- how do I say -- they were  
22 not open to that.  
23 Q But you asked them, correct?  
24 A I don't know who I did and who I did not ask. I cannot  
25 remember that.

1 Q When you built the house the first time around, were there  
2 any contractors that you still owed money years later?

3 A The only one that we had a dispute with was a drywall paint  
4 company and that was because their paint supplier came to me and saw  
5 my house and said that my -- my subcontractor did not pay for the paint  
6 that was used on my house.

7 Q So --

8 A So I went ahead and paid it.

9 Q I'm sorry.

10 A And I can't remember how much it was for right now. I went  
11 and paid it, but then the paint and drywall company, the ones that were  
12 the laborers, came and said, well, you owe us this money, and I said, no,  
13 I don't because I paid your supplier that amount of money and there's no  
14 way I'm going to pay you guys double here, that's ridiculous.

15 Q So none of the other subcontractors -- you didn't owe any of  
16 the previous subcontractors any money after that other house was --  
17 when the house was originally completed?

18 A Oh, you're asking me to remember 12 years ago. I don't  
19 recall any at this moment right now. I believe everybody was paid,  
20 everything was buttoned up. There was no other liens that I remember  
21 on my house at all either.

22 Q And you -- strike that. Let's go to Exhibit 591. This is only  
23 one check. What did Custom Landau do?

24 A Custom Landau did my stainless steel -- I'm so sorry, let  
25 me -- cladding. Cladding. Stainless steel cladding.

1 Q Where?

2 THE COURT: So pretend the Judge doesn't know what that  
3 means. What's stainless steel plaiding [phonetic]?

4 THE WITNESS: Cladding.

5 THE COURT: Oh, cladding

6 THE WITNESS: Yeah, I'm not even very good at this either.

7 THE COURT: Okay.

8 THE WITNESS: But it's like trim, I guess the stainless-steel  
9 trim around certain areas of my house. Like the foyer had all this  
10 stainless steel and DVC completely missed it and so I had to get Custom  
11 Landau out there to put stainless-steel cladding or trim around there.

12 THE COURT: Okay.

13 BY MS. HURTIK:

14 Q Okay. So this then was not in the original scope of work?

15 A I believe that DVC missed it completely.

16 Q So this would have been a change order, correct?

17 A I would not call it a change order. My house had it before  
18 and I just wanted it thereafter.

19 Q So this is -- you paid Custom Landau in 12/16/2015, 1475?

20 A Yeah. I believe I paid them two different checks because I  
21 remember them coming out two different times. So there might be a  
22 check missing here.

23 Q Is that all they did; was that all the cladding?

24 A The ones that -- I don't know. I cannot recall what they did  
25 prior to DVC getting fired, but I do remember that the stainless-steel

1 cladding was missing in certain areas of the house and it was there  
2 before.

3 Q Okay. So give me a second here.

4 A Okay.

5 Q I want to keep you in that book right now, but I may have --

6 A Okay.

7 Q -- to get you out of it, so hold on a minute. Sorry. Go ahead  
8 and grab Binder 9 behind you, and leave that one there that you've got.

9 A So leave this one open here?

10 Q Yeah, leave that open --

11 A Okay.

12 Q -- because we're going to go back to it. So Exhibit 634.

13 A Okay.

14 Q It's all the way to the back, last one. Okay. So are you all the  
15 way back to 634 yet?

16 A Yes, I am.

17 Q Okay. So I want you to go to Bates stamp 872 and 873.

18 A Okay.

19 Q These are two checks; one says final payment that's dated --  
20 and I can't read your handwriting. It's either 3/10/2016 and 3/19? I'm not  
21 sure. Maybe they're both 3/10/2016.

22 A Yes.

23 Q Okay. The first one is check 3468 --

24 A Okay.

25 Q -- for 1190.

1           A     Okay.

2           Q     And it says final payment. And then the next one that's

3     Bates stamped 873 is for 1250, and that is 3469.

4           A     Okay.

5           Q     And what does that say in the bottom memo?

6           A     Okay. So one says final payment 6141, and on Bates stamp

7     number 872 it says final payment for 5410, which relates to the other

8     page that we have open, 5410, on book number eight.

9           Q     Okay. So are those --

10          A     Bates stamp --

11          Q     -- three amounts, the two checks written in March of 2016

12     and the December check written, December 16, 2015, are those three

13     amounts all that you paid Custom Landau after Desert Valley was

14     terminated?

15          A     I believe so, yes.

16          Q     So that's \$3,915, and you're claiming that those were not in

17     the original scope of work because DVC missed it, correct?

18          A     I believe -- I don't know if it was in the original scope of work,

19     but it may have been. I don't know if 5410 is part -- I don't know. I don't

20     know what was in their scope of work. All I do know is that the stainless-

21     steel cladding was not there that was supposed to be there. That's all I

22     know.

23          Q     Okay. Let's go back to -- well, hold on one second. So stay

24     in this binder.

25          A     Okay.

1 Q And go to Bates stamp number IN-LO 874.

2 A 874?

3 Q Uh-huh.

4 A Oh, oh, okay.

5 Q Remember, I'm skipping the zeros.

6 A Got it. Got it. Okay.

7 Q Tell me when you're there.

8 A I am there.

9 Q Okay. This is for \$1800 to Desert Home Electric. Now, this is  
10 written in July of 2016. What was Desert Home Electric doing -- I mean,  
11 your last check to them, you have all these checks in December, one in  
12 January, but then all of a sudden you've got August and July. What  
13 were you doing?

14 A I can't recall exactly what I was doing, but I could -- I'm pretty  
15 sure either things were missed or they could not make it out to my house  
16 to do the job. And I understand my -- you know, my job was a pretty low  
17 priority to these -- these subcontractors, so some of it took a long time to  
18 get done.

19 Q So this makes your total on Desert Home Electric 20,319.35.  
20 Is that all that you paid Desert Home Electric after DVC was terminated?

21 A I am not 100 percent sure of that, but -- yeah, I don't -- I don't  
22 know.

23 Q But if you paid them anything else, you would have  
24 produced it, correct?

25 A I would have produced it, yes, correct.

1 Q Okay. And as we sit here today, again, this is something that  
2 you can't tell me whether or not it was in the original scope of work,  
3 correct?

4 A You're talking about the original one between DVC and  
5 Desert Home Electric? Yeah, correct, I don't know what was in that  
6 contract.

7 Q So you don't know whether this was additional add-ons that  
8 you were doing from the original scope that the insurance approved?

9 A Like I said, I just needed everything to work in my house like  
10 it did before. That's all I wanted.

11 Q Okay. So let me ask you a question. You put different kinds  
12 of toilets in your house, correct?

13 A Afterwards, yes.

14 Q And were those smart toilets?

15 A No, not at all.

16 Q What were they? What was the difference in these kinds of  
17 toilets?

18 A Just the brand name.

19 Q Just the brand name?

20 A Just the brand name.

21 Q They didn't have any electronics --

22 A No, ma'am.

23 Q -- or anything like that?

24 A Zero.

25 Q Zero electronics. Okay. And the mirrors that you put into the

1 master bathrooms --

2 A Yes.

3 Q -- they're the same mirrors with TVs in them that were in  
4 them -- that were previously in the house?

5 A No. So back when I first built the house back in 2006 or 2008,  
6 when we did the -- we had TVs behind the mirror back then, and they  
7 were bigger TVs. However, back then they didn't have them all  
8 integrated. Like it wasn't all in -- you couldn't buy it from a company and  
9 the TV was already back there. We had to do it all ourselves. So I had to  
10 buy a separate TV, have a contractor come out and custom -- custom --  
11 do something with the mirror and coordinate that with the electrician,  
12 the mirror company, and then the person doing the fabricating.  
13 Today's world it's completely different. There's companies actually that  
14 have mirrors that have these little TVs that are integrated in the mirrors  
15 already. And, you know, everybody felt that that was the way to go  
16 instead of getting -- making it more complicated.

17 Q So this costs more money than the way you had it before,  
18 correct?

19 A I cannot remember the cost of what the original mirrors cost  
20 back in 2006 to 2008. However, I do know that they're expensive and I  
21 do know that my TV was much bigger.

22 Q The new TV was much bigger?

23 A No. My old one was much bigger.

24 Q Okay. So let's go to Exhibit 592.

25 A Okay.

1 THE COURT: And that's back in the other binder, right?  
2 MS. HURTIK: Yeah, that's in the other binder.  
3 THE WITNESS: Oh.  
4 MR. BORSCHEE: And which number was it again?  
5 MS. HURTIK: That's in Binder 8.  
6 THE WITNESS: Okay. Hold on one second here.  
7 MS. HURTIK: Sorry.  
8 MR. BORSCHEE: Which number?  
9 MS. HURTIK: It's 592.  
10 MR. BORSCHEE: 592. Okay  
11 THE WITNESS: Can I put this one away for right now?  
12 MS. HURTIK: Go ahead, put it away --  
13 THE WITNESS: Okay.  
14 MS. HURTIK: -- for now, because what is going to happen is  
15 we're running out of time.  
16 MR. BORSCHEE: We still have what, 20 minutes? But yeah.  
17 Just trying to make myself feel better.  
18 MS. HURTIK: Make me feel better.  
19 MR. BORSCHEE: I'm trying to make myself feel better.  
20 MS. HURTIK: I'm cutting down on you.  
21 BY MS. HURTIK:  
22 Q Okay. So IN-LO 441.  
23 A Yes.  
24 Q Okay. This is a check, 1/29/2016, to West Coast Concrete and  
25 this one says final \$10,000. Is that the only amount that you paid to

1 West Coast Concrete after DVC was terminated?

2 A I believe so, yes.

3 Q And what was that for; that was for the pool upgrade?

4 A That was for the driveway. That's my handwriting right  
5 there. It says driveway.

6 Q Driveway. Wasn't the driveway like 23,000?

7 A I talked them down. I -- West Coast Concrete is another one  
8 that I did -- I was able to have a call with and I was able to get them  
9 down in pricing.

10 Q Okay. So if I can show you a check that Desert Valley paid  
11 them for \$23,000 for the driveway, what would you say? Do you think  
12 you're incorrect?

13 A I never saw that. I just know that they were supposed to be  
14 owed a certain amount of money, and that's what they represented, and  
15 so I was able to talk them down to \$10,000.

16 Q How much did you say the pool decking was supposed to  
17 be?

18 A Oh, I don't know how much that was.

19 Q But you said you just talked them down 10,000?

20 A No. I talked them down to 10,000.

21 THE COURT: Well, he's talking -- you just said pool decking.  
22 I thought you, the witness, was talking about the driveway.

23 THE WITNESS: Driveway.

24 MS. HURTIK: Driveway. Driveway.

25 THE COURT: So let's talk apples and apples.

1 BY MS. HURTIK:

2 Q Right. Is it for the driveway or is it for the pool decking?

3 A I believe this was -- I believe this was for the driveway  
4 because it says driveway.

5 Q But you didn't write an invoice?

6 A I did not.

7 Q Okay. Okay. Let's go to Exhibit 593.

8 A 593. Okay.

9 Q Okay. So this is IN-LO 442 and it's dated 1/25/2016,  
10 Eagle Sentry, 41,729.39. Was that your final payment after DVC left the  
11 job?

12 A No, I do not believe it was.

13 Q You think there's another payment after that?

14 A I believe there was, yes.

15 Q For what?

16 A You know, and I don't know the timeline exactly on when I  
17 paid them, but there was a particular -- it was something to do with my  
18 Crestron and Lutron control that I had to purchase because it was not -- it  
19 controls my house, my whole electronics in the house, and if -- that  
20 thing, that particular thing had shorted out in the flood and DVC did not  
21 catch it. However, if I wanted my controls to all work, I needed this  
22 particular electronic piece, and Eagle Sentry told me if I don't get that  
23 piece, your Crestron and/or Lutron is not going to work correctly. But I  
24 don't remember the day I paid for that.

25 Q So the 41,729.39, you believe that that is part of the contract?

1           A     I believe that this is part -- this is the final payment for the  
2 original contract between DVC and Eagle Sentry.

3           Q     And this was no upgrades, no additional electronics?

4           A     This is whatever they had. I don't know exactly what they  
5 had, but this is everything.

6           Q     Okay. And this is where I'm having a little bit of disconnect  
7 and I want to make sure. You never saw the contract, you never saw the  
8 scope of work, so you don't really know whether this was within the  
9 scope or not, correct?

10          A     You're talking -- you're talking the item that I had to  
11 purchase; is that what you're talking about?

12          Q     Correct.

13          A     Oh, for sure, it wasn't, because they found out after -- once  
14 they put my house back together, started getting -- so electronics are  
15 funny. Like once you start getting it working, that's when you figure out,  
16 oh, my gosh, well, this wasn't there and this needs replacing, and that's  
17 what happened in this particular case.

18          Q     Okay. So we're going to go to Exhibit 594. Okay. This is a  
19 check to Furniture Medic. What does this got to do with the  
20 reconstruction?

21          A     You made this clear in the deposition that it did not. This  
22 was content.

23          Q     Okay. So the amount of that, of the amounts that you paid  
24 out after DVC left the job, this \$3,212 would be deducted from that total  
25 that you gave me, correct?

1 A I believe so, yes, that is correct.

2 Q Okay. Okay. Who's Green Clean?

3 A Green Clean is a cleaning company.

4 Q Okay. So -- hold on. Green Clean is a cleaning company that

5 you retained after Desert Valley was off the job, correct?

6 A That is correct, I believe so.

7 Q And it was not part of the contract, correct?

8 A Well, Danny told me -- Danny from DVC told me that they're

9 going to do a construction clean, because the house was just a

10 complete -- it was a complete mess, and that they were going to go

11 ahead and bring in cleaning people to take care of all that, to do a

12 construction clean. And then before they turned over the house to me,

13 they were going to do a final clean.

14 Q Okay. But you don't know that that was part of the contract,

15 correct?

16 A The contract between a cleaning company and them, no, I do

17 not know about that.

18 Q Okay. So you're claiming as damages invoices that you paid

19 to Green Clean, which is three invoices. If you go into Binder No. 9,

20 which you should -- did you put it back?

21 A I think I just put that one back.

22 Q Okay. Grab Binder No. 9.

23 A What number?

24 Q Go to Exhibit 634.

25 A 634. Okay.

1 Q Okay. IN-LO 879.  
2 A Yes.  
3 Q So you paid a check on 1/25/2016 of 1750 to Green Clean?  
4 A That is correct.  
5 Q You paid another check, 2/5/2016, same amount, 1750?  
6 A That is correct.  
7 Q Which is IN-LO 880?  
8 A That is correct.  
9 Q And then you paid another check months later, 7/13/2016,  
10 which is IN-LO 881, for 495?  
11 A That's correct.  
12 Q Okay. So those amounts were not included in your original  
13 contract with DVC, were they?  
14 A I don't know if it was a -- I don't know the original contract  
15 would, but I do know what Danny -- what Daniel told me was that they  
16 were going to do a construction clean and they're going to do a final  
17 clean.  
18 Q Well, you paid \$3,995 --  
19 A Yes.  
20 Q -- to clean the house three different months?  
21 A No, no. So the first one, ma'am, is a deposit. So I had to  
22 reserve like a date and time for them, and so it looks like they probably  
23 did it on the second check, which is on February the 5th, I did what's  
24 called a construction clean, which -- because the place was just  
25 completely filthy everywhere, how DVC left it, I had to have a

1 construction cleanup crew come in and just -- at least get it to the point  
2 that we could see things off the -- off everything. It was -- it was just  
3 really dirty, really dusty. Things were all over the place. It was just a  
4 mess.

5 Q Well, DVC left it. There were subcontractors working on the  
6 house, correct?

7 A Yes, and DVC was the general contractor for them.

8 Q Okay. But DVC, the last time you terminated them sometime  
9 in November of 2015, correct?

10 A That's correct.

11 Q Okay. You had subs in there working until December,  
12 according to your final inspections, correct?

13 A Yeah, that is correct.

14 Q Okay. So these cleans are in -- a deposit in January, a final  
15 deposit maybe, I'm not sure, I can't tell, on February 5th, and then an  
16 invoice, not a deposit, not a final, but an invoice in July of 2016.

17 A That's correct.

18 Q That's quite a bit of time after --

19 A Yep.

20 Q -- so that couldn't have been for cleaning after Desert Valley  
21 left the project?

22 A So that was the final clean. So after they do the construction  
23 clean, and it took that much longer to finish up the house because there  
24 were so many things to do for the house, that between the construction  
25 clean and the final clean, that's how long it took.

1 Q So you're saying that -- but this \$3,995 was not a part of the  
2 original contract, was it?

3 A I don't know if it was part of the original contract. I'm just  
4 going off of what Daniel told me, that they were going to do a  
5 construction clean and a final clean. I wouldn't even know that  
6 terminology.

7 Q Whose Hardy's Home Service?

8 A They are a -- what are they called? Like a -- like a handyman  
9 type of a place, for lack of better terminology.

10 Q What did they do?

11 A So there were certain areas of my home that had blinds in  
12 them and they were completely -- they were either missing or not  
13 reusable, so I had to have them order new blinds for me and put them up  
14 for me.

15 Q But those weren't part of the original contract? That would  
16 have been content, correct?

17 A No. That's not content. It's part of what DVC did because  
18 they were not there to either, A, stop people from destroying things, or  
19 whatever it may be. These shades were just completely destroyed.  
20 They were not reusable at all. We tried to reuse as much as we possibly  
21 could from the original. Like all my appliances were reused. Even  
22 though they were damaged, scratched, I reused them.

23 Q All your appliances were reused?

24 A From what I remember, all of them in the kitchen, yes.

25 Q So you used all the subzero refrigerators that were in your

1 wine cellar?

2 A No. I said in the kitchen, ma'am.

3 Q Okay. So didn't you refigure the kitchen so you didn't have

4 to use those appliances?

5 A No. They're all back in there.

6 Q The same appliances?

7 A The same exact appliances that were scratched, dirty, yes,

8 absolutely. That's why we had to do a construction cleanup, because

9 they were just completely filthy.

10 Q Okay. There's a difference between damaged and dirty. So

11 are you saying they were damaged or they were --

12 A They were both, damaged and dirty, yes.

13 Q So Harry's [sic] --

14 A And I reused them.

15 Q So Harry's Home Service, you're claiming that this was not

16 part of the original will contract, correct?

17 A No, it was not.

18 Q Okay. So -- okay. Not part of the original contract. So that's

19 something additional you had done that was not envisioned by the

20 insurance scope of work or the estimate given by DVC, correct?

21 A Like I said, ma'am, there were shades before in my house

22 that they were there, they were taken down by DVC, and they were

23 damaged.

24 Q Okay.

25 A I could not reuse them at all.

1 Q How do you know DVC took them down and not SERVPRO,  
2 who did the original cleaning, the remediation?

3 A That I'm not 100 percent certain, but I'm pretty sure it was  
4 DVC.

5 Q Based on what?

6 A They were there a majority of the time. I don't know what to  
7 tell you.

8 Q Well, I'm asking you because there was somebody before  
9 them. There was SERVPRO of Henderson who came out and did your  
10 remediation. So the rebuild was Desert Valley contracting, correct?

11 A That's correct.

12 Q Okay. So how do you know who took down blinds?

13 A I don't know 100 percent sure because I was not there --

14 Q Okay.

15 A -- to watch them take down the blinds.

16 MS. HURTIK: Okay. So, Brian, you -- Your Honor, can we  
17 stop for one minute?

18 THE COURT: Sure.

19 MR. BOSCHEE: Whatever's a good break point for you. You  
20 tell me. I've got five, ten more minutes.

21 MS. HURTIK: You've got five, ten more minutes?

22 MR. BOSCHEE: Yeah. If you've got another --

23 MS. HURTIK: Let's stop because I will go beyond that five --

24 MR. BOSCHEE: Okay. Okay.

25 MS. HURTIK: Yeah.

1 MR. BOSCHEE: That's cool.  
2 MS. HURTIK: Okay.  
3 THE COURT: So break for the day?  
4 MS. HURTIK: Yeah.  
5 MR. BOSCHEE: Sure.  
6 THE COURT: Okay.  
7 MR. BOSCHEE: And then tomorrow we're going to have one  
8 subpoenaed witness at 10:30. He should be quick. I guess we'll come  
9 back with him, although my examination of him probably won't be  
10 nearly as long now because you've gone through all of my exhibits.  
11 MS. HURTIK: I told you, you should pay me.  
12 MR. BOSCHEE: That was really nice of counsel. And then  
13 we've got another subpoenaed witness coming at 3'ish.  
14 MS. HURTIK: Three, yeah.  
15 MR. BOSCHEE: And then I have no schedule constraints the  
16 rest -- hopefully tomorrow or Wednesday, so.  
17 THE COURT: My calendar tomorrow, bear with me.  
18 MS. HURTIK: My goal was to accommodate you.  
19 THE COURT: Much, much order than today. It's criminal  
20 tomorrow and it goes a lot --  
21 MR. BOSCHEE: Okay.  
22 THE COURT: -- faster. So we have technically more but,  
23 yeah, we should be done by 10:30.  
24 MR. BOSCHEE: Well, I'm sorry. It gave us both a chance to  
25 give Teddy Parker a hard time about taking --

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THE COURT: Good.

MR. BOSCHKE: So that was fun. I always like to give Teddy  
a hard time, so.

THE COURT: Okay. We'll see you at 10:30.

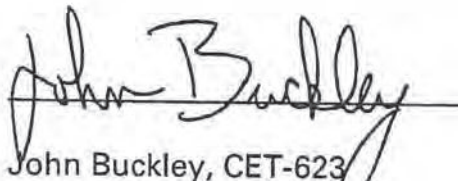
MR. BOSCHKE: Okay. See you in the morning. Thanks,  
Judge.

MS. HURTIK: Okay. See you in the morning. Thank you,  
Your Honor.

[Proceedings adjourned at 4:42 p.m.]

\* \* \* \* \*

ATTEST: I do hereby certify that I have truly and correctly  
transcribed the audio/video proceedings in the above-entitled case to the  
best of my ability.

  
John Buckley, CET-623  
Court Reporter/Transcriber

Date: February 4, 2020

1 Q Okay. And who did you have supervising the building of the  
2 house?

3 A Robert Ramirez and Shannon [phonetic] Foltz

4 Q And was Mr. Ramirez a licensed contractor?

5 A That I do not know.

6 Q Okay. And was Shannon Foltz a licensed contractor?

7 A I do not know.

8 Q Okay.

9 THE COURT: How do you spell Foltz?

10 THE WITNESS: F-O-L-T-Z, I believe.

11 THE COURT: Okay.

12 BY MS. HURTIK:

13 Q So you proceeded to complete the house. How did you get a  
14 certificate of occupancy without a general contractor?

15 A I'm not sure exactly how it worked at the time, but I believe  
16 it's because I was an owner builder and I personally did not go down to  
17 get the C of O, so I do not know exactly how that process worked.

18 Q Okay. So during that period when you completed your  
19 house, were you pretty much hands on?

20 A As far as?

21 Q The processes.

22 A Some yes, some no.

23 Q Okay. And you had several subcontractors that you used  
24 that were working for the general previously?

25 A I believe there were some, yes.

1 Q So you didn't keep all of the contractors -- the subcontractors  
2 that the general had on the job when you first built the house?

3 A I do not recall at this moment who I retained and who I did  
4 not at the -- at -- at that -- at that time, no.

5 Q Okay. So you completed the house and then sometime in,  
6 was it 2014, you had a leak in the house?

7 A Correct. It was approximately in August of 2014 I had a leak  
8 in the house.

9 Q Okay. And did you live in the house full time?

10 A I was here quite often. I would probably say -- and it varied.  
11 Sometimes twice a month, sometimes three times a month, sometimes  
12 four -- it just really varied.

13 Q Okay. And the property is in the name of IN-LO Properties?

14 A That is correct.

15 Q And has it always been in the IN-LO Properties?

16 A Yes.

17 Q Okay. And when you had the leak, how did you first become  
18 aware of the leak in the house?

19 A At that time, I had my friend Rommel -- his name is Rommel,  
20 R-O-M-M-E-L, last name is spelled, P-A-L-M-A -- he came over here to --  
21 he lives in L.A., and he came over her to Vegas to walk the house, and  
22 when he walked the house he saw that there was a big leak -- I mean, a  
23 huge leak. It's not even a leak, it's a flood.

24 Q Okay. And there was a flood. So at that point, did he contact  
25 you?

1           A     Yes, he did. He called me immediately. I remember when he  
2 called me and -- because it was so traumatic for me -- and he told me I  
3 better get my butt over to Vegas immediately.

4           Q     Okay. So did you fly, or did you drive?

5           A     No, I took the first flight out the very next morning.

6           Q     Okay. And so upon getting to Vegas, had anything been  
7 done before you got here?

8           A     Yes. I -- I can't recall who called SERVPRO or how we even  
9 got SERVPRO's number, but we needed to get someone to -- I'm not  
10 sure what the terminology is, but basically start the process of cleaning  
11 up the house, getting the water out of the house, and all that.

12          Q     Okay. So suffice it to say, it was a major flood; is that  
13 correct?

14          A     Yes. In my opinion, yes.

15          Q     Okay. And what started the water leak, do you know?

16          A     It was -- I believe it's called -- called an angle stop in the -- it  
17 was in the women's toilet upstairs master's bathroom.

18          Q     Okay. And did the water seep into the entire house or was it  
19 contained to certain rooms?

20          A     Oh, it was almost the entire house. I would probably say  
21 approximately 80 percent of the house.

22          Q     Okay. So there were some areas that were not affected?

23          A     Yes.

24          Q     So you arrive in Vegas and SERVPRO is out there. Do you  
25 meet them at the site?

1 A I met them at the house, correct.

2 Q Okay. And was it SERVPRO of Henderson?

3 A I -- I just know it was SERVPRO.

4 Q Okay. So at that juncture did that start -- did they have

5 discussion with you and you have a contract that you signed with them

6 to start general clean up?

7 A I don't remember any contract at this time that I signed;

8 however, they were already starting clean up. I don't know if Rommel

9 had signed the contract or I had signed the -- I don't know.

10 Q Okay. So once they had -- did they do all of the cleanup for

11 the water intrusion?

12 A When you say "they" meaning SERVPRO?

13 Q SERVPRO.

14 A SERVPRO, yes. SERVPRO, as far as I know, did all the

15 cleanup. I don't know how much Desert Valley Contracting or Contractor

16 did and how much SERVPRO did. I'm not 100 percent sure of that.

17 Q Okay. But you are aware that they -- Desert Valley

18 Contracting is not the same entity as SERVPRO that did your

19 remediation?

20 A No, I -- to me, they were all the same. They -- Desert Valley

21 Contract -- D -- can -- may I -- may I call them DVC?

22 Q You can call them DVC.

23 A Okay.

24 THE COURT: DVC?

25 THE WITNESS: Desert Valley Contracting.

1 THE COURT: Okay.

2 THE WITNESS: Yeah. DVC a lot of times they came in  
3 wearing SERVPRO shirts, so I believed that they were a part of  
4 SERVPRO.

