

Case No. 83442

IN THE SUPREME COURT FOR THE STATE OF NEVADA

**PHILLIP J. FAGAN, JR. AN INDIVIDUAL AND AS TRUSTEE OF THE
PHILLIP J. FAGAN, FR. 2001 TRUST**

Petitioner,

vs.

**THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF
NEVADA, IN AND FOR, THE COUNTY OF CLARK, AND THE
HONORABLE ERIKA BALLOU, DISTRICT JUDGE**

Respondent,

and

AAL-JAY, INC., a Nevada Corporation

Real Party in Interest.

Petition from the Eighth Judicial District Court, Clark County, Nevada
District Court Case No. A-21-832379-C

The Honorable Erika Ballou

REAL PARTY IN INTEREST AAL-JAY, INC.'S APPENDIX

OGONNA M. BROWN (SBN 7589)
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Electronically Filed
Sep 15 2021 05:21 p.m.
Elizabeth A. Brown
Clerk of Supreme Court

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