5 BY MS. HURTIK:

6 Q Okay. So you recall we had your deposition taken early on.  
7 This is the first time you're stating to me that you didn't know that it was  
8 two different entities -- the two different corporations?

9 A There is a gray area there for me that I didn't know exactly  
10 who was who, correct.

11 Q Okay. But as we stand here today, you cannot say  
12 definitively that those are the same company, or the same individuals,  
13 can you?

14 A Correct. I cannot say that either.

15 Q Okay. So do you know who the contact was at SERVPRO of  
16 Henderson?

17 A Do you -- okay. So when you're saying that, are you saying  
18 the first person I talked to?

19 Q Yes.

20 A Okay. His name was George [phonetic].

21 Q Uh-huh.

22 A I do not remember his last name.

23 Q Okay. So when did Desert Valley Contracting become  
24 involved in the project?

25 A Are you asking me date?

1 Q Uh-huh. Well, approximately. How soon after SERVPRO --

2 A It was almost immediate. It was very, very -- it was -- it was  
3 almost right after. As soon as met George.

4 Q Okay. So Desert Valley Contracting did somebody  
5 recommend Desert Valley Contracting to you?

6 A Correct. George from SERVPRO recommended Desert  
7 Valley -- DVC.

8 Q And he never indicated that they were the same company,  
9 did he?

10 A He did not mention that they were the same company;  
11 however, they said that they had some sort of relation together, and I  
12 don't know what that relation was.

13 Q Okay. So as we sit here today, are you trying to say that it's  
14 the same people that own the same -- that own SERVPRO of Henderson  
15 that remediated your house and Desert Valley Contracting?

16 A No -- no, ma'am, I'm not.

17 Q Okay. I just want to be clear on that.

18 A Yeah -- no, I'm not.

19 Q Okay. So there's some binders that are behind you.

20 A Okay.

21 MS. HURTIK: And may I approach, Your Honor?

22 THE COURT: Sure. Yeah.

23 BY MS. HURTIK:

24 Q Okay. Just for ease, they're numbered 1 through 9. And I'm  
25 going to pull down -- why don't you pull down number 9. It's all the way

1 at the end.

2 A Get up?

3 Q Yeah, you can get up. And then put it right there.

4 A You said number --

5 Q Because I'm just trying -- going to try to guide you for the  
6 first and then after that you can pull for yourself. Volume number 8.

7 A Number 8.

8 Q 8.

9 A Okay. 8.

10 Q Volume number 8. Okay. So now on the front of this -- well,  
11 there should be an index in this.

12 A I think it's backwards.

13 Q It's opened backwards?

14 A I think so. Or, you know what, I don't know actually.

15 Q Yeah, it's backwards. What the heck happened to this?

16 A It looks like it's out of order.

17 MS. HURTIK: Okay. Something's wrong with the binder.

18 THE COURT:

19 MR. BOSCHEE: Which exhibit are you looking for?

20 MS. HURTIK: Well, there's the index is missing out of it, and  
21 the -- everything is switched --

22 MR. BOSCHEE: May I approach, Your Honor?

23 THE COURT: Sure.

24 MR. BOSCHEE: Maybe just help? I don't know.

25 THE COURT: Sure.

1 MS. HURTIK: Yeah, well.  
2 MR. BOSCHEE: To the extent that I offer any help at all.  
3 MS. HURTIK: Yeah, but they're all upside down. Here's the  
4 index. Well, somebody must have dropped it.  
5 MR. BOSCHEE: Dropped it.  
6 MS. HURTIK: Dropped it and put it back in wrong.  
7 MR. BOSCHEE: Yep. That's exactly what it looks like  
8 happened.  
9 BY MS. HURTIK:  
10 Q MS. HURTIK: Okay. So let me just organize it for a minute.  
11 Okay. Because I'm going to ask you some questions and I don't want -- I  
12 want you to be able to turn to things. Okay.  
13 A Okay.  
14 Q So I'm going to --  
15 MS. HURTIK: Your Honor, I'm just going to take this down  
16 next to mine and make sure it's --  
17 THE COURT: Okay.  
18 MS. HURTIK: -- right first. Sorry.  
19 MR. BOSCHEE: If you just want to give him -- do you want to  
20 give him this one so you can keep going or --  
21 MS. HURTIK: You want to switch?  
22 MR. BOSCHEE: Yeah, then we can --  
23 MS. HURTIK: Okay. That's fine.  
24 MR. BOSCHEE: That's fine.  
25 MS. HURTIK: You guys can --

1 MR. STORY: That's fine with us. Right.

2 MS. HURTIK: Okay. I think it's okay, but it looked like there  
3 was some stuff backwards.

4 MR. STORY: I mean, we can follow along enough, you know.

5 MR. BOSCHEE: Well, I was going to say, yeah, it's  
6 probably --

7 MS. HURTIK: No, I'm just going to show it you.

8 MR. BOSCHEE: Exactly. All right. We're -- I'm approaching  
9 again. I think our binder is correct so --

10 THE COURT: Okay.

11 MR. BOSCHEE: -- that might be easier. Of course now, I  
12 probably -- I guess we should probably check if Your Honor's binder is  
13 correct.

14 THE COURT: Mine has an index --

15 MS. HURTIK: They should be.

16 THE COURT: -- and has exhibits so I think --

17 MR. BOSCHEE: Okay.

18 MS. HURTIK: Yeah, I mean, it just looks like this one maybe  
19 got dropped and --

20 THE COURT: Okay.

21 MS. HURTIK: -- somebody didn't get back in right.

22 BY MS. HURTIK:

23 Q So in the front of this is an index, and if you look down here,  
24 it'll give Bates numbers, it'll say exhibit numbers right to the left side. So  
25 if I refer you to an exhibit number, you just turn to the exhibit number,

1 and then within that number there can be more -- there's identifying  
2 page numbers.

3 A Okay.

4 Q And then they're called Bate numbers.

5 A Okay.

6 Q So I'll identify where I want you to turn. Okay.

7 A Okay.

8 Q And if you need a minute, you tell me you need a minute.

9 A Okay.

10 Q Okay. So I would like you to turn to Exhibit Number 560.  
11 Okay. So Mr. Inose, I'll represent that this is a contract between Desert  
12 Valley Contracting and yourself. Have you ever seen this before?

13 A Yes, I have

14 Q Okay. Can you tell me what this contract was for?

15 A This was for a work authorization to get my house -- to  
16 perform -- work authorization contract to perform scope of work.

17 Q To do the remediation, but to do the rebuild on the house?

18 A To do the rebuild on the house.

19 Q And, in fact, Desert Valley Contracting only did the rebuild,  
20 right?

21 A I don't know how to answer that one. For the most part yes.

22 Q Okay. So we'll come back to that. For the most part later.

23 A Okay.

24 Q So this contract that you entered into with Desert Valley, if  
25 you can turn to the second page where it's Bates stamped on the bottom

1 IN-LO -- and I'm just going to do the last two or three numbers so it's  
2 Number 23.

3 A Okay.

4 Q What was the date that you entered into this contract with  
5 Desert Valley?

6 A It says, "August the 4th of 2014"; however, that is Dan --  
7 Daniel's writing. That is not my writing.

8 Q Is that your signature?

9 A That is my signature, yes.

10 Q Okay. So you entered into his contract with them on August  
11 4th, 2014. Was the flood about the same date as that?

12 A It was probably a day ahead of that maybe or two days  
13 ahead of that. I'm not 100 percent sure.

14 Q Okay. And underneath -- so in the one, two -- the third --  
15 after the third paragraph, there's an account and it says, "To be amount  
16 to be determined." And then it has Desert Valley Contracting signature  
17 and this is insurance company Fireman's Fund. Do you see that?

18 A Yes, I do.

19 Q So did you turn this claim over to your insurance --  
20 homeowner's insurance company?

21 A Yes, I did.

22 Q Okay. And was the -- how soon did the representative or  
23 adjuster come from Fireman's Fund to look at the property?

24 A It -- it was fairly quickly. I don't remember exactly how many  
25 days after it was.

1 Q Okay. So did your contractor Desert Valley Contracting and  
2 SERVPRO all meet with you and the adjuster at the house to discuss  
3 what needed to be done to clean up the remediation -- remediate the  
4 house and to rebuild the house?

5 A Yes, everybody was there at -- when -- when -- when  
6 Fireman's Fund was there, yes.

7 Q Okay. And about how many meetings do you think that you  
8 had with the adjuster and the contractors -- you personally?

9 A If you're asking how many times I had a meeting with them  
10 all there; is that what you're asking?

11 Q Uh-huh.

12 A Maybe twice.

13 Q So you don't -- you're saying only twice with the insurance  
14 company SERVPRO and the Desert Valley?

15 A I'm talking mainly with Desert Valley here -- with myself,  
16 Desert Valley, and the insurance adjuster all being there.

17 Q Okay. And who was the insurance adjuster?

18 A It was Fireman's -- oh, you mean the person's name?

19 Q The person -- the individual.

20 A Brian -- Brian Lynch.

21 Q Okay. And did Brian Lynch ever retain a third party to come  
22 and check on the house and meet with your contractors during this  
23 process?

24 A I do believe that there was a third party that he wanted  
25 involved. I don't remember that company or the person's name that he

1 wanted to make sure that things were, I guess, copasetic in his eyes. I --  
2 I'm not really sure why he had a third party there.

3 Q Okay. So you meet with -- well, why did you pick Desert  
4 Valley Contracting after speaking to them?

5 A So in that time, you have to understand I was under a lot of  
6 stress, and I was very shell shocked, to say the least, that this is  
7 happening to my house. It was -- it was a lot of damage to my house. It  
8 was crazy. And I asked around to my other contractors, like, does -- that  
9 do custom homes, and they told me that they do -- they will not touch  
10 something that insurance is involved in. And then so George had  
11 recommended -- I'm so sorry -- George from SERVPRO had  
12 recommended Desert -- DVC.

13 Q DVC.

14 A And said I highly recommend these people. We have -- we're  
15 a good strong relationship with them, and we know them very, very well.  
16 And we feel that they could do a great job on your house.

17 Q Okay. Had you ever had a homeowners insurance claim on  
18 any other properties?

19 A Not up to this point, no.

20 Q Okay. Have you since?

21 A No.

22 Q Okay. So and just -- so this isn't the first property you've  
23 ever owned, is it?

24 A No, it is not.

25 Q Okay. How many properties do you own when you -- did you

1 own at the time that you built this house?

2 A At the time I -- I built the house?

3 Q Uh-huh.

4 A May I give a approximate number, because --

5 Q Sure.

6 A -- I -- this is 12 years ago. Maybe around five to six I'm  
7 guessing. I'm not really 100 percent sure exactly.

8 Q And did you own -- or do you still own commercial buildings  
9 and residential properties as well?

10 A Yes, I do.

11 Q And do you own them in California, as well as Nevada?

12 A The commercial properties I own are in Nevada. And I have  
13 residential properties in California, as well as Nevada.

14 Q But during the time that this occurred, and shortly thereafter,  
15 within the three-year-time period, you had other residential properties in  
16 Nevada, didn't you?

17 A I had one other one, yes.

18 Q Just one, not two?

19 A When -- when I -- when this -- when the flood happened?

20 Q When the flood happened and within the next three years.

21 A Oh, within the next three years?

22 Q Uh-huh.

23 A I did sell one, and I bought another one, yes.

24 Q Okay. So you -- at the same time you owned this property,  
25 you owned another property here in Nevada?

1 A I had one other property, yes.

2 Q And what was the address of the other property?

3 A It was 2326 Caserta, that's C-A-S-E-R-T-A, Court.

4 Q And did you rent that property out?

5 A No.

6 Q Okay. So did you stay in that property during part of this

7 remediation and rebuild?

8 A No.

9 Q Why not?

10 A It was on the market to sell and it was in escrow to be sold.

11 Q When did you purchase that property?

12 A Approximately -- approximately 2001 or 2002.

13 Q Okay. So you purchased that property prior to building the

14 house on St. Croix?

15 A That is correct.

16 Q Okay. Do you still own this house: Caserta?

17 A No.

18 Q Okay. And there was -- there's no other properties you own

19 in Nevada?

20 A Other than the commercial ones that we just talked about --

21 Q Uh-huh.

22 A -- right now?

23 Q Yeah.

24 A And so I sold Caserta, and I bought another house right after

25 I sold Caserta.

1 Q And what was the address of that second property that you  
2 purchased?

3 A It's 2254 Buckingham Court in Henderson, Nevada.

4 Q Okay. And when did you purchase Buckingham?

5 A I -- I don't know the date. I don't know -- I just know it was  
6 after I sold Caserta. I don't know the exact date.

7 Q So but you had that --

8 A It was -- I could tell you -- it was probably around 2015.

9 Q Oh, you didn't purchase that until 2015?

10 A I'm thinking it's around -- you -- you said three years from the  
11 flood until after, correct?

12 Q Uh-huh.

13 A Yeah, so it was in that time frame.

14 Q Okay. So you weren't living here full time in Nevada when  
15 the flood occurred, correct?

16 A Not full time, no.

17 Q Okay. And your residency was in California, correct?

18 A No, my residency is Nevada.

19 Q Okay. But you lived in California?

20 A I lived in both.

21 Q Okay. So let's say once a month how often were you here in  
22 Nevada every month?

23 A Pretty much, yes.

24 Q How many days a week?

25 A It varied. Sometimes I was here for a whole week.

1 Sometimes I was here for three days. Sometimes I was here for ten. It  
2 just -- it -- it was all over the place. I could not answer that.

3 Q Okay.

4 A It was all over.

5 Q So when this occurred, you had the -- you turned in a claim  
6 for a rental property that you wanted the insurance company to rent a  
7 property for you to stay in while this house was being put back together?

8 A The insurance company told me that they wanted to rent me  
9 out a -- actually, it was -- they wanted to rent me out a house, and said  
10 we want to rent you out a house, but I said I don't need another house. I  
11 go a condo is fine and they rented me out a condo instead.

12 Q Okay. They told you they'd do that, or you requested they do  
13 that?

14 A No. I -- I did not even know that was -- I could even -- that  
15 was even part of the equation. I did not even know. They told me about  
16 it.

17 Q Okay. So let's go back to this exhibit that we were looking at.

18 A Okay.

19 Q So on page 1, which is Bates stamped IN-LO 22.

20 A Okay. So it's not 23 anymore, you want me to go to 22.

21 Q 22.

22 A Okay.

23 Q Go to 22. Okay. And if you go down to the second  
24 paragraph.

25 A Okay.

1 Q It states -- what does it say -- how is the money to be paid for  
2 the repairs?

3 A Oh. In -- in the second paragraph?

4 Q Uh-huh.

5 A Could you repeat the question one more time, please?

6 Q Okay. Why don't I just read it to you? And then you can tell  
7 me. So in that second paragraph it said that -- it says that,

8 "It's understood and agreed that contractor will perform all  
9 repair work in good and workman like manner in accordance  
10 with general conditions, will have policy of insurance full  
11 force, will comply with local safety standards and performs  
12 all work accordingly."

13 Then the -- okay. Then it goes down. It says, "The  
14 undersigned", which is you --

15 A Wait, what?

16 Q -- "hereby transfers the signs and conveys to contractor  
17 his/her/their right title and interest in and to the insurance  
18 policy proceeds and all drafts for work performed to be  
19 performed by the contractor. Accordingly, undersigned  
20 authorize and directs their insured named below to make  
21 Desert Valley Contracting a payee on all insurance drafts for  
22 all insurance work performed by the contractor on the above  
23 damaged property."

24 Do you recall reading that?

25 A Yes, I do. I just read right now, yes.

1 Q Okay. So was it -- what's your understanding of that clause?  
2 A Well, the first part or do you want me to just -- which part did  
3 you want to explain?  
4 Q The part about the payments.  
5 A Okay. So the payment it says it was supposed to be made  
6 Desert Valley Contracting for the checks from the insurance company.  
7 Q Okay. And did that happen in this case?  
8 A No, it did not.  
9 Q And do you know why that didn't happen?  
10 A Okay. First of all, I did not even get a copy of this contract,  
11 until after we were in a lawsuit. So I did not even know about this even  
12 though I did request from DVC several times to give me a copy of this  
13 contract, if I did sign a contract.  
14 Q You signed the contract, correct?  
15 A I don't remember signing this contract; however, that is my  
16 signature, and it is my printed name on there, yes.  
17 Q Okay. So your understanding of reading this contract  
18 regarding the payment was DVC to be paid for their work on the job?  
19 A Repeat that one more time, please?  
20 Q Was DVC to be paid by the insurance company on your  
21 behalf for any work performed on the house?  
22 A How I read it is that DVC was supposed to be on the check  
23 from the insurance company, along with myself probably. That's what it  
24 probably states.  
25 Q Okay. Was there a mortgage on the house at this time?

1           A     No, there was not.

2           Q     Okay. So the house was paid off so there wasn't any  
3 mortgage company that would have had to be put on any drafts from the  
4 insurance company, correct?

5           A     No. That -- oh, that is correct.

6           Q     Okay. So when -- so your understanding was even if the  
7 checks didn't come with DVC's name on it, you were to pay DVC for the  
8 work performed and contracted, correct?

9           A     Yes. However -- as -- as it reads now, yes; however, I did not  
10 get this contract until after we were in a lawsuit.

11          Q     Okay. So then underneath that paragraph, the next  
12 paragraph it says,

13                "If for any reason the undersigned or the contractor  
14 terminates the contract prior to the actual work beginning,  
15 the undersigned is responsible to pay all costs and fees  
16 associated with preparation for beginning the job, such as  
17 permits, materials ordered, any and all such fees and costs  
18 for services performed."

19                Did you understand that you would be responsible if you  
20 fired them to pay for any work that they had already done?

21          A     Yes. At your office. Yes, I did. When we were going through  
22 depositions, yes.

23          Q     Okay. So if you continue down here and it says, "Should  
24 client terminate the contractor" -- after work has completed,  
25 "after work as begun, but not completed in full, the client

1 shall be responsible for any and all fees and costs associated  
2 with the work performed plus the profit that the client would  
3 have made on the job had the client not repudiated the  
4 contract."

5 So is it your understanding that if you terminated them you  
6 would have still been responsible for any profit that they would have  
7 earned if you had not terminated them?

8 A Yes. How I read it now, yes. And as long as the work was in  
9 good workman like manner and condition, yes.

10 Q Okay. That's not what it says though. It just says that if you  
11 terminated them, they would be entitled to the profit that they would  
12 have made on the job and the cost if you repudiated the contract,  
13 correct?

14 MR. BOSCHEE: Objection, Your Honor. Asked and  
15 answered, and that's not what the entire provision says.

16 MS. HURTIK: Well, I'm not done.

17 THE COURT: Yeah, so I'm having a hard time -- I thought my  
18 eyesight was fairly good. This is quite small.

19 Let me at least --

20 MS. HURTIK: Do you want me to blow it up?

21 THE COURT: No, if I focus on it I can read it, but bear with  
22 me a moment. Let me read the actual paragraph here.

23 MS. HURTIK: And just so you're clear, Your Honor, I'm going  
24 through the entire paragraph, so I'm not just picking. I will continue in  
25 this paragraph.

1 THE COURT: Yeah, so just let me -- bear with me a moment  
2 and I'll read this and --

3 MS. HURTIK: Sure.

4 THE COURT: -- get some context for myself.

5 [Pause]

6 THE COURT: So was the question that -- I don't know if I  
7 should say what I'm struggling with.

8 MS. HURTIK: Do you want me to repeat it, Your Honor?

9 THE COURT: Yes, please.

10 MS. HURTIK: I'd be more than happy to.

11 THE COURT: Sure.

12 BY MS. HURTIK:

13 Q Okay. So my question is, it says, after work has been  
14 completed,

15 "After work has begun, but not completed in full, the client  
16 shall be responsible for any and all fees and costs associated  
17 with the work performed, plus the profit that the client would  
18 have made on the job had client not repudiated the contract."

19 So the question is -- and I think that you already this one and  
20 I was on the second part, but we're going to make sure -- so your  
21 understanding was that if you terminated DVC, you would have been  
22 responsible to pay them profit that they would have earned had they  
23 stayed on the job, correct?

24 THE COURT: So is your question assuming that DVC is the  
25 client?

1 MS. HURTIK: No. Okay. He entered into a contract with  
2 DVC. If the client is Mr. Inose. If Inose terminates them, then the  
3 contractor would be entitled to the profit and -- the profit that he would  
4 have had had he not repudiated the contract.

5 MR. BOSCHEE: Well, that's great. Now, we don't have to ask  
6 him the question.

7 THE COURT: Hold on one second.

8 MS. HURTIK: Well, I mean, but he's -- I mean, I'm just trying  
9 to --

10 THE COURT: No, no --

11 MS. HURTIK: Sorry. I'm --

12 THE COURT: So --

13 MS. HURTIK: -- trying to clear it up.

14 THE COURT: -- I mean, I'm going to quote, because you're  
15 quoting from --

16 MS. HURTIK: Well, I just --

17 THE COURT: -- "plus the profit that the client would have  
18 made on the job had client not repudiated the contract." I mean --

19 MS. HURTIK: Well, it says --

20 THE COURT: -- how is -- you know, doesn't that -- anyway --

21 MS. HURTIK: Okay.

22 MR. BOSCHEE: And that was -- and I recall objecting at that  
23 question, but, you know -- and then Your Honor read the paragraph, and  
24 so I don't know where that leaves us.

25 THE COURT: Okay.

1 MS. HURTIK: Well, okay.

2 THE COURT: Neither do I.

3 MS. HURTIK: So it goes to the intent, Your Honor. If you  
4 read the top of that, it is clearly --

5 THE COURT: No, I just want to make sure we're quoting, if  
6 we're going to quote from the paragraph, that we quote accurately,  
7 because it says, "plus the profit that the client would have made on the  
8 job had client not repudiated the contract." Anyway, that's what it says,  
9 that phrase anyway.

10 MS. HURTIK: Okay.

11 BY MS. HURTIK:

12 Q So it goes on to say,  
13 "Upon termination of contractor services, client is  
14 responsible to pay all fees and costs incurred by the  
15 contractor within five days of termination by either party."  
16 And if any request that these costs will -- now I've got to  
17 have the eye problem -- "If any requests for additional work  
18 to be performed are made during the scope of the job, all  
19 such requests must be put in writing so that these costs will  
20 be added to the scope of work. If the scope of work is  
21 beyond any insurance claim, the owner agent, or authorized  
22 party will pay all claims within ten days of completion of  
23 work. Any materials will be paid for prior to the additional  
24 work being performed."  
25 What's your understanding of that clause right there

1 regarding, Mr. Inose, what does that -- what's your understanding of that  
2 clause?

3 MR. BOSCHKE: Just the part you just read, Counsel?

4 MS. HURTIK: Just the part I just read.

5 MR. BOSCHKE: Okay.

6 THE WITNESS: That basically if either party were to  
7 terminate each other then somebody would be responsible for payment.

8 BY MS. HURTIK:

9 Q That you would be responsible for payment. It says client is  
10 responsible.

11 THE COURT: Well, you --

12 MR. BOSCHKE: Objection.

13 THE COURT: Yeah.

14 THE WITNESS: Well, that's --

15 THE COURT: So you asked him what his understanding was.  
16 He told you, so if you want to follow up on what he said, that's fine,  
17 but --

18 MS. HURTIK: Sure.

19 THE COURT: -- the way you phrased that last question was  
20 not appropriate.

21 MS. HURTIK: Sure.

22 BY MS. HURTIK:

23 Q So it says, "If the scope of the work is beyond any insurance  
24 claim, the owner agent, or authorized party will pay all claims within ten  
25 days of completion of work." Okay.

1           A     Wait, I'm -- I'm so sorry. I -- I just -- I'm trying to find where  
2     you're at right now.

3           Q     It's kind of small. So let's make it simple. I'm having trouble  
4     reading it too so --

5           THE COURT: I believe we all are.

6     BY MS. HURTIK:

7           Q     Okay. If you had change orders that were beyond the  
8     insurance scope of work, is it your understanding, you were to pay for  
9     those?

10          MR. BOSCHEE: Objection. Calls for speculation and  
11     assumes facts not in evidence, as to the change orders that he may or  
12     may not have gotten.

13          MS. HURTIK: We're not even talking -- we're talking about  
14     just the contract.

15          MR. BOSCHEE: Oh, I understand, but the way you asked the  
16     question I think is asking to speculate.

17          THE COURT: So what are the objections?

18          MR. BOSCHEE: The objection is it calls for speculation if  
19     assuming he had received changed orders one; and then two, assumes  
20     facts not in evidence, because that's obviously a contention in this case,  
21     and she just asked him if you received changed orders, he's responsible  
22     for them.

23          THE COURT: That's sustained.

24          So you can rephrase.

25          MS. HURTIK: Okay.

1 BY MS. HURTIK:

2 Q So it says,

3 "If any request for additional work to be performed are made  
4 during the scope of the job, all such requests must be put in  
5 writing, and these costs will be added to the scope of the  
6 work. If the scope of work is beyond any insurance claim,  
7 the owner, agent, or authorized party will pay all claims."

8 And it says a little bit more, but is your understanding that if  
9 there were -- was work performed that was beyond the insurance scope  
10 of work, you would be responsible to pay that?

11 A How I read it is that if there were any additional work to be  
12 done, a written -- a -- where is it at -- it'd have to be in writing.

13 Q Uh-huh.

14 A To let me know what that was and probably the costs  
15 associated to it.

16 Q And would you be responsible to pay it if those were the -- if  
17 that was the case?

18 A If I am reading just that section of the paragraph?

19 Q Uh-huh.

20 A Then yes, if I'm reading just that section of the paragraph.

21 Q Okay. and then if you go -- go ahead and turn to -- we're still  
22 in this exhibit --

23 A Okay.

24 Q -- go turn to the second page, which is IN-LO 23.

25 A Okay.

1 Q And at the bottom of the first paragraph it says, "Contractor  
2 has the right to stop work" --

3 A Wait. I'm so sorry.

4 THE COURT: Yeah, let's -- I'm having a hard time following  
5 too. Where are you at? Page 23, which paragraph?

6 MS. HURTIK: First paragraph.

7 THE COURT: First paragraph. Okay.

8 MS. HURTIK: Last line.

9 THE COURT: Last line. Well, the last line of the first  
10 paragraph says, "Released", or not.?

11 MS. HURTIK: The last line in the first paragraph says, "In the  
12 event the insurance proceeds are not issued, contractor has the right to  
13 stop work until such time insurance proceeds are released."

14 THE COURT: So that starts the third line from the --

15 MS. HURTIK: That's the last sentence in the paragraph.

16 THE COURT: Okay. So you said last line.

17 MS. HURTIK: Okay. So I will --

18 THE COURT: Because we're trying to follow, so let's be  
19 precise.

20 MS. HURTIK: Okay.

21 THE COURT: So last sentence of the first paragraph that  
22 begins, "In the event", right?

23 MS. HURTIK: Yes.

24 THE COURT: Okay. And you'll have to re-ask your question  
25 too.

1 MS. HURTIK: Okay.

2 BY MS. HURTIK:

3 Q So, Mr. Inose, this says, if "the insurance proceeds are not  
4 issued, contractor has the right to stop work until such time insurance  
5 proceeds are released"; is that correct?

6 A Yes.

7 Q Okay. Did DVC stop work on the project at any time?

8 A In my opinion, yes.

9 Q Okay. And was DVC paid all of the insurance proceeds for  
10 the scope of work that they completed?

11 A Can you repeat that whole question one more time, please?

12 Q Was Desert Valley Contracting paid all of the proceeds of the  
13 bid for the contract?

14 A For the whole bid? No.

15 Q Okay. So, Mr. Inose, did you terminate Desert Valley  
16 Contracting?

17 A Yes.

18 Q Okay. And let's go back just for a clarification matter,  
19 because I want to make sure that we're clear on a few things. That  
20 Exhibit 560 it's Bates stamped IN-LO 22 to 23. That was produced by  
21 your counsel. So you said you never had this, but your counsel  
22 produced this contract.

23 A No, ma'am. What I said was I did not have this until after we  
24 were in a dispute.

25 Q So you did sign the contract, correct?

1           A     I do not recall signing this contract at all; however, that is my  
2     signature, and it is -- that is my handwriting on the printed portion of it.  
3     Like I explained to you before, at the time of this happening, I was in -- in  
4     shambles, and I -- I could not remember a lot of things. There was so  
5     many things going on at that time.

6           Q     Okay.

7           A     So I do not remember exactly signing this contract.

8           Q     Okay. And is it your practice to not read contracts before you  
9     sign them?

10          A     No, not typically. Typically, yeah, I would read a contract;  
11     however, in -- in this circumstance, like I said, it was under severe just I --  
12     I didn't even know what to do. It was crazy.

13          Q     Okay. And you're a businessman, correct?

14          A     I do own businesses, yes.

15          Q     Yeah. So you're used to reading contracts, aren't you?

16          A     To some extent, yes.

17          Q     Okay. So you enter into the contract with Desert Valley  
18     Contracting to rebuild the house, correct?

19          A     That is correct.

20          Q     And when did you terminate Desert Valley Contracting?

21          A     I could approximate the month, but I don't know the exact  
22     date or anything like that. It was the latter half of 2015, probably around  
23     November of 2015.

24          Q     Okay. And let's go to -- hold on one moment. So did you  
25     have contracts with any of the subcontractors to do the work on the

1 house?

2 A Directly? Are we talking prior to them getting terminated or  
3 after they got terminated?

4 Q Prior to them being terminated.

5 A No, I did not have contracts with them.

6 Q Okay. And when did you first start talking to the  
7 subcontractors?

8 THE COURT: Like, so you mean, talking generally with  
9 people working on the project, or do you mean, so if you could clarify  
10 your question. I don't even get exactly what you're asking.

11 MS. HURTIK: Sure.

12 BY MS. HURTIK:

13 Q So, Mr. Inose, you terminated the general contractor, so  
14 you --

15 THE COURT: He's already testified to that.

16 MS. HURTIK: Yeah, I'm trying to clarify --

17 THE COURT: Okay.

18 MS. HURTIK: -- it for you, Your Honor.

19 BY MS. HURTIK:

20 Q So you terminated the general contractor, so then when did  
21 you first reach out to the subcontractors?

22 A It was shortly around that time. I do not recall the exact date,  
23 but it was right around that time.

24 Q Okay. So you believe it was in November of 2015?

25 A It was somewhere around there, yes.

1 Q Okay. I'm going to -- in that same binder, go to Exhibit 561.  
2 Okay. This is an inspection -- a permit inspection history. And I want  
3 you to look at the first column and it says, "Inspection history for permit."  
4 And I think it says BRBB 2014009896. The first column says,  
5 "Scheduled." The first four scheduled dates say, "12/17/2015." Do you  
6 see that?

7 A Yes, I do.

8 Q Okay. So the first line 12/17/2015, it says, "Description", the  
9 second column, "Final two", it says, "Completed 12/17/2015", and then it  
10 says, "Result pass." Do you know what inspection that was for that that  
11 passed?

12 A Not at all.

13 Q Okay. Then go to the second one, 12/17/2'15. It says, "Final  
14 mechanical completed 12/17/2015." And it says, "Passed." Do you see  
15 that?

16 A Yes, I do.

17 Q So is it your understanding that the mechanical passed -- the  
18 final mechanical inspection passed on 12/17/2015, on your house?

19 A That's what it looks like, yes.

20 Q Okay. And then the third line is 12/17/2015, and it says, "Final  
21 plumbing 12/17/2015." That says, "Passed", as well. Is that your  
22 understanding that the plumbing was finaled [sic] and passed at that  
23 time too?

24 A Yes, it appears so.

25 Q Okay. Then the fourth line says, "12/17/2015, final electrical."

1 It says, "Completed 12/17/2015." And it says, "Passed." Is it your  
2 understanding that the final electrical was passed at that time as well?

3 A Yes, it appears so.

4 Q So you terminated DVC in November of 2015 sometime,  
5 correct?

6 A Like I said, I don't know if it was November, or I don't know  
7 exactly what month it was. I just know it was the latter portion of the  
8 year.

9 Q Okay. And your plumbing, mechanical, electrical, and there's  
10 another item, which it doesn't clarify, those were all finalized [sic], the  
11 house was completed, as to those items, which are those times on  
12 12/17/2015, correct?

13 A When you say "completed", in the eyes of the inspector, yes,  
14 it was completed.

15 Q Okay. So since you bring that up, "in the eyes of the  
16 inspector", you didn't agree with the inspector?

17 A No, no, not at all. That's not what I meant by that at all.

18 Q Okay.

19 A What I --

20 Q Why don't you --

21 A -- what -- if I may expatiate on that, I'm just saying that in  
22 order to get a final, from my understanding, it's basically, to get it to a  
23 certain point where it's like the bare minimum to get it passed.

24 Q So you think a final inspection is for bare minimum, it isn't  
25 completion?

1           A     When -- in this particular case, when this is a custom home,  
2 there's a lot of items that were still not completed.

3           Q     Okay. So let me ask you, when this reconstruction began,  
4 did you direct who Desert Valley would use as subcontractors?

5           A     No, I did make some suggestions though.

6           Q     So you didn't insist that it be original subcontractors?

7           A     No. I did -- I did recommend that they used whoever was still  
8 in business. I built this house back in 2000 -- it got completed in 2008.  
9 After 2008, so many people went out of business. There's only like  
10 maybe two or three original subcontractors that touched my -- the  
11 original -- when I say the original house, meaning when I first  
12 constructed the house back in 2008. I thought there was going to be  
13 more, but there were just so many people out of business.

14          Q     Okay. So if we were to go through a list of subcontractors,  
15 would you be able to tell me if they were original construction, as well as  
16 the remediation or reconstruction of the house?

17          A     If you're asking who was on the original job when I finished  
18 the house in 2008, versus who was on the house in 2015 --

19          Q     Yes.

20          A     -- yes, I can.

21          Q     Okay. So was Diversified a contractor that was original?

22          A     Can you -- Diversified?

23          Q     Uh-huh.

24          A     Do they have more of a name than Diversified?

25          Q     We'll go back through contracts. If you don't recognize it,

1 just tell --

2 A Oh, okay.

3 Q -- I'm going to try to get some --

4 A Okay.

5 Q -- names.

6 A Yeah, okay.

7 Q Okay. What about -- so you're unsure Diversified?

8 A I am unsure about Diversified.

9 Q So DH Electric?

10 A Nope, they were not.

11 Q DH Electric was not original?

12 A No.

13 Q Sunrise Service?

14 A Sunrise Mechanical was, but not Sunrise Service. The -- the  
15 distinguish between them is Sunrise Mechanical did the HVAC stuff and  
16 Sunrise Services did plumbing and I did not use them as plumbers in the  
17 first contract, so no.

18 Q Artesia Kitchen and Cabinets?

19 A No.

20 Q No, they weren't original?

21 A They were not original.

22 Q Okay. Creative Closets?

23 A Creative Closets?

24 Q Uh-huh.

25 A No, they were not original.

1 Q Dyba Interior?  
2 A Dyba Interior was original.  
3 Q Okay.  
4 A She's a designer.  
5 Q Okay. So Dyba Interior was your original designer and you  
6 used her again on the reconstruction?  
7 A That is correct.  
8 Q Okay. Eagle Sentry?  
9 A Yes, they were.  
10 Q Summit Tile & Stone?  
11 A No, they were not.  
12 Q Flooring and Counters [phonetic]?  
13 A No, they were not.  
14 Q High Bar?  
15 A Yes, they were.  
16 Q Did you insist that Rob Ramirez be the superintendent on the  
17 job?  
18 A The same as the subcontractors, ma'am. I did highly  
19 recommend that Robert Ramirez be on this job as supervisor, yes.  
20 Q Okay. And Rob Ramirez, again, you're not sure if he actually  
21 had a license -- a contracting license?  
22 A No, ma'am. I do not know.  
23 Q So how much was the -- do you know how much the final bid  
24 was to complete your house to put it back in the condition it was before?  
25 MR. BOSCHEE: Objection. Final bid, or final estimate?

1 MS. HURTIK: Final estimate.

2 MR. BOSCHKE: Okay.

3 THE WITNESS: The one from the insurance company that  
4 Daniel worked out, that one?

5 BY MS. HURTIK:

6 Q The one from Desert Valley Contracting that --

7 A Yes -- yes, I'm sorry. Yes, from DVC that -- yes, Daniel  
8 worked out with the insurance company, yes. It was approximately 1.3  
9 million.

10 Q Okay. And did you have any upgrades on the house when  
11 you put it back together?

12 A In some certain areas I did have some upgrades, yes.

13 Q Okay. And what areas were those that you had upgrades?

14 A The upgrades that I did were in the wine room, and other  
15 than that just the doors in the -- that lead into the lounge; however, I  
16 must add that I did not do certain other areas in the house. I had a -- a  
17 multi-person sauna -- temperature-controlled sauna that was all wood  
18 that we did not do. And also, I had a dome roof -- a dome ceiling -- I'm  
19 sorry -- not a roof -- a dome ceiling in the lounge that I did not do that  
20 was very labor intensive, so I decided not to do it.

21 Q Okay. And so in the wine room, who was the contractor that  
22 did the wine room?

23 A It was High Bar and Artesia Cabinets, and I believe that -- and  
24 also DVC themselves because they did the drywall work, and the  
25 painting in there.

1 Q Okay. And did you -- what did you change? What was the  
2 major change that you made in the wine room?

3 A Okay. On the wine room I -- so I put glass instead of where  
4 drywall was before. So before I had glass door, and then I still have a  
5 glass door, but I also now put in a glass wall where there was drywall  
6 before.

7 Q Was that a significant increase in cost?

8 A What would you define as significant?

9 Q Was it increase in cost from the drywall?

10 A Yes, it was an increase in cost in drywall, yes.

11 Q And did you think that you needed to pay for that increase in  
12 cost?

13 A No, ma'am.

14 Q Why not?

15 A Like I stated earlier, right now, the sauna was taken out,  
16 which I do not know how much it is, but it's quite a bit of money. There  
17 was other things that we did not do in -- in lieu of so we were able to  
18 spruce up some areas that -- that I felt was better -- the money was better  
19 used.

20 Q So you were involved in going through the financials with  
21 DVC to determine where the money should be used?

22 A I'm not sure I understand that question. When you say that I  
23 went through the financials with them what do you mean by that,  
24 ma'am?

25 Q Well, they gave you an estimate?

1           A     No, they never gave me an estimate on that. On -- you're --  
2     you're talking -- are we just talking about the wine room right now?

3           Q     They gave you -- let's go back.

4           A     Okay.

5           Q     They gave you an estimate and you told me what the amount  
6     was?

7           A     Correct.

8           Q     And the amount was what?

9           A     Approximately 1.3 million.

10          Q     Okay. And the estimate had a breakdown of every room,  
11     correct?

12          A     I don't know about that, ma'am. I'm not sure about every  
13     room, no.

14          Q     Okay. So are you saying that you never looked at the  
15     estimate?

16          A     Is that the one that was -- I had mentioned before that was  
17     very hard for me to understand?

18          Q     Okay. Let's go to Exhibit 571. Are you there?

19          A     Yep. Yes, ma'am, I am.

20          Q     What this is, is you'll see on the forint -- the first page starts  
21     with IN-LO 71 and this exhibit goes all the way back quite a few pages to  
22     IN-LO -- the last page is 156.

23          A     Okay. Yes, I do see that.

24          Q     Okay.

25                 MR. BOSCHEE: Okay. And then I'm going to lodge an

1 objection as to this line of questioning because I believe this estimate  
2 was the second estimate that Danny Merritt created for the insurance  
3 company in June and not the first estimate that I think you're asking  
4 questions about. I think the first estimate is a different exhibit. I think  
5 you're looking at two different estimates. I'm sorry. I'm just -- I think  
6 that's --

7 THE COURT: Well, if that's true, that's fair.

8 MR. BOSCHEE: -- right.

9 BY MS. HURTIK:

10 Q I'm going to ask you about this one. Okay.

11 MR. BOSCHEE: Okay.

12 THE WITNESS: That's fine.

13 THE COURT: Okay.

14 BY MS. HURTIK:

15 Q All right. So if you look at the first page, it says, "IN-LO 71."  
16 And there's some email transmissions and your name is on some of  
17 them -- to Brian -- and there's one from Brian Lynch. On the bottom of  
18 this first page -- are you there on 71?

19 A Yes, I am here, yes.

20 Q Okay. And this says, "We received the final estimate from  
21 your contractor. We've also received the estimates for the final costs  
22 related to your content repairs or replacement." And then he has, "The  
23 following documents are attached for your review." And that lists out  
24 what is attached in this exhibit. So where I want to lead you in this -- and  
25 this is dated June 19th, 2015. So have you ever seen the -- I'm going to

1 let you look through this -- have you ever seen this packet prior to today?

2 A If I have, ma'am, I did not look very carefully at this packet,  
3 no.

4 Q This was sent directly to you. This is saying on the first page,  
5 Wednesday, July 29th, 2015, at 1:38 p.m. from -- that's from you.  
6 There's a forwarded message from Brian Lynch June 19th, 2015, at 1:58.  
7 It says, "Good afternoon, Mr. Inose."

8 A Yeah. The email -- the email portion, yes. I mean, I -- I could  
9 definitely read that and understand that, yes.

10 Q Okay. And it says, "The following documents are attached  
11 for your review."

12 A Correct.

13 Q And it goes through and it has seven things listed, correct?

14 A Yes, it does.

15 Q Okay. So you received this, correct, from Brian Lynch?

16 A It appears so, absolutely, yes.

17 Q Okay. So let's go to IN-LO 75.

18 A Okay.

19 Q Okay. And this says that this is -- and if you go down  
20 there's -- after you get past the top part section, there's two paragraphs  
21 before it says, "Thank you, Daniel Merritt, Estimator." Do you see that?

22 A Yes. Yes, I do.

23 Q Okay. And it says, "The following is the preliminary repair  
24 estimate and scope of work for the damages at the above-mentioned  
25 property." Do you see that?

1           A     Yes, ma'am, I do.

2           Q     Okay. So if you turn to the next page, which is Bates  
3 stamped 76.

4           A     Yes. Okay.

5           Q     Up at the top underneath the address for Desert Valley in the  
6 middle it says, "Inose full bid main level." Do you see that?

7           A     Yes, I do.

8           Q     Okay. And then it shows there's a long list where it tells  
9 what they're doing. It says the description, a quantity, remove or  
10 replace, and a total number, which is all the way to the right; do you see  
11 that?

12          A     Yes, I do.

13          Q     Okay. And there's several pages of this. If you turn to the  
14 next page, which is Bates stamped 77, it says, "Pantry opens into hall."  
15 And that's right in the middle where it says, "Laundry room and pantry."  
16 Do you see that?

17          A     On 77?

18          Q     Yep. Right underneath Desert Valley Contracting's address  
19 at the top in the middle.

20          A     Mine says, "Laundry" -- oh, okay. Opens -- okay. I see it  
21 now. Opens into pantry. Yes -- yes.

22          Q     Okay. Then if you turn the page, the next page, which is  
23 Bates stamped 78, it says, "Continued laundry room." Do you see that?

24          A     Yes, I do.

25          Q     Okay. And then as you keep on flipping --

1 A Okay.

2 Q -- on every page it tells what area -- it'll say, "Continued" in  
3 the middle, what area that these are talking about -- what the repairs  
4 are -- the costs, correct?

5 A That is correct. It's -- that appears so, yes.

6 Q Okay. So then if you go to IN-LO 82, right underneath -- well,  
7 let's go back -- let's go to IN-LO 81. After the first top portion in the  
8 middle it says, "Wine cellar". Do you see that?

9 A Yes, I do.

10 Q Okay. And then it starts with, item number, description  
11 number 75. So this goes -- it says, R&R duct work, hot and cold air, per  
12 run insulated, and then it just keeps on -- it says the quantity, remove or  
13 replace, and the totals, correct?

14 A That -- yes. That is correct.

15 Q Okay. And then if you turn one more page to IN-LO 82 it  
16 says, "Continued wine cellar" in the middle, correct?

17 A That is correct.

18 Q Okay. So at the bottom of the description for the wine cellar  
19 you'll see totals to the left, totals wine cellar.

20 A Okay.

21 Q And it says, \$5,751.58 all the way to the right. Do you see  
22 that?

23 A Yes, I do.

24 Q Okay. So is the only upgrade you did in the wine cellar the  
25 glass door?

1           A     No, it already had a glass door prior to this. What I did was I  
2 replaced a drywall wall. Is that the correct way to -- I don't even know  
3 that's the right terminology, but a drywall --

4           Q     Sure.

5           A     -- wall with glass.

6           Q     Okay. And did you change the countertops?

7           A     As far as material goes?

8           Q     As far as material goes?

9           A     No, not the material. No.

10          Q     So you always had quartz premium grade in there?

11          A     I always had a quartzite -- quartzite.

12          Q     Quartzite?

13          A     Quartzite. You know, I cannot remember, at this time, right  
14 now exactly what material I had in the wine room, other than it was  
15 either a travertine, a quartzite, or something like -- something of that  
16 magnitude, but I'm almost sure it was a quartzite.

17          Q     Okay. And you had bullnose, rounded corners done on all of  
18 your countertops in the bathrooms, the wine room, and the kitchen,  
19 correct?

20          A     Are we talking -- okay, first of all, bullnose -- bullnose corners  
21 you said?

22          Q     Uh-huh.

23          A     Is bullnose the same as -- what -- what is that -- what is that?  
24 Is that the rounded edges?

25          Q     Okay. So did you have -- did you tell them what to do with

1 the countertops? When they were replaced, did you pick countertops  
2 out?

3 A I did pick the countertops out, yes.

4 Q Okay. So they had an edge on them where they hadn't  
5 before, correct?

6 A They -- I don't -- you know, honestly I don't recall what it had  
7 back in 2006 to 2008. I don't remember the exact edge that I used to  
8 have on them. And you're -- are you ask -- okay. So are you asking if I  
9 did a bullnose edge?

10 Q Uh-huh.

11 A I -- I'm not 100 percent sure of that, ma'am. I don't know  
12 what a bullnose edge is.

13 Q Do you know what a mitered edge is?

14 A A mitered edge?

15 Q Uh-huh.

16 A I learned of that terminology when they were putting in --  
17 one of the countertops. Yes.

18 Q Okay. So you put in mitered edges?

19 A You know, I still don't know exactly what a mitered edge is.  
20 I -- but that's what they were calling it. Yes.

21 Q And they told that that was an additional cost?

22 A Nobody told me that.

23 Q Danny Merritt never told you that?

24 A Daniel Merritt never told me that.

25 Q Okay. So as we flip through this estimate, if you go to IN-LO

1 85 --  
2 A Okay.  
3 Q -- the top says, "Dining room."  
4 A Yes.  
5 Q The next page IN-LO 86 says, "Kitchen."  
6 A Yes -- yes.  
7 Q Okay. So this estimate was going through room-by-room,  
8 correct?  
9 A Yes, it appears so, yes.  
10 Q Okay. So let's go all the way to IN-LO 132.  
11 A 132. Okay.  
12 Q Okay. And this says there's totals, and it says, "ACV total",  
13 and at the bottom it says, "1,320,429.28." Is that the amount that it was  
14 your understanding was given to the insurance company?  
15 A You mean that the insurance company was giving to me; is  
16 that correct?  
17 Q Is this -- this is a -- this was prepared -- you can see by  
18 looking at it --  
19 A Yes.  
20 Q -- this was prepared by Desert Valley Contracting.  
21 A Yes, correct.  
22 Q It is an estimate for the repairs to -- the reconstruction of the  
23 house, correct?  
24 A Okay. I get you -- I get what you're saying. Yes, it was -- this  
25 was a -- an estimate from DVC to the insurance company, yes -- yes.

1 Q Okay.

2 A I'm sorry. I thought -- I thought you meant something else.

3 I'm sorry.

4 Q So this amount that they gave the insurance company was

5 for 1,320,429.29, correct?

6 A Yes, it appears so.

7 Q Okay.

8 A I don't know what ACV stands for, but yes.

9 Q Okay. So now let's go -- stay in this same exhibit and go to

10 IN-LO 154.

11 A IN-LO 154. Okay.

12 Q And just tell me when you -- you're there?

13 A Oh, I'm here. Yes.

14 Q I'm just going to make sure the judge is.

15 So now this is kind of hard to read. Can you read this?

16 A Are you asking me?

17 Q Yes, I'm asking you.

18 A Yes, I -- I can, yes.

19 Q And I'm going to put it up here, just maybe it will help.

20 THE COURT: That's fine. Yeah. No. Thank you.

21 MS. HURTIK: I hope.

22 THE COURT: You might have to zoom in.

23 MS. HURTIK: It's okay. My eyes are having problems too,

24 so --

25 THE COURT: Okay.

1 MS. HURTIK: -- I don't have my glasses. They got taken  
2 because they weren't right.

3 THE WITNESS: There it is. It's much clearer now.

4 THE COURT: Yeah.

5 MS. HURTIK: It's not clear for me, but okay. Let's hope it is  
6 for you.

7 THE WITNESS: Yes.

8 MS. HURTIK: See what happens when you get old.

9 THE WITNESS: Oh, no, believe me, I have the same exact  
10 issues. That's why I'm taking off my glasses sometimes.

11 THE COURT: And putting them back on and taking them off.

12 MS. HURTIK: Is this better though, can you see it better?

13 THE COURT: Uh-huh.

14 MS. HURTIK: Okay.

15 BY MS. HURTIK:

16 Q So okay. Up at the top, and I'm going to -- there's a table to  
17 the right. Okay. Over here.

18 A Yes -- yes.

19 Q Okay. And so it says, "SERVPRO mitigation final bill." The  
20 first line. And it says, "96,753.95." Could you see that?

21 A Yes, I do.

22 Q Okay. And then it says, "First advance payment to Desert  
23 Valley 50,000." And then if you just go down the line, it shows other  
24 advance payments to Desert Valley, 349,773; 23,961. And then a fourth  
25 advance 300,000. And then a final payment to Desert Valley 554, 508.41.

1 Do you see that?

2 A I do see that, yes.

3 Q Okay. So does that indicate, to you, that SERVPRO was a  
4 separate entity?

5 A Oh, I -- I'll be honest with you, ma'am, I -- I don't even -- I  
6 didn't even look at this.

7 Q So this was sent to you for -- so that you could get a final  
8 number of what you were going to be paid out on the claim, correct?

9 A Yes, it is correct.

10 Q Okay. So you're saying you never looked at it?

11 A Ma'am, no. I relied on Daniel from Desert Valley to handle all  
12 the numbers for me.

13 Q Okay. And my question is, when we started talking about  
14 this exhibit, the emails -- let me make sure that I'm correct on this --

15 A No, it was sent to me.

16 Q Sent to you?

17 A Yes.

18 Q And Danny isn't CC'd on this is he?

19 A I -- I don't -- I don't know about that one. He must have  
20 gotten it before. Well, he's the original sender, isn't he?

21 Q It says -- let's go back to the first page, where it says, "IN-LO  
22 71."

23 A Okay.

24 Q And it shows Brian Lynch to Eugene  
25 PromotionProperties.com. That's the only person it shows going to and

1 it says, "Good afternoon, Mr. Inose."

2 A Yes, I see that.

3 Q Okay. So he sent it to you, and you're telling me you never  
4 looked at his?

5 A I believe these are in attachments and I recall seeing these  
6 type of estimates before and I asked Daniel about it, and I -- and I believe  
7 I said this in the deposition -- I don't -- I cannot make heads or tails out of  
8 these estimates. Some of them are in square footage, some of them  
9 each, and then it has a drawing, and I -- I would not know the cost of  
10 anything, as far as what it cost to pull this wall out, paint this wall, or --  
11 or anything. And Daniel told me -- he goes, he kind of chuckled and said,  
12 don't -- don't even worry about that, that's between us and the insurance  
13 company. So I -- I quite frankly, did not look very carefully at this after  
14 that, because I could not make heads or tails out of this.

15 I -- prior to this, I did look at it. Not this particular one, but I  
16 did see this type of estimate before, and I think I made a comment like  
17 this is like Swahili to me. I don't get it.

18 Q Okay. So there's a highlighted portion here. It's not on  
19 yours highlighted, but I did it so that you could see it on here.

20 A Oh, okay.

21 Q So it says additional living expenses. So you were paid out --  
22 it says, "Towne Place Suites rental payments." And there's several rental  
23 payments and I believe that they total approximately 120,000.

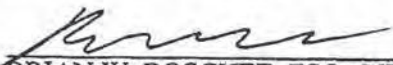
24 A Okay.

25 Q Then it says, "Total", and see where my -- well, I'm not --

1 7. For such other and further relief as the Court deems just and proper.

2 Dated this 2 day of June, 2016.

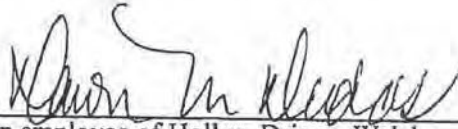
3 **HOLLEY, DRIGGS, WALCH,**  
4 **FINE, WRAY, PUZEY & THOMPSON**

5   
6 BRIAN W. BOSCH, ESQ. (NBN 7612)  
7 WILLIAM N. MILLER, ESQ. (NBN 11658)  
8 400 South Fourth Street, Third Floor  
9 Las Vegas, Nevada 89101  
10 *Attorneys for Defendants*

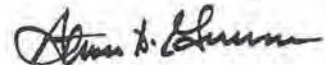
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that the foregoing **EUGENE INOSE'S ANSWER TO COMPLAINT AND COUNTERCLAIM**, was submitted electronically for filing and/or service with the Eighth Judicial District Court on the 11<sup>th</sup> day of June, 2016. Electronic service of the foregoing document shall be made in accordance with the E-Service List as follows:

Carrie E. Hurtik, Esq.  
Rachel L. Shelstad, Esq.  
**HURTIK LAW & ASSOCIATES**  
7866 West Sahara Avenue  
Las Vegas, NV 89117  
*Attorneys for Plaintiff/Counterdefendant*

  
An employee of Holley, Driggs, Walch,  
Fine, Wray, Puzey & Thompson

# EXHIBIT 3



CLERK OF THE COURT

CCAN  
CARRIE E. HURTIK, ESQ.  
Nevada Bar No. 7028  
RACHEL L. SHELSTAD, ESQ.  
Nevada Bar No. 13399  
RACHEL A. SLOANE, ESQ.  
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Attorneys for Plaintiff/Counter-defendant,  
DESERT VALLEY CONTRACTING, INC.

EIGHTH JUDICIAL DISTRICT COURT  
CLARK COUNTY, NEVADA

DESERT VALLEY CONTRACTING, INC. a  
Nevada corporation,

Plaintiff,

vs.

IN-LO PROPERTIES, a Nevada limited  
liability company; EUGENE INOSE, an  
individual; JEFFREY LOUIE, an individual;  
DOES 1 through 10; and ROE ENTITIES 1  
through 10,

Defendants.

EUGENE INOSE, an individual;

Counterclaimant,

vs.

DESERT VALLEY CONTRACTING, INC., a  
Nevada corporation; DOES I through X,  
inclusive, and ROE CORPORATIONS I  
through X, inclusive,

Counterdefendants.

Case No.: A-16-734351-C  
Dept. No.: XV

PLAINTIFF/COUNTER-DEFENDANT,  
DESERT VALLEY CONTRACTING, INC.'S  
ANSWER TO  
DEFENDANT/COUNTERCLAIMANT,  
EUGENE INOSE'S COUNTERCLAIM

1                   **PLAINTIFF/COUNTER-DEFENDANT, DESERT VALLEY CONTRACTING, INC.'S**  
2                   **ANSWER TO DEFENDANT/COUNTERCLAIMANT, EUGENE INOSE'S COUNTERCLAIM**

3                   COMES NOW, Plaintiff/Counter-defendant DESERT VALLEY CONTRACTING, INC.  
4 (hereinafter "Plaintiff/Counter-defendant, DVC" or "Counter-defendant"), by and through its  
5 attorneys, CARRIE E. HURTIK, ESQ., RACHEL L. SHELSTAD, ESQ., and RACHEL A. SLOANE,  
6 ESQ., of the law firm HURTIK LAW & ASSOCIATES, hereby Answers Defendant/Counterclaimant,  
7 EUGENE INOSE (hereinafter "Counterclaimant") Counterclaim as follows:  
8

9                   **THE PARTIES**

10                  1.       Answering Paragraph 1 set forth in Counterclaimant's Counterclaim, this Answering  
11 Counter-defendant admits the allegations set forth in said Paragraph.

12                  2.       Answering Paragraph 2 set forth in Counterclaimant's Counterclaim, this Answering  
13 Counter-defendant admits the allegations set forth in said Paragraph.

14                  3.       Answering Paragraph 3 set forth in Counterclaimant's Counterclaim, this Answering  
15 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
16 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
17 this Paragraph.  
18

19                               **JURISDICTION AND VENUE**

20                  4.       Answering Paragraph 4. set forth in Counterclaimant's Counterclaim, this Answering  
21 Counter-defendant assert that the allegations contained therein constitute legal conclusions, to which  
22 no response is required. To the extent said paragraph is determined to contain factual allegations made  
23 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
24 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.  
25

26                  ///

27                  ///

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**GENERAL ALLEGATIONS**

5. Answering Paragraph 5 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in this Paragraph.

6. Answering Paragraph 6 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in this Paragraph.

7. Answering Paragraph 7 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in this Paragraph.

8. Answering Paragraph 8 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in this Paragraph.

9. Answering Paragraph 9 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in this Paragraph.

10. Answering Paragraph 10 set forth in Counterclaimant's Counterclaim, this Answering Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the

1 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
2 this Paragraph.

3       11. Answering Paragraph 11 set forth in Counterclaimant's Counterclaim, this Answering  
4 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
5 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
6 this Paragraph.  
7

8       12. Answering Paragraph 12 set forth in Counterclaimant's Counterclaim, this Answering  
9 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
10 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
11 this Paragraph.  
12

13       13. Answering Paragraph 13 set forth in Counterclaimant's Counterclaim, this Answering  
14 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
15 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
16 this Paragraph.  
17

18       14. Answering Paragraph 14 set forth in Counterclaimant's Counterclaim, this Answering  
19 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
20 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
21 this Paragraph.  
22

23       15. Answering Paragraph 15 set forth in Counterclaimant's Counterclaim, this Answering  
24 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
25 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
26 this Paragraph.  
27

28       16. Answering Paragraph 16 set forth in Counterclaimant's Counterclaim, this Answering  
Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which

1 no response is required. To the extent said paragraph is determined to contain factual allegations made  
2 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
3 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.

4 17. Answering Paragraph 17 set forth in Counterclaimant's Counterclaim, this Answering  
5 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
6 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
7 this Paragraph.  
8

9 18. Answering Paragraph 18 set forth in Counterclaimant's Counterclaim, this Answering  
10 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
11 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
12 this Paragraph.  
13

14 19. Answering Paragraph 19 set forth in Counterclaimant's Counterclaim, this Answering  
15 Counter-defendant denies each and every allegation in this Paragraph.

16 20. Answering Paragraph 20 set forth in Counterclaimant's Counterclaim, this Answering  
17 Counter-defendant denies each and every allegation in this Paragraph.

18 21. Answering Paragraph 21 set forth in Counterclaimant's Counterclaim, this Answering  
19 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
20 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
21 this Paragraph.  
22

23 22. Answering Paragraph 22 set forth in Counterclaimant's Counterclaim, this Answering  
24 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
25 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
26 this Paragraph.  
27  
28

1       23.     Answering Paragraph 23 set forth in Counterclaimant's Counterclaim, this Answering  
2 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
3 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
4 this Paragraph.

5  
6       24.     Answering Paragraph 24 set forth in Counterclaimant's Counterclaim, this Answering  
7 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
8 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
9 this Paragraph.

10       25.     Answering Paragraph 25 set forth in Counterclaimant's Counterclaim, this Answering  
11 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
12 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
13 this Paragraph.

14  
15       26.     Answering Paragraph 26 set forth in Counterclaimant's Counterclaim, this Answering  
16 Counter-defendant denies each and every allegation in this Paragraph.

17       27.     Answering Paragraph 27 set forth in Counterclaimant's Counterclaim, this Answering  
18 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
19 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
20 this Paragraph.

21  
22       28.     Answering Paragraph 28 set forth in Counterclaimant's Counterclaim, this Answering  
23 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
24 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
25 this Paragraph.

26       29.     Answering Paragraph 29 set forth in Counterclaimant's Counterclaim, this Answering  
27 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
28

1 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
2 this Paragraph.

3         30. Answering Paragraph 30 set forth in Counterclaimant's Counterclaim, this Answering  
4 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
5 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
6 this Paragraph.  
7

8         31. Answering Paragraph 31 set forth in Counterclaimant's Counterclaim, this Answering  
9 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
10 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
11 this Paragraph.  
12

13         32. Answering Paragraph 32 set forth in Counterclaimant's Counterclaim, this Answering  
14 Counter-defendant denies each and every allegation in this Paragraph.

15         33. Answering Paragraph 33 set forth in Counterclaimant's Counterclaim, this Answering  
16 Counter-defendant denies each and every allegation in this Paragraph.

17         34. Answering Paragraph 34 set forth in Counterclaimant's Counterclaim, this Answering  
18 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
19 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
20 this Paragraph.  
21

22         35. Answering Paragraph 35 set forth in Counterclaimant's Counterclaim, this Answering  
23 Counter-defendant denies each and every allegation in this Paragraph.

24         36. Answering Paragraph 36 set forth in Counterclaimant's Counterclaim, this Answering  
25 Counter-defendant denies each and every allegation in this Paragraph.

26         37. Answering Paragraph 37 set forth in Counterclaimant's Counterclaim, this Answering  
27 Counter-defendant assert that the allegations contained therein constitute legal conclusions, to which  
28

1 no response is required. To the extent said paragraph is determined to contain factual allegations made  
2 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
3 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.

4 38. Answering Paragraph 38 set forth in Counterclaimant's Counterclaim, this Answering  
5 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
6 no response is required. To the extent said paragraph is determined to contain factual allegations made  
7 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
8 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.

10 **FIRST CLAIM FOR RELIEF**

11 **(Breach of Contract)**

12 39. Answering Paragraph 39 set forth in Counterclaimant's Counterclaim, this Answering  
13 Counter-defendant repeats and re-alleges the response set forth to Paragraphs 1 through 38 and  
14 incorporates the same by this reference as if fully set forth herein.

15 40. Answering Paragraph 40 set forth in Counterclaimant's Counterclaim, this Answering  
16 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
17 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
18 this Paragraph.

19 41. Answering Paragraph 41 set forth in Counterclaimant's Counterclaim, this Answering  
20 Counter-defendant denies each and every allegation in this Paragraph.

21 42. Answering Paragraph 42 set forth in Counterclaimant's Counterclaim, this Answering  
22 Counter-defendant denies each and every allegation in this Paragraph.

23 43. Answering Paragraph 43 set forth in Counterclaimant's Counterclaim, this Answering  
24 Counter-defendant denies each and every allegation in this Paragraph.

1           44.     Answering Paragraph 44 set forth in Counterclaimant's Counterclaim, this Answering  
2 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
3 no response is required. To the extent said paragraph is determined to contain factual allegations made  
4 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
5 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.  
6

7           45.     Answering Paragraph 45 set forth in Counterclaimant's Counterclaim, this Answering  
8 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
9 no response is required. To the extent said paragraph is determined to contain factual allegations made  
10 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
11 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.  
12

#### 13                   SECOND CLAIM FOR RELIEF

##### 14                   (Breach of the Implied Covenant of Good Fair (sir) and Fair Dealing)

15           46.     Answering Paragraph 46 set forth in Counterclaimant's Counterclaim, this Answering  
16 Counter-defendant repeats and re-alleges the response set forth to Paragraphs 1 through 45 and  
17 incorporates the same by this reference as if fully set forth herein.

18           47.     Answering Paragraph 47 set forth in Counterclaimant's Counterclaim, this Answering  
19 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
20 no response is required. To the extent said paragraph is determined to contain factual allegations made  
21 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to  
22 enable it to admit or deny the allegations and on that basis deny the allegations contained therein.  
23

24           48.     Answering Paragraph 48 set forth in Counterclaimant's Counterclaim, this Answering  
25 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
26 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
27 this Paragraph.  
28

1       49.     Answering Paragraph 49 set forth in Counterclaimant's Counterclaim, this Answering  
2 Counter-defendant denies each and every allegation in this Paragraph.

3       50.     Answering Paragraph 50 set forth in Counterclaimant's Counterclaim, this Answering  
4 Counter-defendant denies each and every allegation in this Paragraph.

5       51.     Answering Paragraph 51 set forth in Counterclaimant's Counterclaim, this Answering  
6 Counter-defendant denies each and every allegation in this Paragraph.

7       52.     Answering Paragraph 52 set forth in Counterclaimant's Counterclaim, this Answering  
8 Counter-defendant assert that the allegations contained therein constitute legal conclusions, to which no  
9 response is required. To the extent said paragraph is determined to contain factual allegations made  
10 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
11 it to admit or deny the allegations and on that basis deny the allegations contained therein.

12       53.     Answering Paragraph 53 set forth in Counterclaimant's Counterclaim, this Answering  
13 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
14 no response is required. To the extent said paragraph is determined to contain factual allegations made  
15 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
16 it to admit or deny the allegations and on that basis deny the allegations contained therein.

17       54.     Answering Paragraph 54 set forth in Counterclaimant's Counterclaim, this Answering  
18 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
19 no response is required. To the extent said paragraph is determined to contain factual allegations made  
20 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
21 it to admit or deny the allegations and on that basis deny the allegations contained therein.

22     ///

23     ///

24     ///

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1 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
2 it to admit or deny the allegations and on that basis deny the allegations contained therein.

3 **FOURTH CLAIM FOR RELIEF**

4 **(Intentional Interference with Prospective Economic Advantage)**

5  
6 62. Answering Paragraph 62 set forth in Counterclaimant's Counterclaim, this Answering  
7 Counter-defendant repeats and re-alleges the response set forth to Paragraphs 1 through 61 and  
8 incorporates the same by this reference as if fully set forth herein.

9 63. Answering Paragraph 63 set forth in Counterclaimant's Counterclaim, this Answering  
10 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
11 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
12 this Paragraph.

13  
14 64. Answering Paragraph 64 set forth in Counterclaimant's Counterclaim, this Answering  
15 Counter-defendant is without sufficient knowledge or information to form a belief as to the truth of the  
16 remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation in  
17 this Paragraph.

18 65. Answering Paragraph 65 set forth in Counterclaimant's Counterclaim, this Answering  
19 Counter-defendant denies each and every allegation in this Paragraph.

20  
21 66. Answering Paragraph 66 set forth in Counterclaimant's Counterclaim, this Answering  
22 Counter-defendant denies each and every allegation in this Paragraph.

23 67. Answering Paragraph 67 set forth in Counterclaimant's Counterclaim, this Answering  
24 Counter-defendant denies each and every allegation in this Paragraph.

25 68. Answering Paragraph 68 set forth in Counterclaimant's Counterclaim, this Answering  
26 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
27 no response is required. To the extent said paragraph is determined to contain factual allegations made  
28

1 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
2 it to admit or deny the allegations and on that basis deny the allegations contained therein.

3 69. Answering Paragraph 69 set forth in Counterclaimant's Counterclaim, this Answering  
4 Counter-defendant asserts that the allegations contained therein constitute legal conclusions, to which  
5 no response is required. To the extent said paragraph is determined to contain factual allegations made  
6 against Counter-defendant, Counter-defendant is without knowledge or information sufficient to enable  
7 it to admit or deny the allegations and on that basis deny the allegations contained therein.  
8

### 9 AFFIRMATIVE DEFENSES

#### 10 FIRST AFFIRMATIVE DEFENSE

11 Counterclaimant's Counterclaim fails to state a claim against the Answering Counter-  
12 defendant upon which relief can be granted.  
13

#### 14 SECOND AFFIRMATIVE DEFENSE

15 Counterclaimant's claims are barred by the applicable statutes of limitations.

#### 16 THIRD AFFIRMATIVE DEFENSE

17 Counterclaimant's claims are barred under the Doctrine of Laches.

#### 18 FOURTH AFFIRMATIVE DEFENSE

19 Counterclaimant's claims are barred under the Doctrine of Waiver.  
20

#### 21 FIFTH AFFIRMATIVE DEFENSE

22 The Answering Counter-defendant aver that Counterclaimant's injuries and damages, if any,  
23 were contributed to and caused by Counterclaimant's own acts and negligence, which negligence was  
24 greater than Answering Counter-defendant's negligence, if any.

#### 25 SIXTH AFFIRMATIVE DEFENSE

26 Counterclaimant has failed to mitigate his damages and/or the Answering Counter-defendant is  
27 entitled to a reduction in damages under the doctrine of avoidable consequences.  
28

1                                   **SEVENTH AFFIRMATIVE DEFENSE**

2           Counterclaimant's claims are reduced, in whole or in part, by virtue of the actions of third  
3 persons over whom the Answering Counter-defendant exercised no control and whose actions were a  
4 proximate cause of Counterclaimant's alleged damages.  
5

6                                   **EIGHTH AFFIRMATIVE DEFENSE**

7           Counterclaimants are guilty of unclean hands.

8                                   **NINTH AFFIRMATIVE DEFENSE**

9           Counterclaimant has failed to satisfy conditions precedent to bring any action against  
10 Answering Counter-defendant.

11                                  **TENTH AFFIRMATIVE DEFENSE**

12           If the Answering Counter-defendant failed to perform any contractual obligation owed to  
13 Counterclaimant, which it expressly denies, there is a valid excuse for such nonperformance.  
14

15                                  **ELEVENTH AFFIRMATIVE DEFENSE**

16           If the Answering Counter-defendant failed to perform any contractual or legal obligation owed  
17 to Counterclaimant, which it expressly denies, it was due to fraud perpetrated on the Answering  
18 Counter-defendant by Counterclaimant.

19                                  **TWELFTH AFFIRMATIVE DEFENSE**

20           Counterclaimant's claims for relief are barred by the Doctrines of Estoppel, Estoppel by Fraud,  
21 and/or Equitable Estoppel.  
22

23                                  **THIRTEENTH AFFIRMATIVE DEFENSE**

24           The conduct of the Answering Counter-defendant alleged to be wrongful was induced by  
25 Counterclaimant's own conduct.

26   ///

27   ///

1                                   **FOURTEENTH AFFIRMATIVE DEFENSE**

2           Counterclaimant ratified, approved or acquiesced in the actions of Answering Counter-  
3 defendant

4                                   **FIFTEENTH AFFIRMATIVE DEFENSE**

5           The Answering Counter-defendant, at all relevant times herein, acted in accordance with  
6 reasonable standards, in good faith, with reasonable care and did not contribute to the alleged  
7 damages.  
8

9                                   **SIXTEENTH AFFIRMATIVE DEFENSE**

10          The Answering Counter-defendant denies each and every allegation of Counterclaimant's  
11 Counterclaim not specifically admitted or otherwise pleaded to herein.

12                                  **SEVENTEENTH AFFIRMATIVE DEFENSE**

13          It has been necessary to employ the services of an attorney to defend this action and a  
14 reasonable sum should be allowed Answering Counter-defendant as and for attorneys' fees, together  
15 with costs expended on this action.  
16

17                                  **EIGHTEENTH AFFIRMATIVE DEFENSE**

18          Answering Counter-defendant incorporates by reference those affirmative defenses enumerated  
19 in N.R.C.P 8, as if fully set forth herein. If further investigation or discovery reveals the applicability  
20 of any such defenses, Answering Counter-defendant reserves the right to seek leave of Court to amend  
21 this answer to specifically assert any such defense. Such defenses are herein incorporated by reference  
22 for the specific purpose of not waiving any such defenses.  
23

24                                  **NINETEENTH AFFIRMATIVE DEFENSE**

25          Pursuant to N.R.C.P, Rule 11, as amended, all possible affirmative defenses may not have been  
26 alleged herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of  
27 this Answering Counter-defendant's Answer to Counterclaimant's Counterclaim; and therefore, this  
28

1 Answering Counter-defendant reserves the right to amend this Answer to allege additional affirmative  
2 defenses.

3 WHEREFORE, this answering Plaintiff/Counter-defendant, DESERT VALLEY  
4 CONTRACTING, INC. prays as follows:  
5

- 6 1. That Defendant/Counterclaimant, EUGENE INOSE takes nothing by reason of the  
7 Counterclaim on file herein;
- 8 2. That the Defendant/Counterclaimant, EUGENE INOSE'S Counterclaim be dismissed  
9 with prejudice as against this answering Counter-defendant;
- 10 3. That this answering Plaintiff/Counter-defendant, DESERT VALLEY  
11 CONTRACTING, INC. recovers costs and reasonable attorneys' fees incurred herein;  
12 and  
13
- 14 4. For such other and further relief as the Court may deem just and proper under the  
15 circumstances.

16 DATED this 8<sup>th</sup> day of July, 2016.

17 **HURTIK LAW & ASSOCIATES**

18 

19 **CARRIE E. HURTIK, ESQ.**

20 Nevada Bar No. 7028

21 7866 W. Sahara Avenue

22 Las Vegas, Nevada 89117

23 (702) 966-5200 Telephone

24 (702) 966-5206 Facsimile

25 churtik@hurtiklaw.com

26 Attorneys for Plaintiff/Counter-defendant,  
27 DESERT VALLEY CONTRACTING, INC.  
28

1 CERTIFICATE OF SERVICE

2 STATE OF NEVADA )  
3 ) ss.  
4 COUNTY OF CLARK )

5 I, RACHEL L. SHELSTAD, declare:

6 I am a resident of and employed in Clark County, Nevada. I am over the age of eighteen (18)  
7 years and not a party to the within action. My business address is 7866 West Sahara Avenue, Las  
8 Vegas, Nevada 89117.

9 Pursuant to N.R.C.P 5(b) and EDCR 7.26, I hereby certify that on 8<sup>th</sup> day of July, 2016, I  
10 served a true and correct copy of the foregoing document described as PLAINTIFF/COUNTER-  
11 DEFENDANT, DESERT VALLEY CONTRACTING, INC.'S ANSWER TO  
12 DEFENDANT/COUNTERCLAIMANT, EUGENE INOSE'S COUNTERCLAIM the parties listed

13 below:

14  
15 BRIAN W. BOSCHKEE, ESQ.  
16 WILLIAM N. MILLER, ESQ.  
17 HOLLEY, DRIGGS, WALCH  
18 FINE, WRAY, PUZEY & THOMPSON  
19 400 South Fourth Street, Third Floor  
Las Vegas, Nevada 89101  
Attorneys for Defendants

20 ☒ VIA U.S. MAIL: by placing a true copy thereof enclosed in a sealed envelope with postage  
21 thereon fully prepaid, in the United States mail at Las Vegas, Nevada. I am "readily familiar"  
22 with the firm's practice of collection and processing correspondence by mailing. Under that  
23 practice, it would be deposited with the U.S. postal service on that same day with postage fully  
prepaid at Las Vegas, Nevada in the ordinary course of business. I am aware that on motion of  
the party served, service is presumed invalid if postal cancellation date or postage meter date is  
more than one day after date of deposit for mailing an affidavit.

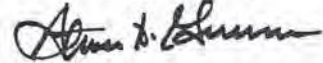
24 ☒ VIA ELECTRONIC SERVICE: by transmitting via electronic service maintained by court's  
25 electronic filing system, on whom it is served at the electronic service address as last given by  
26 that person on any e-document which he/she has filed in the action and served on the party  
27 making the service. The copy of the document served by electronic service bears a notation of  
the date and time of transmission and the electronic mail address to which transmitted. A  
confirmation of the electronic service containing the electronic mail addresses to which the e-  
28 document(s) was/were transmitted will be maintained with the e-document(s) served.

1 I declare under penalty of perjury that the foregoing is true and correct.  
2 Executed at Las Vegas, Nevada on July 8, 2016.

3  
4 

5 RACHEL SHELSTAD, an employee of  
6 HURTIK LAW & ASSOCIATES  
7  
8  
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28

# EXHIBIT 4



CLERK OF THE COURT

1 ANCS  
2 BRIAN W. BOSCHKEE, ESQ. (NBN 7612)  
3 E-mail: [bboschkee@nevadafirm.com](mailto:bboschkee@nevadafirm.com)  
4 WILLIAM N. MILLER, ESQ. (NBN 11658)  
5 E-mail: [wmiller@nevadafirm.com](mailto:wmiller@nevadafirm.com)  
6 HOLLEY, DRIGGS, WALCH,  
7 FINE, WRAY, PUZEY & THOMPSON  
8 400 South Fourth Street, Third Floor  
9 Las Vegas, Nevada 89101  
10 Telephone: 702/791-0308  
11 Facsimile: 702/791-1912  
12 Attorneys for Defendants

13 DISTRICT COURT  
14 CLARK COUNTY, NEVADA

15 DESERT VALLEY CONTRACTING, INC. a  
16 Nevada corporation,

17 Plaintiff,

18 v.

19 IN-LO PROPERTIES, a Nevada limited liability  
20 company; EUGENE INOSE, an individual;  
21 JEFFREY LOUIE, an individual; DOES 1  
22 through 10; and ROE ENTITIES 1 through 10,

23 Defendants.

24 EUGENE INOSE, an individual;

25 Counterclaimant.

26 v.

27 DESERT VALLEY CONTRACTING, INC., a  
28 Nevada corporation; DOES I through X,  
inclusive, and ROE CORPORATIONS I through  
X, inclusive,

Counterdefendants.

Case No.: A-16-734351-C  
Dept. No.: XV

DEFENDANT IN-LO PROPERTIES'  
ANSWER TO COMPLAINT

Defendant IN-LO PROPERTIES ("IN-LO Properties"), by and through its attorneys of record, the law firm of Holley, Driggs, Walch, Fine, Wray, Puzey & Thompson, hereby responds to, admits, denies, and answers the allegations of Plaintiff/Counterdefendant DESERT VALLEY CONTRACTING, INC.'s as follows:

...

...

**PARTIES**

1  
2 1. Answering Paragraph 1 of Desert Valley's Complaint (the "Complaint"), IN-LO  
3 Properties admits that Desert Valley is a Nevada corporation. IN-LO Properties is without  
4 sufficient knowledge or information to form a belief as to the truth of the remaining allegations  
5 in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

6 2. Answering Paragraph 2 of the Complaint, IN-LO Properties admits the  
7 allegations contained in this Paragraph.

8 3. Answering Paragraph 3 of the Complaint, IN-LO Properties is without sufficient  
9 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
10 therefore denies the allegations of this Paragraph.

11 4. Answering Paragraph 4 of the Complaint, IN-LO Properties admits that Eugene  
12 Inose ("Inose") was a registered manager of it. IN-LO Properties is without sufficient  
13 knowledge or information to form a belief as to the truth of the remaining allegations in this  
14 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

15 5. Answering Paragraph 5 of the Complaint, IN-LO Properties admits that  
16 JEFFREY LOUIE ("Louie") was a registered manager of it. IN-LO Properties is without  
17 sufficient knowledge or information to form a belief as to the truth of the remaining allegations  
18 in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

19 6. Answering Paragraph 6 of the Complaint, IN-LO Properties denies the  
20 allegations contained in this paragraph.

21 7. Answering Paragraph 7 of the Complaint, IN-LO Properties is without sufficient  
22 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
23 therefore denies the allegations of this Paragraph.

24 **JURISDICTION**

25 8. Answering Paragraph 8 of the Complaint, IN-LO Properties is without sufficient  
26 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
27 therefore denies the allegations of this Paragraph.

28 ...

1           9.     Answering Paragraph 9 of the Complaint, IN-LO Properties is without sufficient  
2 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
3 therefore denies the allegations of this Paragraph.

4           10.    Answering Paragraph 10 of the Complaint, IN-LO Properties is without sufficient  
5 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
6 therefore denies the allegations of this Paragraph.

7                               **GENERAL ALLEGATIONS**

8           11.    Answering Paragraph 11 of the Complaint, IN-LO Properties admits that it  
9 purchased the Subject Property in 2005 but is without sufficient knowledge or information to  
10 form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies  
11 each and every remaining allegation of this Paragraph.

12          12.    Answering Paragraph 12 of the Complaint, IN-LO Properties is without sufficient  
13 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
14 therefore denies the allegations of this Paragraph.

15          13.    Answering Paragraph 13 of the Complaint, IN-LO Properties states that the  
16 Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
17 is without sufficient knowledge or information to form a belief as to the truth of the allegations  
18 in this Paragraph, and therefore denies the allegations of this Paragraph.

19          14.    Answering Paragraph 14 of the Complaint, IN-LO Properties states that the  
20 Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
21 is without sufficient knowledge or information to form a belief as to the truth of the allegations  
22 in this Paragraph, and therefore denies the allegations of this Paragraph.

23          15.    Answering Paragraph 15 of the Complaint, IN-LO Properties states that the  
24 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
25 knowledge or information to form a belief as to the truth of the remaining allegations in this  
26 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

27          16.    Answering Paragraph 16 of the Complaint, IN-LO Properties states that the  
28 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient

1 knowledge or information to form a belief as to the truth of the remaining allegations in this  
2 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

3 17. Answering Paragraph 17 of the Complaint, IN-LO Properties states that the  
4 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
5 knowledge or information to form a belief as to the truth of the remaining allegations in this  
6 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

7 18. Answering Paragraph 18 of the Complaint, IN-LO Properties states that the  
8 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
9 knowledge or information to form a belief as to the truth of the remaining allegations in this  
10 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

11 19. Answering Paragraph 19 of the Complaint, IN-LO Properties states that the  
12 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
13 knowledge or information to form a belief as to the truth of the remaining allegations in this  
14 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

15 20. Answering Paragraph 20 of the Complaint, IN-LO Properties states that the  
16 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
17 knowledge or information to form a belief as to the truth of the remaining allegations in this  
18 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

19 21. Answering Paragraph 21 of the Complaint, IN-LO Properties states that the  
20 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
21 knowledge or information to form a belief as to the truth of the remaining allegations in this  
22 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

23 22. Answering Paragraph 22 of the Complaint, IN-LO Properties states that the  
24 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
25 knowledge or information to form a belief as to the truth of the remaining allegations in this  
26 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

27 ...

28 ...

1           23.     Answering Paragraph 23 of the Complaint, IN-LO Properties is without sufficient  
2 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
3 therefore denies the allegations of this Paragraph.

4           24.     Answering Paragraph 24 of the Complaint, IN-LO Properties is without sufficient  
5 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
6 therefore denies the allegations of this Paragraph.

7           25.     Answering Paragraph 25 of the Complaint, IN-LO Properties is without sufficient  
8 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
9 therefore denies the allegations of this Paragraph.

10          26.     Answering Paragraph 26 of the Complaint, IN-LO Properties is without sufficient  
11 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
12 therefore denies the allegations of this Paragraph.

13          27.     Answering Paragraph 27 of the Complaint, IN-LO Properties is without sufficient  
14 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
15 therefore denies the allegations of this Paragraph.

16          28.     Answering Paragraph 28 of the Complaint, IN-LO Properties is without sufficient  
17 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
18 therefore denies the allegations of this Paragraph.

19          29.     Answering Paragraph 29 of the Complaint, IN-LO Properties is without sufficient  
20 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
21 therefore denies the allegations of this Paragraph.

22          30.     Answering Paragraph 30 of the Complaint, IN-LO Properties is without sufficient  
23 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
24 therefore denies the allegations of this Paragraph.

25          31.     Answering Paragraph 31 of the Complaint, IN-LO Properties denies the  
26 allegations contained in this paragraph.

27          32.     Answering Paragraph 32 of the Complaint, IN-LO Properties denies the  
28 allegations contained in this paragraph.

1           33.    Answering Paragraph 33 of the Complaint, IN-LO Properties denies the  
2   allegations contained in this paragraph.

3                               **FIRST CAUSE OF ACTION**

4                               **(Breach of Contract against Defendant EUGENE INOSE)**

5           34.    Answering Paragraph 34 of the Complaint, IN-LO Properties adopts, repeats, and  
6   realleges its responses to the prior allegations and the preceding paragraphs in the Answer as  
7   though fully set forth herein.

8           35.    Answering Paragraph 35 of the Complaint, IN-LO Properties denies the  
9   allegations contained in this paragraph.

10          36.    Answering Paragraph 36 of the Complaint, IN-LO Properties states that the  
11   Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
12   is without sufficient knowledge or information to form a belief as to the truth of the allegations  
13   in this Paragraph, and therefore denies the allegations of this Paragraph.

14          37.    Answering Paragraph 37 of the Complaint, IN-LO Properties states that the  
15   Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
16   is without sufficient knowledge or information to form a belief as to the truth of the allegations  
17   in this Paragraph, and therefore denies the allegations of this Paragraph.

18          38.    Answering Paragraph 38 of the Complaint, IN-LO Properties states that the  
19   Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
20   knowledge or information to form a belief as to the truth of the remaining allegations in this  
21   Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

22          39.    Answering Paragraph 39 of the Complaint, IN-LO Properties states that the  
23   Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
24   knowledge or information to form a belief as to the truth of the remaining allegations in this  
25   Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

26   ...

27   ...

28   ...

1           40.     Answering Paragraph 40 of the Complaint, IN-LO Properties states that the  
2 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
3 knowledge or information to form a belief as to the truth of the remaining allegations in this  
4 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

5           41.     Answering Paragraph 41 of the Complaint, IN-LO Properties states that the  
6 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
7 knowledge or information to form a belief as to the truth of the remaining allegations in this  
8 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

9           42.     Answering Paragraph 42 of the Complaint, IN-LO Properties states that the  
10 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
11 knowledge or information to form a belief as to the truth of the remaining allegations in this  
12 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

13           43.     Answering Paragraph 43 of the Complaint, IN-LO Properties states that the  
14 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
15 knowledge or information to form a belief as to the truth of the remaining allegations in this  
16 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

17           44.     Answering Paragraph 44 of the Complaint, IN-LO Properties states that the  
18 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
19 knowledge or information to form a belief as to the truth of the remaining allegations in this  
20 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

21           45.     Answering Paragraph 45 of the Complaint, IN-LO Properties states that the  
22 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
23 knowledge or information to form a belief as to the truth of the remaining allegations in this  
24 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

25           46.     Answering Paragraph 46 of the Complaint, IN-LO Properties is without sufficient  
26 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
27 therefore denies the allegations of this Paragraph.

28     ...

1           47.     Answering Paragraph 47 of the Complaint, IN-LO Properties is without sufficient  
2 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
3 therefore denies the allegations of this Paragraph.

4           48.     Answering Paragraph 48 of the Complaint, IN-LO Properties is without sufficient  
5 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
6 therefore denies the allegations of this Paragraph.

7           49.     Answering Paragraph 49 of the Complaint, IN-LO Properties is without sufficient  
8 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
9 therefore denies the allegations of this Paragraph.

10          50.     Answering Paragraph 50 of the Complaint, IN-LO Properties is without sufficient  
11 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
12 therefore denies the allegations of this Paragraph.

13          51.     Answering Paragraph 51 of the Complaint, IN-LO Properties is without sufficient  
14 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
15 therefore denies the allegations of this Paragraph.

16          52.     Answering Paragraph 52 of the Complaint, IN-LO Properties is without sufficient  
17 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
18 therefore denies the allegations of this Paragraph.

19          53.     Answering Paragraph 53 of the Complaint, IN-LO Properties denies the  
20 allegations contained in this paragraph.

21          54.     Answering Paragraph 54 of the Complaint, IN-LO Properties denies the  
22 allegations contained in this paragraph.

23          55.     Answering Paragraph 55 of the Complaint, IN-LO Properties denies the  
24 allegations contained in this paragraph.

25          56.     Answering Paragraph 56 of the Complaint, IN-LO Properties is without sufficient  
26 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
27 therefore denies the allegations of this Paragraph.

28     ...

1           57.     Answering Paragraph 57 of the Complaint, IN-LO Properties is without sufficient  
2 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
3 therefore denies the allegations of this Paragraph.

4                           **SECOND CAUSE OF ACTION**

5                   **(Breach of the Implied Covenant of Good Faith and Fair Dealing against Defendant**  
6                           **EUGENE INOSE)**

7           58.     Answering Paragraph 58 of the Complaint, IN-LO Properties adopts, repeats, and  
8 realleges its responses to the prior allegations and the preceding paragraphs in the Answer as  
9 though fully set forth herein.

10          59.     Answering Paragraph 59 of the Complaint, IN-LO Properties states that the  
11 allegations contained therein are legal conclusions. Notwithstanding this however, IN-LO  
12 Properties is without sufficient knowledge or information to form a belief as to the truth of the  
13 allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

14          60.     Answering Paragraph 60 of the Complaint, IN-LO Properties is without sufficient  
15 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
16 therefore denies the allegations of this Paragraph.

17          61.     Answering Paragraph 61 of the Complaint, IN-LO Properties is without sufficient  
18 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
19 therefore denies the allegations of this Paragraph.

20          62.     Answering Paragraph 62 of the Complaint, IN-LO Properties states that the  
21 allegations contained therein are legal conclusions. Notwithstanding this however, IN-LO  
22 Properties is without sufficient knowledge or information to form a belief as to the truth of the  
23 allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

24          63.     Answering Paragraph 63 of the Complaint, IN-LO Properties is without sufficient  
25 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
26 therefore denies the allegations of this Paragraph.

27     ...

28     ...

1           64.     Answering Paragraph 64 of the Complaint, IN-LO Properties is without sufficient  
2 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
3 therefore denies the allegations of this Paragraph.

4           65.     Answering Paragraph 65 of the Complaint, IN-LO Properties is without sufficient  
5 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
6 therefore denies the allegations of this Paragraph.

7           66.     Answering Paragraph 66 of the Complaint, IN-LO Properties is without sufficient  
8 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
9 therefore denies the allegations of this Paragraph.

10          67.     Answering Paragraph 67 of the Complaint, IN-LO Properties is without sufficient  
11 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
12 therefore denies the allegations of this Paragraph.

13                   **THIRD CAUSE OF ACTION**

14                   **(Unjust Enrichment against Defendant IN-LO PROPERTIES)**

15          68.     Answering Paragraph 68 of the Complaint, IN-LO Properties adopts, repeats, and  
16 realleges its responses to the prior allegations and the preceding paragraphs in the Answer as  
17 though fully set forth herein.

18          69.     Answering Paragraph 69 of the Complaint, IN-LO Properties admits the  
19 allegations contained in this Paragraph.

20          70.     Answering Paragraph 70 of the Complaint, IN-LO Properties is without sufficient  
21 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
22 therefore denies the allegations of this Paragraph.

23          71.     Answering Paragraph 71 of the Complaint, IN-LO Properties admits that Inose  
24 was a registered manager of it. IN-LO Properties is without sufficient knowledge or information  
25 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
26 denies each and every remaining allegation of this Paragraph.

27          72.     Answering Paragraph 72 of the Complaint, IN-LO Properties admits that Louie  
28 was a registered manager of it. IN-LO Properties is without sufficient knowledge or information

1 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
2 denies each and every remaining allegation of this Paragraph.

3 73. Answering Paragraph 73 of the Complaint, IN-LO Properties denies the  
4 allegations contained in this paragraph.

5 74. Answering Paragraph 74 of the Complaint, IN-LO Properties states that the  
6 allegations contained therein are legal conclusions. Notwithstanding this however, IN-LO  
7 Properties is without sufficient knowledge or information to form a belief as to the truth of the  
8 allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

9 75. Answering Paragraph 75 of the Complaint, IN-LO Properties states that the  
10 allegations contained therein are legal conclusions. Notwithstanding this however, IN-LO  
11 Properties is without sufficient knowledge or information to form a belief as to the truth of the  
12 allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

13 76. Answering Paragraph 76 of the Complaint, IN-LO Properties states that the  
14 allegations contained therein are legal conclusions. Notwithstanding this however, IN-LO  
15 Properties is without sufficient knowledge or information to form a belief as to the truth of the  
16 allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

17 77. Answering Paragraph 77 of the Complaint, IN-LO Properties is without sufficient  
18 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
19 therefore denies the allegations of this Paragraph.

20 78. Answering Paragraph 78 of the Complaint, IN-LO Properties states that the  
21 Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
22 is without sufficient knowledge or information to form a belief as to the truth of the allegations  
23 in this Paragraph, and therefore denies the allegations of this Paragraph.

24 79. Answering Paragraph 79 of the Complaint, IN-LO Properties states that the  
25 Contract is a written document which speaks for itself. Notwithstanding that, IN-LO Properties  
26 is without sufficient knowledge or information to form a belief as to the truth of the allegations  
27 in this Paragraph, and therefore denies the allegations of this Paragraph.

28 ...

1           80.     Answering Paragraph 80 of the Complaint, IN-LO Properties states that the  
2 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
3 knowledge or information to form a belief as to the truth of the remaining allegations in this  
4 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

5           81.     Answering Paragraph 81 of the Complaint, IN-LO Properties states that the  
6 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
7 knowledge or information to form a belief as to the truth of the remaining allegations in this  
8 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

9           82.     Answering Paragraph 82 of the Complaint, IN-LO Properties states that the  
10 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
11 knowledge or information to form a belief as to the truth of the remaining allegations in this  
12 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

13           83.     Answering Paragraph 83 of the Complaint, IN-LO Properties states that the  
14 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
15 knowledge or information to form a belief as to the truth of the remaining allegations in this  
16 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

17           84.     Answering Paragraph 84 of the Complaint, IN-LO Properties states that the  
18 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
19 knowledge or information to form a belief as to the truth of the remaining allegations in this  
20 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

21           85.     Answering Paragraph 85 of the Complaint, IN-LO Properties states that the  
22 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
23 knowledge or information to form a belief as to the truth of the remaining allegations in this  
24 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

25           86.     Answering Paragraph 86 of the Complaint, IN-LO Properties states that the  
26 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
27 knowledge or information to form a belief as to the truth of the remaining allegations in this  
28 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

1           87.     Answering Paragraph 87 of the Complaint, IN-LO Properties states that the  
2 Contract is a written document which speaks for itself. IN-LO Properties is without sufficient  
3 knowledge or information to form a belief as to the truth of the remaining allegations in this  
4 Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

5           88.     Answering Paragraph 88 of the Complaint, IN-LO Properties is without sufficient  
6 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
7 therefore denies the allegations of this Paragraph.

8           89.     Answering Paragraph 89 of the Complaint, IN-LO Properties is without sufficient  
9 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
10 therefore denies the allegations of this Paragraph.

11          90.     Answering Paragraph 90 of the Complaint, IN-LO Properties is without sufficient  
12 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
13 therefore denies the allegations of this Paragraph.

14          91.     Answering Paragraph 91 of the Complaint, IN-LO Properties is without sufficient  
15 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
16 therefore denies the allegations of this Paragraph.

17          92.     Answering Paragraph 92 of the Complaint, IN-LO Properties is without sufficient  
18 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
19 therefore denies the allegations of this Paragraph.

20          93.     Answering Paragraph 93 of the Complaint, IN-LO Properties is without sufficient  
21 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
22 therefore denies the allegations of this Paragraph.

23          94.     Answering Paragraph 94 of the Complaint, IN-LO Properties is without sufficient  
24 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
25 therefore denies the allegations of this Paragraph.

26          95.     Answering Paragraph 95 of the Complaint, IN-LO Properties is without sufficient  
27 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
28 therefore denies the allegations of this Paragraph.

1 96. Answering Paragraph 96 of the Complaint, IN-LO Properties denies the  
2 allegations contained in this paragraph.

3 97. Answering Paragraph 97 of the Complaint, IN-LO Properties denies the  
4 allegations contained in this paragraph.

5 98. Answering Paragraph 98 of the Complaint, IN-LO Properties denies the  
6 allegations contained in this paragraph.

7 99. Answering Paragraph 99 of the Complaint, IN-LO Properties is without sufficient  
8 knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and  
9 therefore denies the allegations of this Paragraph.

10 **FOURTH CAUSE OF ACTION**

11 **(Intentional Interference with Contract against Defendants EUGENE INOSE and IN-LO  
12 PROPERTIES)**

13 100. Answering Paragraph 100 of the Complaint, IN-LO Properties adopts, repeats,  
14 and realleges its responses to the prior allegations and the preceding paragraphs in the Answer as  
15 though fully set forth herein.

16 101. Answering Paragraph 101 of the Complaint, IN-LO Properties is without  
17 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
18 Paragraph, and therefore denies the allegations of this Paragraph.

19 102. Answering Paragraph 102 of the Complaint, IN-LO Properties is without  
20 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
21 Paragraph, and therefore denies the allegations of this Paragraph.

22 103. Answering Paragraph 103 of the Complaint, IN-LO Properties is without  
23 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
24 Paragraph, and therefore denies the allegations of this Paragraph.

25 104. Answering Paragraph 104 of the Complaint, IN-LO Properties denies the  
26 allegations contained in this paragraph.

27 105. Answering Paragraph 105 of the Complaint, IN-LO Properties denies the  
28 allegations contained in this paragraph.

107. Answering Paragraph 107 of the Complaint, IN-LO Properties is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

108. Answering Paragraph 108 of the Complaint, IN-LO Properties denies the allegations contained in this paragraph.

109. Answering Paragraph 109 of the Complaint, IN-LO Properties denies the allegations contained in this paragraph.

110. Answering Paragraph 110 of the Complaint, IN-LO Properties the allegations contained in this paragraph.

111. Answering Paragraph 111 of the Complaint, IN-LO Properties the allegations contained in this paragraph.

112. Answering Paragraph 112 of the Complaint, IN-LO Properties the allegations contained in this paragraph.

## AFFIRMATIVE DEFENSES

IN-LO Properties asserts and alleges the following non-exclusive list of defenses to this action. These defenses have been labeled as “Affirmative” defenses regardless of whether, as a matter of law, such defenses are truly affirmative defenses. Such designation should in no way be construed to constitute a concession on the part of IN-LO Properties that it bears the burden of proof to establish such defenses.

1. IN-LO Properties denies each and every allegation of the Complaint not specifically admitted or otherwise pled to herein.

2. The Complaint fails to state a claim against IN-LO Properties upon which relief can be granted.

3. At all times relevant to the allegations contained in the Complaint, IN-LO Properties acted with due care, circumspection, and good faith in the performance of any and all duties imposed on him, if any.

- 1           4.     Desert Valley's claims are barred by the doctrine of equitable estoppel.
- 2           5.     Desert Valley's claims are barred by the doctrine of equitable rescission.
- 3           6.     Desert Valley's claims are barred because it did not incur any injury or damages
- 4     cognizable at law.
- 5           7.     Desert Valley, by its own acts and conduct, waived its rights to assert any claim.
- 6           8.     Desert Valley is barred from obtaining any relief from any claim by operation of
- 7     the doctrine of unclean hands.
- 8           9.     Desert Valley claims are barred by the doctrine of laches.
- 9           10.    Each and every action contained in the Complaint is barred by Desert Valley's
- 10    breach of the implied covenant of good faith and fair dealing.
- 11          11.    Desert Valley breached or failed to perform any agreement alleged in the
- 12    Complaint and is therefore not entitled to any relief under any agreement.
- 13          12.    Damages and injuries suffered by Desert Valley, if any, are not attributable to any
- 14    act, conduct, or omission on the part of IN-LO Properties.
- 15          13.    The conduct of the IN-LO Properties was privileged.
- 16          14.    IN-LO Properties performed on his part, each and every term and condition owed
- 17    by him, if any, to Desert Valley.
- 18          15.    Desert Valley's alleged damages, if any, should be offset by monies due and
- 19    owing by Desert Valley to IN-LO Properties.
- 20          16.    Because of Desert Valley's breach of the agreement, Inose had to hire
- 21    replacement subcontractors to complete/correct Desert Valley's work on the subject property.
- 22          17.    Desert Valley has pleaded mutually exclusive claims.
- 23          18.    The conduct of IN-LO Properties alleged to be wrongful was induced by Desert
- 24    Valley's own wrongful conduct.
- 25          19.    By virtue of the acts, conduct, mismanagement and/or omissions to act of the
- 26    Desert Valley under the circumstances, IN-LO Properties is released, excused, and discharged
- 27    from any liability whatsoever to Desert Valley, which liability is expressly denied.
- 28    ...

1           20.   Desert Valley is barred from obtaining any relief from any claim by operation of  
2 the doctrine of waiver.

3           21.   Desert Valley's claims are barred by the doctrines of mutual mistake, unilateral  
4 mistake, impossibility, or impracticability.

5           22.   Desert Valley is barred from obtaining any relief from any claim by operating of  
6 the doctrine of accord and satisfaction.

7           23.   Desert Valley's claims for relief are barred on the grounds that IN-LO Properties  
8 has a valid justification for any alleged nonperformance of any alleged agreement.

9           24.   Any damages which Desert Valley may have sustained by reason of the  
10 allegations of the Complaint were proximately caused, in whole or in part, by sets of persons  
11 other than IN-LO Properties and, therefore, Desert Valley is not entitled to any relief from IN-  
12 LO Properties.

13           25.   To the extent Desert Valley's claims are based in whole or in part on alleged oral  
14 promises or statements, such claims are barred by the lack of acceptance, lack of mutuality,  
15 failure of consideration, and/or the statute of frauds.

16           26.   Desert Valley ratified, approved, or acquiesced in the actions of IN-LO  
17 Properties.

18           27.   Desert Valley has failed to mitigate its damages, if any exist or were incurred, the  
19 existence of which is expressly denied by IN-LO Properties.

20           28.   Desert Valley's claims for relief are barred on the grounds that any assent to any  
21 alleged contract was obtained by Desert Valley's misrepresentations, concealment,  
22 circumvention, and unfair practices.

23           29.   Desert Valley materially breached any agreement between the parties, thereby  
24 excusing the future performance thereof by IN-LO Properties.

25           30.   Desert Valley brings its claims in bad faith, with an ulterior motive to harass IN-  
26 LO Properties, abuse the litigation process, and otherwise raise frivolous and unfounded claims  
27 against IN-LO Properties causing IN-LO Properties to incur damages.

28           31.   Desert Valley has acted in bad faith in his dealings with IN-LO Properties.

1 32. Desert Valley's claims are barred by the economic loss doctrine.

2 33. Desert Valley's claims are barred by the statute of limitations.

3 34. IN-LO Properties hereby incorporates by reference those affirmative defenses  
4 enumerated in NRCP 8 as though fully set forth herein. Such defenses are herein incorporated  
5 by reference for the specific purpose of not waiving the same.

6 35. It has been necessary for IN-LO Properties to employ the services of an attorney  
7 to defend this Complaint and reasonable sums should be allowed as and for attorneys' fees,  
8 together with the costs expended in this action.

9 36. Pursuant to the provisions of NRCP 11, at the time of the filing of this Answer, all  
10 possible affirmative defenses may not have been alleged inasmuch as insufficient facts and  
11 relevant information may not have been available after reasonable inquiry. Therefore, IN-LO  
12 Properties reserves the right to amend this Answer to allege additional affirmative defenses if  
13 subsequent investigation so warrants.

14 **WHEREFORE**, IN-LO Properties prays for the following relief:


15 1. That Desert Valley takes nothing by way of the Complaint and that the same be  
16 dismissed with prejudice;

17 2. That IN-LO Properties be awarded all costs and expenses, including reasonable  
18 attorneys' fees, incurred by IN-LO Properties in connection with this action; and

19 3. For such other and further relief as the Court deems just and proper.

20 Dated this 4<sup>th</sup> day of August, 2016.

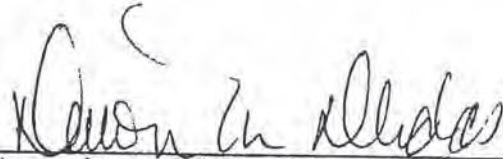
21 **HOLLEY, DRIGGS, WALCH,**  
22 **FINE, WRAY, PUZEY & THOMPSON**

23   
24 BRIAN W. BOSCH, ESQ. (NBN 7612)  
25 WILLIAM N. MILLER, ESQ. (NBN 11658)  
26 400 South Fourth Street, Third Floor  
27 Las Vegas, Nevada 89101  
28 *Attorneys for Defendants*

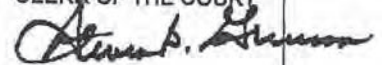
**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that the foregoing **DEFENDANT IN-LO PROPERTIES'**  
**ANSWER TO COMPLAINT**, was submitted electronically for filing and/or service with the  
Eighth Judicial District Court on the 4th day of August, 2016. Electronic service of the  
foregoing document shall be made in accordance with the E-Service List as follows:

Carrie E. Hurtik, Esq.  
Rachel L. Shelstad, Esq.  
HURTIK LAW & ASSOCIATES  
7866 West Sahara Avenue  
Las Vegas, NV 89117  
*Attorneys for Plaintiff/Counterdefendant*

  
An employee of Holley, Driggs, Walch,  
Fine, Wray, Puzey & Thompson

# EXHIBIT 5



1 RTRAN

2  
3  
4  
5 DISTRICT COURT  
6 CLARK COUNTY, NEVADA

7 DESERT VALLEY CONTRACTING,  
8 INC.,

CASE#: A-16-734351-C

9 Plaintiff,

DEPT. XV

10 vs.

11 IN-LO PROPERTIES, LLC,

12 Defendant.

13  
14 BEFORE THE HONORABLE JOSEPH HARDY  
15 DISTRICT COURT JUDGE  
16 MONDAY, APRIL 8, 2019

17 **RECORDER'S TRANSCRIPT OF BENCH TRIAL - DAY 1**

18 APPEARANCES:

19 For the Plaintiff:

CARRIE E. HURTIK, ESQ.  
JONATHAN PATTERSON, ESQ.

20 For the Defendant:

BRIAN W. BOSCHEE, ESQ.  
SEAN E. STORY, ESQ.

21  
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25 RECORDED BY: MATTHEW YARBROUGH, COURT RECORDER

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WITNESSES FOR THE PLAINTIFF

EUGENE INOSE

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WITNESSES FOR THE DEFENDANT

None

1 Las Vegas, Nevada, Monday, April 8, 2019

2

3 [Case called at 1:15 p.m.]

4 THE CLERK: -- LO Properties, LLC.

5 THE COURT: Go ahead and state your appearances.

6 MS. HURTIK: Good afternoon, Your Honor. Carrie Hurtik on  
7 behalf of Desert Valley Contracting.

8 MR. PATTERSON: Good morning, Your Honor. Jonathan  
9 Patterson on behalf of Desert Valley Contracting.

10 THE COURT: Good morning.

11 MR. BOSCHEE: Good morning, Your Honor.

12 THE COURT: Wait. Good afternoon.

13 MR. BOSCHEE: Good afternoon, yeah. Brian Boschee, Sean  
14 Story on behalf of the Defendants.

15 THE COURT: Okay.

16 MR. BOSCHEE: And Mr. Inose is here as well.

17 THE COURT: Okay. Good afternoon. Have a seat.

18 MR. BOSCHEE: Well, probably make that mistake more often  
19 as the afternoon goes on saying good morning.

20 THE COURT: Yeah.

21 MS. HURTIK: Yeah.

22 THE COURT: So on the exhibits, do we have agreement as to  
23 any or all that are admitted?

24 MR. BOSCHEE: All of them.

25 MS. HURTIK: All of them.

1 THE COURT: Oh, good. I think you probably told me that  
2 actually, so all exhibits by Plaintiff and Defendant all admitted. Okay.  
3 Easy.

4 And I did review Defendant's trial brief and the Plaintiff's  
5 proposed findings of fact, and the joint pretrial, so on bench trials, you  
6 know, if either side wants to give me a, what I call, brief synopsis, that's  
7 fine, or if you just want to dive right into the evidence, that's fine too.

8 MS. HURTIK: I think we talked, Your Honor, and we'd like to  
9 just dive right in.

10 THE COURT: Okay.

11 MR. BOSCHEE: And first, and just to clarify, I want to make  
12 sure that you've got everything from both sides. We emailed over  
13 proposed findings and conclusions, as well, and we submitted a trial  
14 brief, so if you did not get our proposed findings and conclusions, then  
15 someone needs to re-email them to you.

16 THE COURT: No. We probably did, but I only saw the -- this  
17 is Plaintiff's and this is Defendant's trial brief.

18 MR. BOSCHEE: Well, anyway, I guess those -- at this stage of  
19 the afternoon, it doesn't matter --

20 THE COURT: I mean, I know what --

21 MR. BOSCHEE: -- but if you did not receive our proposed  
22 findings last week, let us know, and we'll re-email.

23 THE COURT: I'm thinking we did.

24 MR. BOSCHEE: Okay.

25 MS. HURTIK: And we kind of discussed about maybe a way

1 to shortcut everything. That we would put on -- I would call my  
2 witnesses and Mr. Boschee would cross and then question at the same  
3 time afterwards.

4 THE COURT: And not limit the scope.

5 MS. HURTIK: Yeah.

6 MR. BOSCHEE: We're going to expand the scope so we can  
7 just call the witnesses once and then get through this as quickly and  
8 efficiently as possible because I know that Your Honor -- thought Your  
9 Honor would appreciate that and I know --

10 THE COURT: Yes.

11 MR. BOSCHEE: -- the witnesses will certainly appreciate that,  
12 so.

13 THE COURT: Very much so. Yeah -- no, that sounds good.  
14 Anything else?

15 MS. HURTIK: We may have to take some people out of order  
16 tomorrow because we have some people with some constraints.

17 THE COURT: Okay.

18 MR. BOSCHEE: And some subpoenas out that we have to  
19 kind of accommodate and flights, and things like that, so --

20 THE COURT: Okay.

21 MR. BOSCHEE: -- we'll just kind of play by ear. We'll see  
22 how far we get today and then we'll just figure it out tomorrow with this  
23 being witnesses. And then -- yeah, I think that's it.

24 Yeah, we're both waiving the opening so just --

25 MS. HURTIK: Right.

1 THE COURT: Okay.  
2 MR. BOSCHEE: -- jumping in.  
3 THE COURT: Sounds good. So who are you are calling first  
4 then?  
5 MS. HURTIK: We'll call Mr. Inose.  
6 THE COURT: Okay.  
7 THE CLERK: Please raise your right hand.  
8 EUGENE INOSE, PLAINTIFF'S WITNESS, SWORN  
9 THE CLERK: For the record, please state and spell your first  
10 and last name.  
11 THE WITNESS: First name is Eugene, E-U-G-E-N-E, last  
12 name is Inose, that's I-N-O-S-E.  
13 THE CLERK: Thank you.  
14 THE MARSHAL: You can go ahead and take a seat.  
15 THE WITNESS: Thank you.  
16 DIRECT EXAMINATION  
17 BY MS. HURTIK:  
18 Q Okay. Good afternoon, Mr. Inose.  
19 A Good afternoon.  
20 Q So we're here today regarding claims regarding your house  
21 at 587 St. Croix in Henderson, Nevada. I want to go through a little bit of  
22 your background for the Court. How long have you -- when did you first  
23 purchase the house in Henderson on St. Croix?  
24 A You mean when did I purchase the land?  
25 Q Uh-huh.

1           A     I don't recall the exact date or the year, but it was probably in  
2 2005 I'm guessing.

3           Q     And that was when you first purchased the land to build a  
4 house on it?

5           A     That is correct. Approximately.

6           Q     Approximately. And when did you start building the house?

7           A     Probably in sometime in 2006.

8           Q     2006. And at that time, did you have a general contractor?

9           A     I did.

10          Q     Okay. And did your general contractor proceed through the  
11 entire build of the house?

12          A     No, they did not.

13          Q     Okay. And can you -- when you first built the house, what  
14 was the end price of what you paid to build house?

15          A     I do not know that right now.

16          Q     Okay. Would we say it's a couple of million dollar house,  
17 correct?

18          A     It's probably more than that.

19          Q     Right. So at the time that you -- did you terminate the first  
20 general contractor when you first built the house?

21          A     That is correct.

22          Q     Okay. And would you say that you had approximately were  
23 \$2 million into the build at that time when you terminated him?

24          A     Approximately, yes.

25          Q     Okay. So the house was worth significantly more than half a

1 million?

2 A Than half a million dollars?

3 Q Than 500 million.

4 MR. BOSCHEE: Five-hundred-thousand?

5 BY MS. HURTIK:

6 Q Five-hundred-thousand.

7 A I'm sorry.

8 Q Sorry.

9 A I was, like --

10 THE COURT: So start that one over --

11 MS. HURTIK: Start that one over.

12 THE COURT: -- so I can -- yeah.

13 BY MS. HURTIK:

14 Q So does that kind of refresh what -- kind of just give me a  
15 ballpark of what the house cost? You don't have to be exact.

16 A Maybe around four million.

17 Q Okay.

18 A Three and a half.

19 Q Okay.

20 A I -- I -- I'm really not sure.

21 Q Okay. So when you let the general contractor go, did you  
22 then hire another general contractor?

23 A No, I did not hire another general contractor.

24 Q Okay. So how did you proceed? Was it an owner build?

25 A It was -- I proceeded as an owner build, correct?

**IN THE SUPREME COURT OF THE STATE OF NEVADA**

DESERT VALLEY CONTRACTING,  
INC. a Nevada corporation,

Appellant,

vs.

IN-LO PROPERTIES, a Nevada limited  
liability company; EUGENE INOSE, an  
individual; JEFFREY LOUIE, an  
individual; DOES 1 through 10; and ROE  
ENTITIES 1 through 10,

Respondents,

CASE NO. 83338

JOINT INDEX TO APPENDIX  
DATE ORDER

VOLUME 1

Electronically Filed  
Jan 05 2022 12:17 a.m.  
Elizabeth A. Brown  
Clerk of Supreme Court

Attorneys for Appellants:

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Attorneys for Respondent:

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Nevada Bar No. 7612

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PUZEY & THOMPSON

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Las Vegas, NV 89101

(702) 791-0308

Email: [bboschee@nevadafirm.com](mailto:bboschee@nevadafirm.com)

12.	Exhibit 560-Contract Between In-Lo and Desert Valley Contracting 8.14.2021	N/A	JNT001137- JNT001138
13.	Exhibit 274 DVC Job Cost and Billing Detail Report 4.25.2017	N/A	JNT001139- JNT001160
14.	Findings of Fact and Conclusions of Law 9.3.2019	9.3.20219	JNT001161- JNT001179
15.	Notice of Entry of Order of Findings of Fact and Conclusions of Law 9.3.2019	9.4.2019	JNT001180- JNT001201
16.	Notice of Appeal	9.30.2021	JNT001202- JNT001204
17.	Supreme Court Order of Reversal and Remand	3.3.2021	JNT001205- JNT0012010
18.	Amended Order of Findings of Fact and Conclusions of Law Following Remand 7.1.2021	7.1.2021	JNT001211- JNT001217
19.	Notice of Entry of Amended Order of Findings of Fact and Conclusions of Law Following Remand 7.6.2021	7.6.2021	JNT001218 JNT001227
20.	Notice of Appeal 8.05.2021	8.05.2021	JNT001228 JNT001230
21.	Amended Judgment Against Desert Valley Contracting	9.13.2021	JNT001231- JNT001232

# APPENDIX INDEX

#	Document	File Stamp Date	Pages
	Volume I		
1.	Complaint by Desert Valley Contracting 3.31.2016	3.31.2016	JNT000001- JNT000019
2.	Eugene Inose's Answer to Complaint and Counterclaim 6.07.2016	6.07.2016	JNT000020- JNT000047
3.	Desert Valley Contracting's Answer to Eugene Inose's Counterclaim 7.08.2016	7.08.2016	JNT000048- JNT000065
4.	Defendant In-Lo Properties' Answer to Complaint 8.04.2016	8.04.2016	JNT000066- JNT000084
5.	Bench Trial Transcript Day One 4.8.2019	2.10.2020	JNT000084- JNT000208
	Volume II		
6.	Bench Trial Transcript Day Two 4.9.2019	2.10.2020	JNT000209- JNT000345
	Volume III		
7.	Bench Trial Transcript Day Three 4.10.2019	2.10.2020	JNT000346- JNT000527
	Volume IV		
8.	Bench Trial Transcript Day Four 4.11.2019	2.10.2020	JNT000528- JNT000660
	Volume V		
9.	Bench Trial Transcript Day Five 6.19.2019	2.10.2020	JNT000661- JNT000843
10.	Volume VI		
	Bench Trial Transcript Day Six 6.20.2019	2.10.2020	JNT000844- JNT001019
	Volume VII		
11.	Bench Trial Transcript Day Seven 6.21.2019	2.10.20	JNT001020- JNT001136

# EXHIBIT 1

# DISTRICT COURT CIVIL COVER SHEET

A-16-734351-C

County, Nevada

XV

Case No.

(Assigned by Clerk's Office)

## I. Party Information *(provide both home and mailing addresses if different)*

Plaintiff(s) (name/address/phone): Desert Valley Contracting, Inc. 3395 West Cheyenne Avenue #107 North Las Vegas, Nevada 89032 (702) 633-5033	Defendant(s) (name/address/phone): IN-LO Properties LLC, Eugene Inose, Jeffrey Louie 587 Saint Croix Street Henderson, Nevada 89012
Attorney (name/address/phone): Carrie E. Hurtik, Esq. 7866 West Sahara Avenue Las Vegas, Nevada 89117 (702) 966-5200	Attorney (name/address/phone): N/A

## II. Nature of Controversy *(please select the one most applicable filing type below)*

### Civil Case Filing Types

<b>Real Property</b> <b>Landlord/Tenant</b> <input type="checkbox"/> Unlawful Detainer <input type="checkbox"/> Other Landlord/Tenant <b>Title to Property</b> <input type="checkbox"/> Judicial Foreclosure <input type="checkbox"/> Other Title to Property <b>Other Real Property</b> <input type="checkbox"/> Condemnation/Eminent Domain <input type="checkbox"/> Other Real Property	<b>Torts</b> <b>Negligence</b> <input type="checkbox"/> Auto <input type="checkbox"/> Premises Liability <input type="checkbox"/> Other Negligence <b>Malpractice</b> <input type="checkbox"/> Medical/Dental <input type="checkbox"/> Legal <input type="checkbox"/> Accounting <input type="checkbox"/> Other Malpractice	<b>Other Torts</b> <input type="checkbox"/> Product Liability <input type="checkbox"/> Intentional Misconduct <input type="checkbox"/> Employment Tort <input type="checkbox"/> Insurance Tort <input type="checkbox"/> Other Tort
<b>Probate</b> <i>Probate (select case type and estate value)</i> <input type="checkbox"/> Summary Administration <input type="checkbox"/> General Administration <input type="checkbox"/> Special Administration <input type="checkbox"/> Set Aside <input type="checkbox"/> Trust/Conservatorship <input type="checkbox"/> Other Probate <b>Estate Value</b> <input type="checkbox"/> Over \$200,000 <input type="checkbox"/> Between \$100,000 and \$200,000 <input type="checkbox"/> Under \$100,000 or Unknown <input type="checkbox"/> Under \$2,500	<b>Construction Defect &amp; Contract</b> <b>Construction Defect</b> <input type="checkbox"/> Chapter 40 <input type="checkbox"/> Other Construction Defect <b>Contract Case</b> <input type="checkbox"/> Uniform Commercial Code <input checked="" type="checkbox"/> Building and Construction <input type="checkbox"/> Insurance Carrier <input type="checkbox"/> Commercial Instrument <input type="checkbox"/> Collection of Accounts <input type="checkbox"/> Employment Contract <input type="checkbox"/> Other Contract	<b>Judicial Review/Appeal</b> <b>Judicial Review</b> <input type="checkbox"/> Foreclosure Mediation Case <input type="checkbox"/> Petition to Seal Records <input type="checkbox"/> Mental Competency <b>Nevada State Agency Appeal</b> <input type="checkbox"/> Department of Motor Vehicle <input type="checkbox"/> Worker's Compensation <input type="checkbox"/> Other Nevada State Agency <b>Appeal Other</b> <input type="checkbox"/> Appeal from Lower Court <input type="checkbox"/> Other Judicial Review/Appeal
<b>Civil Writ</b> <input type="checkbox"/> Writ of Habeas Corpus <input type="checkbox"/> Writ of Mandamus <input type="checkbox"/> Writ of Quo Warrant <input type="checkbox"/> Writ of Prohibition <input type="checkbox"/> Other Civil Writ		<b>Other Civil Filing</b> <input type="checkbox"/> Compromise of Minor's Claim <input type="checkbox"/> Foreign Judgment <input type="checkbox"/> Other Civil Matters

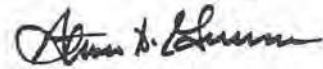
*Business Court filings should be filed using the Business Court civil coversheet.*

03/30/2016

Date

Signature of initiating party or representative

*See other side for family-related case filings.*



CLERK OF THE COURT

1 **COMP**  
2 **CARRIE E. HURTIK, ESQ.**  
3 Nevada Bar No. 7028  
4 **RACHEL L. SHELSTAD, ESQ.**  
5 Nevada Bar No. 13399  
6 **HURTIK LAW & ASSOCIATES**  
7 7866 West Sahara Avenue  
8 Las Vegas, Nevada 89117  
9 (702) 966-5200 Telephone  
10 (702) 966-5206 Facsimile  
11 churtik@hurtiklaw.com  
12 rshelstad@hurtiklaw.com  
13 Attorney for Plaintiff,  
14 **DESERT VALLEY CONTRACTING, INC.**

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

11 **DESERT VALLEY CONTRACTING, INC., a**  
12 **Nevada Corporation,**

13 **Plaintiff,**

14 **vs.**

15 **IN-LO PROPERTIES, LLC, a Nevada Limited**  
16 **Liability Company, EUGENE INOSE, an**  
17 **Individual, and JEFFREY LOUIE, an**  
18 **Individual, DOES 1 through 10; and ROE**  
19 **ENTITIES 1 through 10,**

20 **Defendant(s).**

**CASE NO. A- 16- 734351- C**  
**DEPT NO.**

**XV**

**COMPLAINT**

**Arbitration Exemption Claimed – Involves**  
**an Amount in Excess of \$50,000.00**

21 **COMES NOW, Plaintiff, DESERT VALLEY CONTRACTING, INC. (hereinafter “DVC”),**  
22 **an individual, by and through its attorneys of record CARRIE E. HURTIK, ESQ., and RACHEL L.**  
23 **SHELSTAD, ESQ., and for its causes of action against Defendants, IN-LO PROPERTIES, LLC,**  
24 **EUGENE INOSE, JEFFREY LOUIE, DOES 1 through 10; and ROE ENTITIES 1 through 10,**  
25 **inclusive, hereby files its Complaint and complains, alleges, avers and states as follows:**

26 **///**

27 **///**

28 **///**

I.

PARTIES

1. Plaintiff, DESERT VALLEY CONTRACTING, INC., was and is at all times relevant a Nevada Corporation, duly authorized and qualified to do business in the State of Nevada, as a contractor holding a Nevada State Contractor's license, which license is in good standing.

2. Upon information and belief, Defendant, IN-LO PROPERTIES, LLC, is a Nevada Limited-Liability Company, duly authorized and qualified to do business in the State of Nevada since on or about November 5, 2004. The Registered Agent on file for Defendant, IN-LO PROPERTIES, LLC, is Eugene Inose, and is located at 587 Saint Croix Street, Henderson, Nevada 89012.

3. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either directly or indirectly through its agents, employees, subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real property within the State of Nevada.

4. Upon information and belief, Defendant, EUGENE INOSE is a resident of Clark County, State of Nevada, and during all relevant times herein was a registered manager of Defendant, IN-LO PROPERTIES, LLC.

5. Upon information and belief, Defendant, JEFFREY LOUIE is a resident of Clark County, State of Nevada, and during all relevant times herein was a registered manager of Defendant, IN-LO PROPERTIES, LLC.

6. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either directly or indirectly through its agents, employees, subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real property within the State of Nevada.

7. That the true names and capacities, whether individual, corporate, partnership, associate or otherwise, of defendant DOES 1 through 10 and ROE Entities 1 through 10, inclusive, are unknown to Plaintiff, who therefore, sue said defendants by such fictitious names. Plaintiff is informed and believes and thereon alleges that each of the defendants designated herein as DOE and ROE is responsible in some manner for the events and happenings referred to herein, and as a result proximately caused damages to Plaintiff as herein alleged. That Plaintiff will ask leave of this court

1 to amend this Complaint to insert the true names and capacities of DOES 1 through 10 and ROE  
2 Corporations or Business Entities 1 through 10, inclusive, when the same have been ascertained, and  
3 to join such defendants in this action.

4  
5 **II.**

6 **JURISDICTION**

7 8. The amount of controversy is in excess of Ten Thousand Dollars and Zero Cents  
8 (\$10,000.00), plus prejudgment interest and costs of suit.

9 9. The occurrences complained of herein transpired in the State of Nevada, County of  
10 Clark. The events that give rise to this Complaint occurred in the State of Nevada, County of Clark.

11 10. Venue is proper in the State of Nevada, Clark County, as the occurrences at issue in  
12 this lawsuit occurred there, the events or omissions giving rise to the claim occurred there and  
13 Plaintiff's damages were suffered there.

14 **III.**

15 **GENERAL ALLEGATIONS**

16 11. On or about November 8, 2005, Defendant, IN-LO PROPERTIES, LLC, purchased  
17 the residential home located at 587 Saint Croix Street, Henderson, Nevada 89012 (APN: 178-27-  
18 114-001) (hereinafter "Subject Property").

19 12. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either  
20 directly or indirectly through its agents, including Defendant, EUGENE INOSE, employees,  
21 subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real  
22 property within the State of Nevada.

23 13. On August 8, 2014, Plaintiff, DVC, and Defendant, EUGENE INOSE, executed a  
24 valid Work Authorization and Contract for Plaintiff, DVC to perform a scope of work as provided  
25 by approved estimates (hereinafter "Contract"). Specifically, the Contract provides that Defendant,  
26 EUGENE INOSE, the undersigned (insured):

27 Represents that he/she/they are collectively or individually agents for the hereinafter  
28 specified property (and/or its contents) and hereby authorize and direct Desert Valley  
Contracting, Inc. (Contractor) to provide all labor, equipment and materials required to  
properly repair the specified real property or structure common known as [Subject Property.]

1           14. Pursuant to the Contract, Defendant, EUGENE INOSE authorized and transferred and  
2 assigned and conveyed to Plaintiff DVC, his right, title and interest in and to the insurance policy  
3 proceeds and all drafts for work performed by Plaintiff, DVC.

4           15. Pursuant to the Contract, Defendant, EUGENE INOSE authorized the applicable  
5 insurer to pay Plaintiff, DVC for work performed on the property and agreed to endorse and tender  
6 all drafts as produced to the Plaintiff, DVC.

7           16. Pursuant to the Contract, Defendant, EUGENE INOSE if either party terminates the  
8 Contract prior to completion, Defendant, EUGENE INOSE is to pay Plaintiff, DVC, prior to the  
9 actual work beginning and all costs and fees associated with preparation for beginning the job, such  
10 as estimates, permits, materials ordered, or any and all such fees and costs for services performed.

11          17. Pursuant to the Contract, Defendant, EUGENE INOSE is responsible for any and all  
12 fees and costs associated with the work performed, plus the profit that Plaintiff, DVC would have  
13 made on the job had Defendant, EUGENE INOSE not repudiated the contract.

14          18. Pursuant to the Contract, upon termination of the Plaintiff, DVC'S services,  
15 Defendant, EUGENE INOSE is responsible to pay all fees and costs incurred by Plaintiff, DVC,  
16 within five (5) business days of termination by either party.

17          19. Pursuant to the Contract, if any requests for additional work to be performed were  
18 made during the scope of the job, all such requests were required to be put in writing so that these  
19 costs will be added to the Scope of work.

20          20. Pursuant to the Contract, if the scope of the work is beyond any insurance claim, the  
21 owner, agent or authorized party, including Defendant, EUGENE INOSE, agreed to pay all claims  
22 within ten (10) days of completion of work, and agreed to pay for any materials prior to the  
23 additional work being performed.

24          21. Pursuant to the Contract, all insurance work performed by Plaintiff, DVC was subject  
25 to approval of the terms of the Defendant, EUGENE INOSE'S policy of insurance.

26          22. Pursuant to the Contract, any code-upgrade work or upgrades to the Subject Property  
27 were not covered pursuant to the applicable insurance policy.  
28

1       23. During performance of valid Contract, Defendant, EUGENE INOSE chose to have  
2 several upgrades in materials and work added onto the Contract's scope of work, which increased  
3 the original Contract's scope of work.

4       24. All subcontractors were selected at the direction of Defendant, EUGENE INOSE,  
5 who insisted that he have the original subcontractors that built the home.

6       25. Defendant, EUGENE INOSE dictated who the superintendent would be for the  
7 jobsite.

8       26. The superintendent was paid over One Hundred Thousand Dollars and Zero Cents  
9 (\$100,000.00), and during the performance of the Contract the superintendent quit coming to the  
10 jobsite.

11       27. The main subcontractors who have performed work on the Subject Property are as  
12 follows, without limitation: Diversified Protections Systems, Inc.; Desert Home Electric, Inc.;  
13 Sunrise Service, Inc.; Plumbing S.S. Inc; ARX LLC dba ARX Engineering; Ferguson; Firehouse  
14 Electric; Artesia Kitchen & Bath; Creative Closets & Cabinetry LLC; Diva Interior Concepts LLC;  
15 Eagle Sentry; Summit Tile & Stone LLC; Flooring Encounters, LLC; Walker & Zanger, Inc.; Latin  
16 Glass; HY-BAR Las Vegas; Picture Perfect TV Repair; Eazy Lift Elevators; and Custom Landau.

17       28. Plaintiff, DVC paid all of its subcontractors for work performed, but the additional  
18 change orders made by Defendant, EUGENE INOSE, were significant and materials for certain  
19 trades needed to be ordered and paid for in advance.

20       29. Defendant, EUGENE INOSE settled out the claim with the insurance company and  
21 contrary to the contractual terms of the Contract, had all funds paid directly to him which was  
22 contrary to the terms of the Contract.

23       30. As you may know, most of these type of claims have the insurer remain in the matter  
24 until the project is complete in case any contingencies, so that the funds if covered would be made  
25 available for contingencies that were unknown or not discovered initially.

26       31. Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
27 PROPERTIES, LLC, is responsible for the upgrades and change orders that he caused to happen on  
28

1 this Subject Property, due to his choices and changing his mind in several instances as to what  
2 products were to be installed.

3 32. Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
4 PROPERTIES, LLC, has failed to pay Plaintiff, DVC the monies owed and due for the upgrades and  
5 change orders of the Subject Property.

6 33. On or about December of 2015, Defendant, EUGENE INOSE, individually and as a  
7 manager of Defendant, IN-LO PROPERTIES, LLC, breached his duties, obligations, and  
8 responsibilities under the Contract by denying Plaintiff, DVC's ability to complete the terms and  
9 conditions Contract, and by precluding Plaintiff, DVC from gaining access to the Subject Property,  
10 and by failing to pay Plaintiff, DVC the monies owed and due for the upgrades and change orders of  
11 the Subject Property.

#### 12 IV.

#### 13 FIRST CAUSE OF ACTION

#### 14 (Breach of Contract against Defendant, EUGENE INOSE)

15 34. Plaintiff, DVC hereby repeats, re-alleges and incorporates by this reference each and  
16 every allegation set forth in Paragraphs 1 through 33 above, as though fully set forth herein.

17 35. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either  
18 directly or indirectly through its agents, including Defendant, EUGENE INOSE, employees,  
19 subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real  
20 property within the State of Nevada.

21 36. On August 8, 2014, Plaintiff, DVC, and Defendant, EUGENE INOSE, executed a  
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15 Eagle Sentry; Summit Tile & Stone LLC; Flooring Encounters, LLC; Walker & Zanger, Inc.; Latin  
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20       52. Defendant, EUGENE INOSE settled out the claim with the insurance company and  
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22 contrary to the terms of the Contract.

23       53. Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
24 PROPERTIES, LLC, is responsible for the upgrades and change orders that he caused to happen on  
25 this Subject Property, due to his choices and changing his mind in several instances as to what  
26 products were to be installed.

1       54. Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
2 PROPERTIES, LLC, has failed to pay Plaintiff, DVC the monies owed and due for the upgrades and  
3 change orders of the Subject Property, and overhead and contingencies.

4       55. On or about December of 2015, Defendant, EUGENE INOSE, individually and as a  
5 manager of Defendant, IN-LO PROPERTIES, LLC, breached his duties, obligations, and  
6 responsibilities under the Contract by denying Plaintiff, DVC's ability to complete the terms and  
7 conditions Contract, and by precluding Plaintiff, DVC from gaining access to the Subject Property,  
8 and by failing to pay Plaintiff, DVC the monies owed and due for the upgrades and change orders of  
9 the Subject Property.

10       56. As a direct and proximate result of Defendant, EUGENE INOSE'S breach(es) of  
11 contract(s), Plaintiff, DVC has incurred and continues to incur costs and expenses including, but not  
12 limited to, litigation costs, attorney fees and costs in connection with the Complaint filed by  
13 Plaintiff, DVC in the instant action to the general damages of Plaintiff, DVC as will be shown  
14 according to proof at the time of trial of this matter but alleged to be in excess of Ten Thousand  
15 Dollars and Zero Cents (\$10,000.00).

16  
17       57. Plaintiff, DVC has suffered additional damages in the form of attorneys' fees and  
18 costs as a proximate and foreseeable result of Defendant, EUGENE INOSE'S breach.

19                   **SECOND CAUSE OF ACTION**

20                   **(Breach of the Implied Covenant of Good Faith and Fair Dealing**  
21                   **against Defendant EUGENE INOSE)**

22       58. Plaintiff, DVC hereby repeats, re-alleges and incorporates by this reference each and  
23 every allegation set forth in Paragraphs 1 through 57 above, as though fully set forth herein.

24       59. Every contract imposes upon each party a duty of good faith and fair dealing in its  
25 performance and its enforcement. This implied covenant of good faith and fair dealing requires that  
26 no party will do anything that will have the effect of impairing, destroying, or injuring the rights of  
27 the other party to receive the benefits of their agreement. The covenant implies that in all contracts  
28

1 each party will do all things reasonably contemplated by the terms of the contract to accomplish it  
2 purpose. This covenants protects the benefits of the contract that the parties reasonably  
3 contemplated by the terms contract to accomplish its purpose. This covenant protects the benefits of  
4 the contract that the parties reasonably contemplated when they entered into the agreement.  
5

6 60. Defendants, EUGENE INOSE breached the contracts/agreements by failing to  
7 adequately or accurately disclose the beneficiary or trustee.

8 61. Defendant, EUGENE INOSE, individually and as an agent for Defendant, IN-LO  
9 PROPERTIES, LLC, had a duty to act in good faith and fair dealing in the execution of his  
10 obligations under the Contract.

11 62. That the covenant of good faith and fair dealing required Defendant, EUGENE  
12 INOSE, to fairly, honestly and reasonably deal with Plaintiff, DVC, including the relationship and  
13 actions undertaken performance of the Contract. That the covenant of good faith and fair dealing is  
14 inherent in every agreement and is implied in the dealings between the parties of this action, as well.  
15

16 63. That Defendant, EUGENE INOSE, enjoyed substantial discretionary power affecting  
17 the rights of Plaintiff, DVC, during the events alleged in this Complaint.

18 64. That Defendant, EUGENE INOSE, was required to exercise such power in good  
19 faith.  
20

21 65. That Defendant, EUGENE INOSE did not act in good faith and did not deal fairly  
22 with Plaintiff, DVC, in connection with the Contract.

23 66. That Defendant, EUGENE INOSE bad faith has caused damages to Plaintiff, DVC in  
24 an amount in excess of Ten Thousand Dollars and Zero Cents (\$10,000.00), and Plaintiff, DVC is  
25 entitled to recover the same.

26 67. Plaintiff, DVC has suffered additional damages in the form of attorneys' fees and  
27 costs as a proximate and foreseeable result of Defendant, EUGENE INOSE'S breach.  
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**THIRD CAUSE OF ACTION**

**(Unjust Enrichment against Defendants, IN-LO PROPERTIES, LLC, and JEFFREY LOUIE)**

68. Plaintiff, DVC hereby repeats, re-alleges and incorporates by this reference each and every allegation set forth in Paragraphs 1 through 67 above, as though fully set forth herein.

69. Upon information and belief, Defendant, IN-LO PROPERTIES, LLC, is a Nevada Limited-Liability Company, duly authorized and qualified to do business in the State of Nevada since on or about November 5, 2004. The Registered Agent on file for Defendant, IN-LO PROPERTIES, LLC, is Eugene Inose, and is located at 587 Saint Croix Street, Henderson, Nevada 89012.

70. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either directly or indirectly through its agents, employees, subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real property within the State of Nevada.

71. Upon information and belief, Defendant, EUGENE INOSE is a resident of Clark County, State of Nevada, and during all relevant times herein was a registered manager of Defendant, IN-LO PROPERTIES, LLC.

72. Upon information and belief, Defendant, JEFFREY LOUIE is a resident of Clark County, State of Nevada, and during all relevant times herein was a registered manager of Defendant, IN-LO PROPERTIES, LLC.

73. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either directly or indirectly through its agents, employees, subsidiaries and/or related companies held, serviced and/or engaged in transactions related to real property within the State of Nevada.

74. Plaintiff, DVC is informed and believes and on that basis alleges that each Defendant, including, EUGENE INOSE, IN-LO PROPERTIES, LLC, and JEFFREY LOUIE owed a duty of good faith to Plaintiff, DVC.

1       75. Plaintiff, DVC is informed and believes and thereon alleges that Defendants,  
2 EUGENE INOSE, IN-LO PROPERTIES, LLC, and JEFFREY LOUIE breached that duty by  
3 performing in a manner that was unfaithful to the purpose of the contract.  
4

5       76. Plaintiff, DVC is informed and believes and thereon alleges that Plaintiff, DVC'S  
6 justified expectations were thus denied.

7       77. During all relevant times herein, Defendant, IN-LO PROPERTIES, LLC, either  
8 directly or indirectly through its agents, including Defendants, EUGENE INOSE and JEFFREY  
9 LOUIE, employees, subsidiaries and/or related companies held, serviced and/or engaged in  
10 transactions related to real property within the State of Nevada.

11       78. On August 8, 2014, Plaintiff, DVC, and Defendant, EUGENE INOSE, executed a  
12 valid Work Authorization and Contract for Plaintiff, DVC to perform a scope of work as provided  
13 by approved estimates (hereinafter "Contract"). Specifically, the Contract provides that Defendant,  
14 EUGENE INOSE, the undersigned (insured):

15       Represents that he/she/they are collectively or individually agents for the hereinafter  
16 specified property (and/or its contents) and hereby authorize and direct Desert Valley  
17 Contracting, Inc. (Contractor) to provide all labor, equipment and materials required to  
properly repair the specified real property or structure common known as [Subject Property.]

18       79. Pursuant to the Contract, Defendant, EUGENE INOSE authorized and transferred and  
19 assigned and conveyed to Plaintiff DVC, his right, title and interest in and to the insurance policy  
20 proceeds and all drafts for work performed by Plaintiff, DVC.

21       80. Pursuant to the Contract, Defendant, EUGENE INOSE authorized the applicable  
22 insurer to pay Plaintiff, DVC for work performed on the property and agreed to endorse and tender  
23 all drafts as produced to the Plaintiff, DVC.

24       81. Pursuant to the Contract, Defendant, EUGENE INOSE if either party terminates the  
25 Contract prior to completion, Defendant, EUGENE INOSE is to pay Plaintiff, DVC, prior to the  
26 actual work beginning and all costs and fees associated with preparation for beginning the job, such  
27 as estimates, permits, materials ordered, or any and all such fees and costs for services performed.  
28

1       82. Pursuant to the Contract, Defendant, EUGENE INOSE is responsible for any and all  
2 fees and costs associated with the work performed, plus the profit that Plaintiff, DVC would have  
3 made on the job had Defendant, EUGENE INOSE not repudiated the contract.

4       83. Pursuant to the Contract, upon termination of the Plaintiff, DVC'S services,  
5 Defendant, EUGENE INOSE is responsible to pay all fees and costs incurred by Plaintiff, DVC,  
6 within five (5) business days of termination by either party.

7       84. Pursuant to the Contract, if any requests for additional work to be performed were  
8 made during the scope of the job, all such requests were required to be put in writing so that these  
9 costs will be added to the Scope of work.

10       85. Pursuant to the Contract, if the scope of the work is beyond any insurance claim, the  
11 owner, agent or authorized party, including Defendant, EUGENE INOSE, agreed to pay all claims  
12 within ten (10) days of completion of work, and agreed to pay for any materials prior to the  
13 additional work being performed.

14       86. Pursuant to the Contract, all insurance work performed by Plaintiff, DVC was subject  
15 to approval of the terms of the Defendant, EUGENE INOSE'S policy of insurance.

16       87. Pursuant to the Contract, any code-upgrade work or upgrades to the Subject Property  
17 were not covered pursuant to the applicable insurance policy.

18       88. During performance of valid Contract, Defendant, EUGENE INOSE chose to have  
19 several upgrades in materials and work added onto the Contract's scope of work, which increased  
20 the original Contract's scope of work.

21       89. All subcontractors were selected at the direction of Defendant, EUGENE INOSE,  
22 who insisted that he have the original subcontractors that built the home.

23       90. Defendant, EUGENE INOSE dictated who the superintendent would be for the  
24 jobsite.

25       91. The superintendent was paid over One Hundred Thousand Dollars and Zero Cents  
26 (\$100,000.00), and during the performance of the Contract the superintendent quit coming to the  
27 jobsite.

1        92.    The main subcontractors who have performed work on the Subject Property are as  
2 follows, without limitation: Diversified Protections Systems, Inc.; Desert Home Electric, Inc.;  
3 Sunrise Service, Inc.; Plumbing S.S. Inc; ARX LLC dba ARX Engineering; Ferguson; Firehouse  
4 Electric; Artesia Kitchen & Bath; Creative Closets & Cabinetry LLC; Diva Interior Concepts LLC;  
5 Eagle Sentry; Summit Tile & Stone LLC; Flooring Encounters, LLC; Walker & Zanger, Inc.; Latin  
6 Glass; HY-BAR Las Vegas; Picture Perfect TV Repair; Eazy Lift Elevators; and Custom Landau.

7        93.    Plaintiff, DVC paid all of its subcontractors for work performed, but the additional  
8 change orders made by Defendant, EUGENE INOSE, were significant and materials for certain  
9 trades needed to be ordered and paid for in advance.

10       94.    Defendant, EUGENE INOSE settled out the claim with the insurance company and  
11 contrary to the contractual terms of the Contract, had all funds paid directly to him which was  
12 contrary to the terms of the Contract.

13       95.    As you may know, most of these type of claims have the insurer remain in the matter  
14 until the project is complete in case any contingencies, so that the funds if covered would be made  
15 available for contingencies that were unknown or not discovered initially.

16       96.    Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
17 PROPERTIES, LLC, is responsible for the upgrades and change orders that he caused to happen on  
18 this Subject Property, due to his choices and changing his mind in several instances as to what  
19 products were to be installed.

20       97.    Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO  
21 PROPERTIES, LLC, has failed to pay Plaintiff, DVC the monies owed and due for the upgrades and  
22 change orders of the Subject Property.

23       98.    That Defendants, EUGENE INOSE, IN-LO PROPERTIES, LLC, and JEFFREY  
24 LOUIE unjustly benefited when they refused to pay Plaintiff, DVC, the outstanding monies owed.

25       99.    As a result of Defendants, EUGENE INOSE'S, IN-LO PROPERTIES, LLC'S, and  
26 JEFFREY LOUIE'S breach, Plaintiff, DVC has unjustly suffered damages in the amount of Ten  
27 Thousand Dollars and Zero Cents (\$10,000.00).  
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FOURTH CAUSE OF ACTION

INTENTIONAL INTERFERENCE WITH CONTRACT against  
Defendants, EUGENE INOSE and IN-LO PROPERTIES, LLC.)

100. Plaintiff, DVC hereby repeats, re-alleges and incorporates by this reference each and every allegation set forth in Paragraphs 1 through 99 above, as though fully set forth herein.

101. After August 8, 2014, Plaintiff DVC had a valid and enforceable contract with the following subcontractors including: Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators.

102. That Defendant, EUGENE INOSE, knew of the existence of the subcontracts between Plaintiff DVC and Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators as it pertains to the Subject Property.

103. That Defendant, EUGENE INOSE, was fully aware that knew Plaintiff DVC had a business relationship with Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators as it pertains to Subject Property, which were likely to result in economically advantageous relationship for Plaintiff, DVC.

104. On or about December of 2015, Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO PROPERTIES, LLC, precluded Plaintiff, DVC from gaining access to the Subject Property to complete the contractual and sub-contractual work.

105. Upon information and belief, On or about December of 2015, Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-LO PROPERTIES, LLC, made disparaging remarks to Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators, and instructed Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit

1 Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators to cease  
2 its performance of the DVC's valid and enforceable subcontracts and/or business relationship with  
3 Plaintiff, DVC as it pertains to the Subject Property. agreements and/or business relationships with  
4 QUINCEANERA MAGAZINE NEVADA, INC.

5 106. Upon information and belief, On or about December of 2015, Defendant, EUGENE  
6 INOSE, individually and as a manager of Defendant, IN-LO PROPERTIES, LLC, engaged in  
7 conduct that tortiously interfered with Plaintiff, DVC'S contractual rights with Diversified  
8 Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.; Artesia Kitchen & Bath;  
9 Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-BAR Las Vegas; and Eazy  
10 Lift Elevators.

11 107. Thereafter, Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise  
12 Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space  
13 Planning, HY-BAR Las Vegas; and Eazy Lift Elevators refused to honor the terms and conditions of  
14 the contracts with Plaintiff, DVC.

15 108. That Defendant, EUGENE INOSE, individually and as a manager of Defendant, IN-  
16 LO PROPERTIES, LLC, engaged in conduct alleged herein with the intent to harm Plaintiff, DVC  
17 and induce Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.;  
18 Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-  
19 BAR Las Vegas; and Eazy Lift Elevators to terminate their subcontracts and/or business relationship  
20 with Plaintiff, DVC.

21 109. The actions of Defendant, EUGENE INOSE, individually and as a manager of  
22 Defendant, IN-LO PROPERTIES, LLC, constitute an intentional and unprivileged interference with  
23 the Diversified Protections Systems, Inc.'s Desert Home Electric, Inc., Sunrise Service, Inc.'s,  
24 Artesia Kitchen & Bath's, Eagle Sentry's, Summit Tile & Stone LLC's, Efficient Space Planning's,  
25 HY-BAR Las Vegas's, and Eazy Lift Elevators's subcontracts with Plaintiff, DVC.

26 110. The conduct by Defendant, EUGENE INOSE, individually and as a manager of  
27 Defendant, IN-LO PROPERTIES, LLC, as alleged herein was a purposeful and intentional  
28 interference, that was engaged in for the sole purpose to deprive Plaintiff, DVC of earnings and/or

1 causing injury intended and/or designed to disrupt the contractual relationships between Plaintiff,  
2 DVC and Diversified Protections Systems, Inc.; Desert Home Electric, Inc.; Sunrise Service, Inc.;  
3 Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient Space Planning, HY-  
4 BAR Las Vegas; and Eazy Lift Elevators.

5 111. As a direct and proximate result Defendant, EUGENE INOSE, individually and as a  
6 manager of Defendant, IN-LO PROPERTIES, LLC's intentional interference with Plaintiff, DVC's  
7 subcontractual relationships with Diversified Protections Systems, Inc.; Desert Home Electric, Inc.;  
8 Sunrise Service, Inc.; Artesia Kitchen & Bath; Eagle Sentry; Summit Tile & Stone LLC; Efficient  
9 Space Planning, HY-BAR Las Vegas; and Eazy Lift Elevators, Plaintiff, DVC has suffered, and will  
10 continue to suffer, monetary damage and irreparable injury, in an amount exceeding Ten Thousand  
11 Dollars (\$10,000.00), plus pre-judgment and post judgment interest.

12 112. Based on the intentional, willful and malicious nature of Defendant, EUGENE  
13 INOSE, individually and as a manager of Defendant, IN-LO PROPERTIES, LLC's actions,  
14 Plaintiff, DVC is entitled to exemplary damages and reasonable attorneys' fees and costs incurred in  
15 connection with this action.

16 **PRAYER FOR RELIEF**

17 WHEREFORE, Plaintiffs, DESERT VALLEY CONTRACTING INC., expressly reserves the  
18 right to amend this Complaint at or before the time of trial of the action herein to include all items of  
19 damages not yet ascertained, and demands judgment against the Defendant as follows, upon each  
20 cause of action:

- 21 1. Find for Plaintiff and against the Defendant on all causes of action;
- 22 2. Award general damages in favor of Plaintiff and against Defendants in an  
23 amount to be determined at trial, in excess of \$10,000.00;
- 24 3. Award special damages in favor of Plaintiff and against Defendants in an  
25 amount to be determined at trial, in excess of \$10,000.00;

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1 4. Award reasonable attorney's fees, costs of suit and pre-judgment interest in  
2 favor of Plaintiff and against Defendants; and,

3 5. Award such other relief as this Court deems just and proper in this matter.

4 DATED this 30<sup>th</sup> day of March, 2016.

5 **HURTIK LAW & ASSOCIATES**

6  
7   
8 **CARRIE E. HURTIK, ESQ.**

9 Nevada Bar No. 7028

10 **RACHEL L. SHELSTAD, ESQ.**

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13 Las Vegas, Nevada 89117

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15 (702) 966-5206 Facsimile

16 churtik@hurtiklaw.com

17 Attorney for Plaintiff,

18 DESERT VALLEY CONTRACTING, INC.  
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# EXHIBIT 2



CLERK OF THE COURT

1 **AACC**  
2 BRIAN W. BOSCHKEE, ESQ. (NBN 7612)  
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9 Las Vegas, Nevada 89101  
10 Telephone: 702/791-0308  
11 Facsimile: 702/791-1912  
12 *Attorneys for Defendants*

13 **DISTRICT COURT**

14 **CLARK COUNTY, NEVADA**

15 DESERT VALLEY CONTRACTING, INC. a  
16 Nevada corporation,

17 Plaintiff,

18 v.

19 IN-LO PROPERTIES, a Nevada limited liability  
20 company; EUGENE INOSE, an individual;  
21 JEFFREY LOUIE, an individual; DOES I  
22 through 10; and ROE ENTITIES 1 through 10,

23 Defendants.

24 EUGENE INOSE, an individual;

25 Counterclaimant.

26 v.

27 DESERT VALLEY CONTRACTING, INC., a  
28 Nevada corporation; DOES I through X,  
inclusive, and ROE CORPORATIONS I through  
X, inclusive,

Counterdefendants.

Case No.: A-16-734351-C  
Dept. No.: XV

**EUGENE INOSE'S ANSWER TO  
COMPLAINT AND COUNTERCLAIM**

Defendant/Counterclaimant EUGENE INOSE ("Inose"), by and through his attorneys of record, the law firm of Holley, Driggs, Walch, Fine, Wray, Puzey & Thompson, hereby: (1) responds to, admits, denies, and answers the allegations of Plaintiff/Counterdefendant DESERT VALLEY CONTRACTING, INC.'s ("Desert Valley") Complaint; and (2) counterclaims against Desert Valley as follows:

...

**PARTIES**

1  
2 1. Answering Paragraph 1 of Desert Valley's Complaint (the "Complaint"), Inose  
3 admits that Desert Valley is a Nevada corporation. Inose is without sufficient knowledge or  
4 information to form a belief as to the truth of the remaining allegations in this Paragraph, and,  
5 therefore, denies each and every remaining allegation of this Paragraph.

6 2. Answering Paragraph 2 of the Complaint, Inose admits the allegations contained  
7 in this Paragraph.

8 3. Answering Paragraph 3 of the Complaint, Inose is without sufficient knowledge  
9 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
10 denies the allegations of this Paragraph.

11 4. Answering Paragraph 4 of the Complaint, Inose denies the allegations contained  
12 in this Paragraph.

13 5. Answering Paragraph 5 of the Complaint, Inose is without sufficient knowledge  
14 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
15 denies the allegations of this Paragraph.

16 6. Answering Paragraph 6 of the Complaint, Inose is without sufficient knowledge  
17 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
18 denies the allegations of this Paragraph.

19 7. Answering Paragraph 7 of the Complaint, Inose is without sufficient knowledge  
20 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
21 denies the allegations of this Paragraph.

22 **JURISDICTION**

23 8. Answering Paragraph 8 of the Complaint, Inose is without sufficient knowledge  
24 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
25 denies the allegations of this Paragraph.

26 9. Answering Paragraph 9 of the Complaint, Inose is without sufficient knowledge  
27 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
28 denies the allegations of this Paragraph.

### GENERAL ALLEGATIONS

11. Answering Paragraph 11 of the Complaint, Inose admits that Defendant IN-LO Properties purchased the Subject Property in 2005 but is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

12. Answering Paragraph 12 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

13. Answering Paragraph 13 of the Complaint, Inose admits that he and Desert Valley entered into the Contract and further states that this agreement is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

14. Answering Paragraph 14 of the Complaint, Inose states that the Contract is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

15. Answering Paragraph 15 of the Complaint, Inose states that the Contract is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

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1           16.     Answering Paragraph 16 of the Complaint, Inose states that the Contract is a  
2 written document which speaks for itself. Inose is without sufficient knowledge or information  
3 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
4 denies each and every remaining allegation of this Paragraph.

5           17.     Answering Paragraph 17 of the Complaint, Inose states that the Contract is a  
6 written document which speaks for itself. Inose is without sufficient knowledge or information  
7 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
8 denies each and every remaining allegation of this Paragraph.

9           18.     Answering Paragraph 18 of the Complaint, Inose states that the Contract is a  
10 written document which speaks for itself. Inose is without sufficient knowledge or information  
11 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
12 denies each and every remaining allegation of this Paragraph.

13          19.     Answering Paragraph 19 of the Complaint, Inose states that the Contract is a  
14 written document which speaks for itself. Inose is without sufficient knowledge or information  
15 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
16 denies each and every remaining allegation of this Paragraph.

17          20.     Answering Paragraph 20 of the Complaint, Inose states that the Contract is a  
18 written document which speaks for itself. Inose is without sufficient knowledge or information  
19 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
20 denies each and every remaining allegation of this Paragraph.

21          21.     Answering Paragraph 21 of the Complaint, Inose states that the Contract is a  
22 written document which speaks for itself. Inose is without sufficient knowledge or information  
23 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
24 denies each and every remaining allegation of this Paragraph.

25          22.     Answering Paragraph 22 of the Complaint, Inose states that the Contract is a  
26 written document which speaks for itself. Inose is without sufficient knowledge or information  
27 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
28 denies each and every remaining allegation of this Paragraph.

1           23.     Answering Paragraph 23 of the Complaint, Inose denies the allegations contained  
2 in this paragraph.

3           24.     Answering Paragraph 24 of the Complaint, Inose denies the allegations contained  
4 in this paragraph.

5           25.     Answering Paragraph 25 of the Complaint, Inose denies the allegations contained  
6 in this paragraph.

7           26.     Answering Paragraph 26 of the Complaint, Inose is without sufficient knowledge  
8 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
9 denies the allegations of this Paragraph.

10          27.     Answering Paragraph 27 of the Complaint, Inose is without sufficient knowledge  
11 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
12 denies the allegations of this Paragraph.

13          28.     Answering Paragraph 28 of the Complaint, Inose is without sufficient knowledge  
14 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
15 denies the allegations of this Paragraph.

16          29.     Answering Paragraph 29 of the Complaint, Inose denies the allegations contained  
17 in this paragraph.

18          30.     Answering Paragraph 30 of the Complaint, Inose is without sufficient knowledge  
19 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
20 denies the allegations of this Paragraph.

21          31.     Answering Paragraph 31 of the Complaint, Inose denies the allegations contained  
22 in this paragraph.

23          32.     Answering Paragraph 32 of the Complaint, Inose denies the allegations contained  
24 in this paragraph.

25          33.     Answering Paragraph 33 of the Complaint, Inose denies the allegations contained  
26 in this paragraph.

27     ...

28     ...

**FIRST CAUSE OF ACTION**

**(Breach of Contract against Defendant EUGENE INOSE)**

34. Answering Paragraph 34 of the Complaint, Inose adopts, repeats, and realleges its responses to the prior allegations and the preceding paragraphs in the Answer as though fully set forth herein.

35. Answering Paragraph 35 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

36. Answering Paragraph 36 of the Complaint, Inose admits that he and Desert Valley entered into the Contract and further states that this agreement is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

37. Answering Paragraph 37 of the Complaint, Inose states that the Contract is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

38. Answering Paragraph 38 of the Complaint, Inose states that the Contract is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

39. Answering Paragraph 39 of the Complaint, Inose states that the Contract is a written document which speaks for itself. Inose is without sufficient knowledge or information to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every remaining allegation of this Paragraph.

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1           40.     Answering Paragraph 40 of the Complaint, Inose states that the Contract is a  
2 written document which speaks for itself. Inose is without sufficient knowledge or information  
3 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
4 denies each and every remaining allegation of this Paragraph.

5           41.     Answering Paragraph 41 of the Complaint, Inose states that the Contract is a  
6 written document which speaks for itself. Inose is without sufficient knowledge or information  
7 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
8 denies each and every remaining allegation of this Paragraph.

9           42.     Answering Paragraph 42 of the Complaint, Inose states that the Contract is a  
10 written document which speaks for itself. Inose is without sufficient knowledge or information  
11 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
12 denies each and every remaining allegation of this Paragraph.

13          43.     Answering Paragraph 43 of the Complaint, Inose states that the Contract is a  
14 written document which speaks for itself. Inose is without sufficient knowledge or information  
15 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
16 denies each and every remaining allegation of this Paragraph.

17          44.     Answering Paragraph 44 of the Complaint, Inose states that the Contract is a  
18 written document which speaks for itself. Inose is without sufficient knowledge or information  
19 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
20 denies each and every remaining allegation of this Paragraph.

21          45.     Answering Paragraph 45 of the Complaint, Inose states that the Contract is a  
22 written document which speaks for itself. Inose is without sufficient knowledge or information  
23 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
24 denies each and every remaining allegation of this Paragraph.

25          46.     Answering Paragraph 46 of the Complaint, Inose denies the allegations contained  
26 in this paragraph.

27          47.     Answering Paragraph 47 of the Complaint, Inose denies the allegations contained  
28 in this paragraph.

1           48.     Answering Paragraph 48 of the Complaint, Inose denies the allegations contained  
2 in this paragraph.

3           49.     Answering Paragraph 49 of the Complaint, Inose is without sufficient knowledge  
4 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
5 denies the allegations of this Paragraph.

6           50.     Answering Paragraph 50 of the Complaint, Inose is without sufficient knowledge  
7 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
8 denies the allegations of this Paragraph.

9           51.     Answering Paragraph 51 of the Complaint, Inose is without sufficient knowledge  
10 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
11 denies the allegations of this Paragraph.

12          52.     Answering Paragraph 52 of the Complaint, Inose denies the allegations contained  
13 in this paragraph.

14          53.     Answering Paragraph 53 of the Complaint, Inose denies the allegations contained  
15 in this paragraph.

16          54.     Answering Paragraph 54 of the Complaint, Inose denies the allegations contained  
17 in this paragraph.

18          55.     Answering Paragraph 55 of the Complaint, Inose denies the allegations contained  
19 in this paragraph.

20          56.     Answering Paragraph 56 of the Complaint, Inose denies the allegations contained  
21 in this paragraph.

22          57.     Answering Paragraph 57 of the Complaint, Inose denies the allegations contained  
23 in this paragraph.

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**SECOND CAUSE OF ACTION**

**(Breach of the Implied Covenant of Good Faith and Fair Dealing against Defendant EUGENE INOSE)**

58. Answering Paragraph 58 of the Complaint, Inose adopts, repeats, and realleges its responses to the prior allegations and the preceding paragraphs in the Answer as though fully set forth herein.

59. Answering Paragraph 59 of the Complaint, Inose states that the allegations contained therein are legal conclusions. Notwithstanding this however, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

60. Answering Paragraph 60 of the Complaint, Inose denies the allegations contained in this paragraph.

61. Answering Paragraph 61 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

62. Answering Paragraph 62 of the Complaint, Inose states that the allegations contained therein are legal conclusions. Notwithstanding this however, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore deny the allegations of this Paragraph.

63. Answering Paragraph 63 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

64. Answering Paragraph 64 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

65. Answering Paragraph 65 of the Complaint, Inose denies the allegations contained in this paragraph.

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1           66.     Answering Paragraph 66 of the Complaint, Inose denies the allegations contained  
2 in this paragraph.

3           67.     Answering Paragraph 67 of the Complaint, Inose denies the allegations contained  
4 in this paragraph.

5                               **THIRD CAUSE OF ACTION**

6           **(Unjust Enrichment against Defendants IN-LO PROPERTIES and JEFFREY LOUIE)**

7           68.     Answering Paragraph 68 of the Complaint, Inose adopts, repeats, and realleges its  
8 responses to the prior allegations and the preceding paragraphs in the Answer as though fully set  
9 forth herein.

10          69.     Answering Paragraph 69 of the Complaint, Inose admits the allegations contained  
11 in this Paragraph.

12          70.     Answering Paragraph 70 of the Complaint, Inose is without sufficient knowledge  
13 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
14 denies the allegations of this Paragraph.

15          71.     Answering Paragraph 71 of the Complaint, Inose denies the allegations contained  
16 this Paragraph.

17          72.     Answering Paragraph 72 of the Complaint, Inose is without sufficient knowledge  
18 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
19 denies the allegations of this Paragraph.

20          73.     Answering Paragraph 73 of the Complaint, Inose is without sufficient knowledge  
21 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
22 denies the allegations of this Paragraph.

23          74.     Answering Paragraph 74 of the Complaint, Inose states that the allegations  
24 contained therein are legal conclusions. Notwithstanding this however, Inose is without  
25 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
26 Paragraph, and therefore deny the allegations of this Paragraph.

27          75.     Answering Paragraph 75 of the Complaint, Inose states that the allegations  
28 contained therein are legal conclusions. Notwithstanding this however, Inose is without

1 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
2 Paragraph, and therefore deny the allegations of this Paragraph.

3 76. Answering Paragraph 76 of the Complaint, Inose states that the allegations  
4 contained therein are legal conclusions. Notwithstanding this however, Inose is without  
5 sufficient knowledge or information to form a belief as to the truth of the allegations in this  
6 Paragraph, and therefore deny the allegations of this Paragraph.

7 77. Answering Paragraph 77 of the Complaint, Inose is without sufficient knowledge  
8 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
9 denies the allegations of this Paragraph.

10 78. Answering Paragraph 78 of the Complaint, Inose admits that he and Desert  
11 Valley entered into the Contract and further states that this agreement is a written document  
12 which speaks for itself. Inose is without sufficient knowledge or information to form a belief as  
13 to the truth of the remaining allegations in this Paragraph, and, therefore, denies each and every  
14 remaining allegation of this Paragraph.

15 79. Answering Paragraph 79 of the Complaint, Inose states that the Contract is a  
16 written document which speaks for itself. Inose is without sufficient knowledge or information  
17 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
18 denies each and every remaining allegation of this Paragraph.

19 80. Answering Paragraph 80 of the Complaint, Inose states that the Contract is a  
20 written document which speaks for itself. Inose is without sufficient knowledge or information  
21 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
22 denies each and every remaining allegation of this Paragraph.

23 81. Answering Paragraph 81 of the Complaint, Inose states that the Contract is a  
24 written document which speaks for itself. Inose is without sufficient knowledge or information  
25 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
26 denies each and every remaining allegation of this Paragraph.

27 82. Answering Paragraph 82 of the Complaint, Inose states that the Contract is a  
28 written document which speaks for itself. Inose is without sufficient knowledge or information

1 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
2 denies each and every remaining allegation of this Paragraph.

3 83. Answering Paragraph 83 of the Complaint, Inose states that the Contract is a  
4 written document which speaks for itself. Inose is without sufficient knowledge or information  
5 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
6 denies each and every remaining allegation of this Paragraph.

7 84. Answering Paragraph 84 of the Complaint, Inose states that the Contract is a  
8 written document which speaks for itself. Inose is without sufficient knowledge or information  
9 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
10 denies each and every remaining allegation of this Paragraph.

11 85. Answering Paragraph 85 of the Complaint, Inose states that the Contract is a  
12 written document which speaks for itself. Inose is without sufficient knowledge or information  
13 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
14 denies each and every remaining allegation of this Paragraph.

15 86. Answering Paragraph 86 of the Complaint, Inose states that the Contract is a  
16 written document which speaks for itself. Inose is without sufficient knowledge or information  
17 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
18 denies each and every remaining allegation of this Paragraph.

19 87. Answering Paragraph 87 of the Complaint, Inose states that the Contract is a  
20 written document which speaks for itself. Inose is without sufficient knowledge or information  
21 to form a belief as to the truth of the remaining allegations in this Paragraph, and, therefore,  
22 denies each and every remaining allegation of this Paragraph.

23 88. Answering Paragraph 88 of the Complaint, Inose denies the allegations contained  
24 in this paragraph.

25 89. Answering Paragraph 89 of the Complaint, Inose denies the allegations contained  
26 in this paragraph.

27 90. Answering Paragraph 90 of the Complaint, Inose denies the allegations contained  
28 in this paragraph.

1           91.     Answering Paragraph 91 of the Complaint, Inose is without sufficient knowledge  
2 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
3 denies the allegations of this Paragraph.

4           92.     Answering Paragraph 92 of the Complaint, Inose is without sufficient knowledge  
5 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
6 denies the allegations of this Paragraph.

7           93.     Answering Paragraph 93 of the Complaint, Inose is without sufficient knowledge  
8 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
9 denies the allegations of this Paragraph.

10          94.     Answering Paragraph 94 of the Complaint, Inose denies the allegations contained  
11 in this paragraph.

12          95.     Answering Paragraph 95 of the Complaint, Inose is without sufficient knowledge  
13 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
14 denies the allegations of this Paragraph.

15          96.     Answering Paragraph 96 of the Complaint, Inose denies the allegations contained  
16 in this paragraph.

17          97.     Answering Paragraph 97 of the Complaint, Inose denies the allegations contained  
18 in this paragraph.

19          98.     Answering Paragraph 98 of the Complaint, Inose denies the allegations contained  
20 in this paragraph.

21          99.     Answering Paragraph 99 of the Complaint, Inose is without sufficient knowledge  
22 or information to form a belief as to the truth of the allegations in this Paragraph, and therefore  
23 denies the allegations of this Paragraph.

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**FOURTH CAUSE OF ACTION**

**(Intentional Interference with Contract against Defendants EUGENE INOSE and IN-LO PROPERTIES)**

100. Answering Paragraph 100 of the Complaint, Inose adopts, repeats, and realleges its responses to the prior allegations and the preceding paragraphs in the Answer as though fully set forth herein.

101. Answering Paragraph 101 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

102. Answering Paragraph 102 of the Complaint, Inose denies the allegations contained in this paragraph.

103. Answering Paragraph 103 of the Complaint, Inose denies the allegations contained in this paragraph.

104. Answering Paragraph 104 of the Complaint, Inose denies the allegations contained in this paragraph.

105. Answering Paragraph 105 of the Complaint, Inose denies the allegations contained in this paragraph.

106. Answering Paragraph 106 of the Complaint, Inose denies the allegations contained in this paragraph.

107. Answering Paragraph 107 of the Complaint, Inose is without sufficient knowledge or information to form a belief as to the truth of the allegations in this Paragraph, and therefore denies the allegations of this Paragraph.

108. Answering Paragraph 108 of the Complaint, Inose denies the allegations contained in this paragraph.

109. Answering Paragraph 109 of the Complaint, Inose denies the allegations contained in this paragraph.

110. Answering Paragraph 110 of the Complaint, Inose denies the allegations contained in this paragraph.

111. Answering Paragraph 111 of the Complaint, Inose denies the allegations contained in this paragraph.

112. Answering Paragraph 112 of the Complaint, Inose denies the allegations contained in this paragraph.

**AFFIRMATIVE DEFENSES**

Inose asserts and alleges the following non-exclusive list of defenses to this action. These defenses have been labeled as "Affirmative" defenses regardless of whether, as a matter of law, such defenses are truly affirmative defenses. Such designation should in no way be construed to constitute a concession on the part of Inose that its bears the burden of proof to establish such defenses.

1. Inose denies each and every allegation of the Complaint not specifically admitted or otherwise pled to herein.

2. The Complaint fails to state a claim against Inose upon which relief can be granted.

3. At all times relevant to the allegations contained in the Complaint, Inose acted with due care, circumspection, and good faith in the performance of any and all duties imposed on him, if any.

4. Desert Valley's claims are barred by the doctrine of equitable estoppel.

5. Desert Valley's claims are barred by the doctrine of equitable rescission.

6. Desert Valley's claims are barred because it did not incur any injury or damages cognizable at law.

7. Desert Valley, by its own acts and conduct, waived its rights to assert any claim.

8. Desert Valley is barred from obtaining any relief from any claim by operation of the doctrine of unclean hands.

9. Desert Valley claims are barred by the doctrine of laches.

10. Each and every action contained in the Complaint is barred by Desert Valley's breach of the implied covenant of good faith and fair dealing.

...

1 11. Desert Valley breached or failed to perform any agreement alleged in the  
2 Complaint and is therefore not entitled to any relief under any agreement.

3 12. Damages and injuries suffered by Desert Valley, if any, are not attributable to any  
4 act, conduct, or omission on the part of Inose.

5 13. The conduct of the Inose was privileged.

6 14. Inose performed on his part, each and every term and condition owed by him, if  
7 any, to Desert Valley.

8 15. Desert Valley's alleged damages, if any, should be offset by monies due and  
9 owing by Desert Valley to Inose.

10 16. Because of Desert Valley's breach of the agreement, Inose had to hire  
11 replacement subcontractors to complete/correct Desert Valley's work on the subject property.

12 17. Desert Valley has pleaded mutually exclusive claims.

13 18. The conduct of Inose alleged to be wrongful was induced by Desert Valley's own  
14 wrongful conduct.

15 19. By virtue of the acts, conduct, mismanagement and/or omissions to act of the  
16 Desert Valley under the circumstances, Inose is released, excused, and discharged from any  
17 liability whatsoever to Desert Valley, which liability is expressly denied.

18 20. Desert Valley is barred from obtaining any relief from any claim by operation of  
19 the doctrine of waiver.

20 21. Desert Valley's claims are barred by the doctrines of mutual mistake, unilateral  
21 mistake, impossibility, or impracticability.

22 22. Desert Valley is barred from obtaining any relief from any claim by operating of  
23 the doctrine of accord and satisfaction.

24 23. Desert Valley's claims for relief are barred on the grounds that Inose has a valid  
25 justification for any alleged nonperformance of any alleged agreement.

26 24. Any damages which Desert Valley may have sustained by reason of the  
27 allegations of the Complaint were proximately caused, in whole or in part, by sets of persons  
28 other than Inose and, therefore, Desert Valley is not entitled to any relief from Inose.

1           25. To the extent Desert Valley's claims are based in whole or in part on alleged oral  
2 promises or statements, such claims are barred by the lack of acceptance, lack of mutuality,  
3 failure of consideration, and/or the statute of frauds.

4           26. Desert Valley ratified, approved, or acquiesced in the actions of Inose.

5           27. Desert Valley has failed to mitigate its damages, if any exist or were incurred, the  
6 existence of which is expressly denied by Inose.

7           28. Desert Valley's claims for relief are barred on the grounds that any assent to any  
8 alleged contract was obtained by Desert Valley's misrepresentations, concealment,  
9 circumvention, and unfair practices.

10          29. Desert Valley materially breached any agreement between the parties, thereby  
11 excusing the future performance thereof by Inose.

12          30. Desert Valley brings its claims in bad faith, with an ulterior motive to harass  
13 Inose, abuse the litigation process, and otherwise raise frivolous and unfounded claims against  
14 Inose causing Inose to incur damages.

15          31. Desert Valley has acted in bad faith in his dealings with Inose.

16          32. Desert Valley's claims are barred by the economic loss doctrine.

17          33. Desert Valley's claims are barred by the statute of limitations.

18          34. Inose hereby incorporates by reference those affirmative defenses enumerated in  
19 NRCP 8 as though fully set forth herein. Such defenses are herein incorporated by reference for  
20 the specific purpose of not waiving the same.

21          35. It has been necessary for Inose to employ the services of an attorney to defend  
22 this Complaint and reasonable sums should be allowed as and for attorneys' fees, together with  
23 the costs expended in this action.

24          36. Pursuant to the provisions of NRCP 11, at the time of the filing of this Answer, all  
25 possible affirmative defenses may not have been alleged inasmuch as insufficient facts and  
26 relevant information may not have been available after reasonable inquiry. Therefore, Inose  
27 reserves the right to amend this Answer to allege additional affirmative defenses if subsequent  
28 investigation so warrants.

1 **WHEREFORE**, Inose prays for the following relief:

- 2 1. That Desert Valley takes nothing by way of the Complaint and that the same be  
 3 dismissed with prejudice;
- 4 2. That Inose be awarded all costs and expenses, including reasonable attorneys'  
 5 fees, incurred by Inose in connection with this action; and
- 6 3. For such other and further relief as the Court deems just and proper.

7 **COUNTERCLAIM**

8 Defendant/Counterclaimant EUGENE INOSE ("Inose"), by and through his attorneys of  
 9 record, the law firm of Holley, Driggs, Walch, Fine, Wray, Puzey & Thompson, hereby alleges  
 10 and complains against Plaintiff/Counterdefendant DESERT VALLEY CONTRACTING, INC.  
 11 ("Desert Valley") as follows:

12 **THE PARTIES**

- 13 1. Inose is, and was at all times relevant to this action, an individual.
- 14 2. Upon information and belief, at all times relevant to this this action, Desert Valley  
 15 was a Nevada corporation.
- 16 3. Inose does not know the true names of the individuals, corporations, partnerships,  
 17 and entities sued and identified in fictitious names as DOES I through X and ROE Corporations I  
 18 through X. Inose will request leave of this Honorable Court to amend this Counterclaim to  
 19 allege the true names and capacities of each fictitious defendants when Inose discovers the  
 20 information.

21 **JURISDICTION AND VENUE**

- 22 4. This Court has subject matter jurisdiction over this case and venue is proper in  
 23 Clark County, because the Contract (defined below) was entered in Nevada, and the Property  
 24 (defined below) is located in Clark County, Nevada.

25 ...  
 26 ...  
 27 ...  
 28 ...

## GENERAL ALLEGATIONS

5. On or about October 10, 2005, Defendant IN-LO PROPERTIES ("IN-LO") purchased the real property located at 587 St. Croix Street, Henderson, Nevada 89012, APN Number 178-27-114-001 (the "Property") and since that date, IN-LO has been the owner of the Property.

6. On or about August 2, 2014, the Property was flooded and damaged to the core, and Inose was unable to reside in the Property.

7. On or about August 24, 2014, Inose and Desert Valley entered into a Work Authorization and Contract to Perform (the "Contract") to fix and repair the Property.

8. Pursuant to the Contract, Desert Valley, as the general contractor, was required to repair the Property back to its original condition.

9. Additionally, pursuant to the Contract, among other things:

- a. Desert Valley had to perform its work on the Property in good and workmanlike manner;
- b. Desert Valley agreed to perform its work on the Property for the amount of insurance proceeds (the "Insurance Proceeds") for the Property, absent written authorization for additional amounts; and
- c. If any requests for additional work was needed to be performed during the scope of the work on the Property, all such requests had to be in writing.

10. Shortly after entering into the Contract, Desert Valley began its work under the Contract.

11. Around that same time, Desert Valley told Inose that the work on the Property was supposed to only take approximately eight months and should be fully completed by approximately April 2015.

12. Thus, Desert Valley confirmed that Inose would be able to reside back in the Property by April 2015.

13. April 2015 came and went and Desert Valley's work was nowhere near complete on the Property.

1       14. On or about July 3, 2015, Desert Valley confirmed that there were no change  
2 orders on the Property.

3       15. In October 2015, approximately fourteen months after the Contract was signed,  
4 Inose was still unable to reside in the Property, as the work was not complete on the Property,  
5 resulting in considerable damages to Inose.

6       16. On or about December 8, 2015, because Desert Valley had breached its duties,  
7 obligations, and responsibilities under the Contract, Inose terminated the Contract for cause,  
8 effective immediately.

9       17. More specifically, Desert Valley breached the Contract, as it did not perform its  
10 work in "good and workmanlike manner" and did not complete its scope of work on the Property  
11 in fifteen months, a considerable delay, harming Inose by keeping him out of the Property.

12       18. Additionally, as noted above, pursuant to the Contract, Desert Valley agreed to  
13 perform the work on the Property for the amount of Insurance Proceeds for the Property, absent  
14 written authorization for additional amounts; since Desert Valley is claiming, in its Complaint,  
15 more than the Insurance Proceeds, it has breached the Contract as well.

16       19. Further, Desert Valley was also grossly negligent and intentionally malicious in  
17 its oversight and work on the Property throughout the entire term of the Contract.

18       20. Moreover, throughout the entire term of the Contract, there was no urgency on  
19 Desert Valley's part to get Inose back in his Property, as well as there was no full time, or even  
20 part time, supervisor that had been assigned to the Property since approximately April 2015,  
21 causing the process of repairing the Property to be extremely inefficient and causing inexcusable  
22 delay hereto.

23       21. Further, Inose was told that Desert Valley had ordered certain items for  
24 installation in the Property, only to find out months later that no such items were ordered, and  
25 therefore, not installed.

26       22. This resulted in massive delays and costs, directly to the detriment of Inose.

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1       23. Before the instant dispute arose between Plaintiff and Inose, Desert Valley never  
2 presented any change orders to Inose, and therefore, Inose never signed off or approved any  
3 change orders before the instant dispute arose.

4       24. Due to Desert Valley's breach of the Contract, and after Inose terminated the  
5 Contract for cause, Inose had no other alternative but to hire replacement subcontractors on the  
6 Property to complete/correct Desert Valley's work on the Property.

7       25. Regarding these subcontractors, Desert Valley knew many of them, as many of  
8 them were working on the Property during the time period of the Contract, and also knew about  
9 the prospective relationship between Inose and the replacement subcontractors.

10       26. Desert Valley intended to harm Plaintiff by preventing such relationship between  
11 Plaintiff and the replacement subcontractors, by sending letters to them and instructing them not  
12 to work on the Property.

13       27. Desert Valley had no privilege or justification in preventing such relationship.

14       28. In June 2015, Inose, with Desert Valley's express consent, confirmation and  
15 approval, settled out the claim with the insurance company for \$1,321,133.12, the Insurance  
16 Proceeds.

17       29. More specifically, the insurance company and Desert Valley negotiated the total  
18 amount of Insurance Proceeds that would be available for the construction of the Property, and  
19 once an agreement was reached between them, then and only then, did Desert Valley approach  
20 Inose and instruct/recommend Inose to except the settlement amount that the insurance company  
21 offered.

22       30. Inose would have never settled out the amount of the claim with the insurance  
23 company without Desert Valley's express consent, confirmation and approval.

24       31. As of date, Desert Valley has been paid \$1,123,734.48 out of the Insurance  
25 Proceeds.

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1           32.     Because Desert Valley has materially breached the Contract and has damaged  
2 Inose, as noted above, Desert Valley should not be entitled to any of the Insurance Proceeds, but  
3 rather, Inose should be entitled to this, so he can pay replacement subcontractors to  
4 complete/contract Desert Valley's work on the Property.

5           33.     Thus, as a direct and proximate result of Desert Valley's aforementioned conduct,  
6 Inose had to hire these aforementioned replacement subcontractors to complete/correct Desert  
7 Valley's work on the Property.

8           34.     As of date, Inose has had to pay at least \$250,000.00 to hire these aforementioned  
9 replacement subcontractors to complete/correct Desert Valley's work on the Property; however,  
10 this amount continuously is increasing, as Inose is continuing to have to pay other replacement  
11 subcontractors to complete/correct Desert Valley's work on the Property.

12           35.     Pursuant to the Contract, and since the outset of the Contract, Inose has performed  
13 all of his duties, obligations, and responsibilities under the Contract.

14           36.     Since the outset of the Contract, Desert Valley has materially breached its duties,  
15 obligations, and responsibilities under the Contract, by among other things, not performing its  
16 work in good and workmanlike manner, not completing its scope of work on the Property in  
17 fifteen months, a considerable delay, harming Inose by keeping him out of the Property, claiming  
18 more than the instance proceeds, and claiming damages on alleged change orders, when Inose  
19 never approved these changes, especially since he was never presented any such change orders  
20 prior to the instant dispute arising.

21           37.     As a direct and proximate result of Desert Valley's aforementioned actions, Inose  
22 has been damaged in a substantial sum in excess of \$10,000.00, the exact amount of which will  
23 be set forth at the time of trial in this matter.

24           38.     As a direct result of the aforementioned conduct on the part of Desert Valley,  
25 Inose has been forced to retain the services of the undersigned counsel to defend and prosecute  
26 this matter and is thus entitled to an award of his reasonable attorneys' fees and costs associated  
27 herewith from Desert Valley.

28     ...

**FIRST CLAIM FOR RELIEF**

**(Breach of Contract)**

39. Inose incorporates the preceding paragraphs of this Counterclaim by reference as though fully set forth herein.

40. Inose and Desert Valley entered into a valid and enforceable contract, the Contract, relating to repaid work on the Property.

41. Inose has complied with all the conditions and requirements under this contract, the Contract.

42. Through its actions complained of herein, Desert Valley has wrongfully, intentionally, and/or maliciously breached its obligations under the Contract.

43. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose had to hire replacement subcontractors to complete/correct Desert Valley's work on the Property.

44. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose has been damaged in a substantial sum in excess of \$10,000.00, the exact amount of which will be set forth at the time of trial in this matter.

45. As a direct result of the aforementioned conduct on the part of Desert Valley, Inose has been forced to retain the services of the undersigned counsel to defend and prosecute this matter and is thus entitled to an award of his reasonable attorneys' fees and costs associated herewith from Desert Valley.

**SECOND CLAIM FOR RELIEF**

**(Breach of the Implied Covenant of Good Fair and Fair Dealing)**

46. Inose incorporates the preceding paragraphs of this Counterclaim by reference as though fully set forth herein.

47. Every contract entered into in Nevada, including the above-referenced Contract, contains an implied covenant that the parties will act in good faith, and with fair dealing, and that one party will not conduct itself in a manner that would prevent the other party from achieving the benefit of its bargain.

...

1       48. Inose and Desert Valley entered into a valid and enforceable contract, the  
2 Contract, relating to repaid work on the Property.

3       49. Inose has complied with all the conditions and requirements under this contract,  
4 the Contract.

5       50. Through its actions complained of herein, Desert Valley has wrongfully,  
6 intentionally, and/or maliciously breached said covenant of good faith and fair dealing. This  
7 aforementioned conduct was unfaithful to the purpose of the Contract.

8       51. Inose's justified expectations under the Contract were denied because of Desert  
9 Valley's aforementioned conduct.

10       52. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose  
11 had to hire replacement subcontractors to complete/correct Desert Valley's work on the Property.

12       53. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose  
13 has been damaged in a substantial sum in excess of \$10,000.00, the exact amount of which will  
14 be set forth at the time of trial in this matter.

15       54. As a direct result of the aforementioned conduct on the part of Desert Valley,  
16 Inose has been forced to retain the services of the undersigned counsel to defend and prosecute  
17 this matter and is thus entitled to an award of his reasonable attorneys' fees and costs associated  
18 herewith from Desert Valley.

19                   **THIRD CLAIM FOR RELIEF**

20                   **(Alternative Claim for Unjust Enrichment)**

21       55. Inose incorporates the preceding paragraphs of this Counterclaim by reference as  
22 though fully set forth herein.

23       56. In the alternative to the First Claim for Relief for Breach of Contract, Desert  
24 Valley unjustly retained Inose's property, including, but not limited to, the money that Desert  
25 Valley has received for its work on the Property.

26       57. Desert Valley's unjust retention of this aforementioned property is against the  
27 fundamental principles of justice, as the money rightfully belongs to Inose, so he can pay  
28 replacement subcontractors to complete/contract Desert Valley's work on the Property.

1           58. Inose has conferred a benefit upon the Desert Valley, as Desert Valley has failed  
2 and/or refused to return any of the aforementioned property to Inose.

3           59. Desert Valley has appreciated this benefit, as well as accepted and retained this  
4 benefit, since Desert Valley has failed and/or refused to return any of the aforementioned  
5 property to Inose.

6           60. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose  
7 has been damaged in a substantial sum in excess of \$10,000.00, the exact amount of which will  
8 be set forth at the time of trial in this matter.

9           61. As a direct result of the aforementioned conduct on the part of Desert Valley,  
10 Inose has been forced to retain the services of the undersigned counsel to defend and prosecute  
11 this matter and is thus entitled to an award of his reasonable attorneys' fees and costs associated  
12 herewith from Desert Valley.

13                           **FOURTH CLAIM FOR RELIEF**

14                           **(Intentional Interference with Prospective Economic Advantage)**

15           62. Inose incorporates the preceding paragraphs of this Counterclaim by reference as  
16 though fully set forth herein.

17           63. Due to Desert Valley's breach of the Contract, and after Inose terminated the  
18 Contract for cause, Inose had no other alternative but to hire replacement subcontractors on the  
19 Property to complete/correct Desert Valley's work on the Property.

20           64. Thus, there was a perspective contractual relationship between Plaintiff and third  
21 parties, the replacement subcontractors.

22           65. Regarding these subcontractors, Desert Valley knew many of them, as many of  
23 them were working on the Property during the time period of the Contract, and also knew about  
24 the prospective relationship between Inose and the replacement subcontractors.

25           66. Desert Valley intended to harm Plaintiff by preventing such relationship between  
26 Plaintiff and the replacement subcontractors, by sending letters to them and instructed them not  
27 to work on the Property.

28           ...

68. As a direct and proximate result of Desert Valley's aforementioned conduct, Inose has been damaged in a substantial sum in excess of \$10,000.00, the exact amount of which will be set forth at the time of trial in this matter.

69. As a direct result of the aforementioned conduct on the part of Desert Valley, Inose has been forced to retain the services of the undersigned counsel to defend and prosecute this matter and is thus entitled to an award of his reasonable attorneys' fees and costs associated herewith from Desert Valley.

## PRAYER

10 **WHEREFORE**, Inose prays for judgment against Desert Valley as follows:

11           1.       With respect to the First Claim for Relief (Breach of Contract), judgment in an  
12   amount in excess of \$10,000.00;

13           2.       With respect to the Second Claim for Relief (Breach of the Implied Covenant of  
14   Good Fair and Fair Dealing) judgment in an amount in excess of \$10,000.00;

15           3. With respect to the Third Claim for Relief (Alternative Claim for Unjust  
16   Enrichment) judgment in an amount in excess of \$10,000.00;

17           4.     With respect to the Fourth Claim for Relief (Intentional Interference with  
18     Prospective Economic Advantage) judgment in an amount in excess of \$10,000.00;

19        5.        For pre-judgment and post-judgment interest;

20           6.       For all costs and expenses incurred by Inose in enforcing its rights under the  
21   Contract, including, but not limited to, reasonable attorneys' fees and costs incurred in defending  
22   and prosecuting this action; and

23 | ...

24 | ...

25 | ...

26 | ...

27 | ...

28 | ...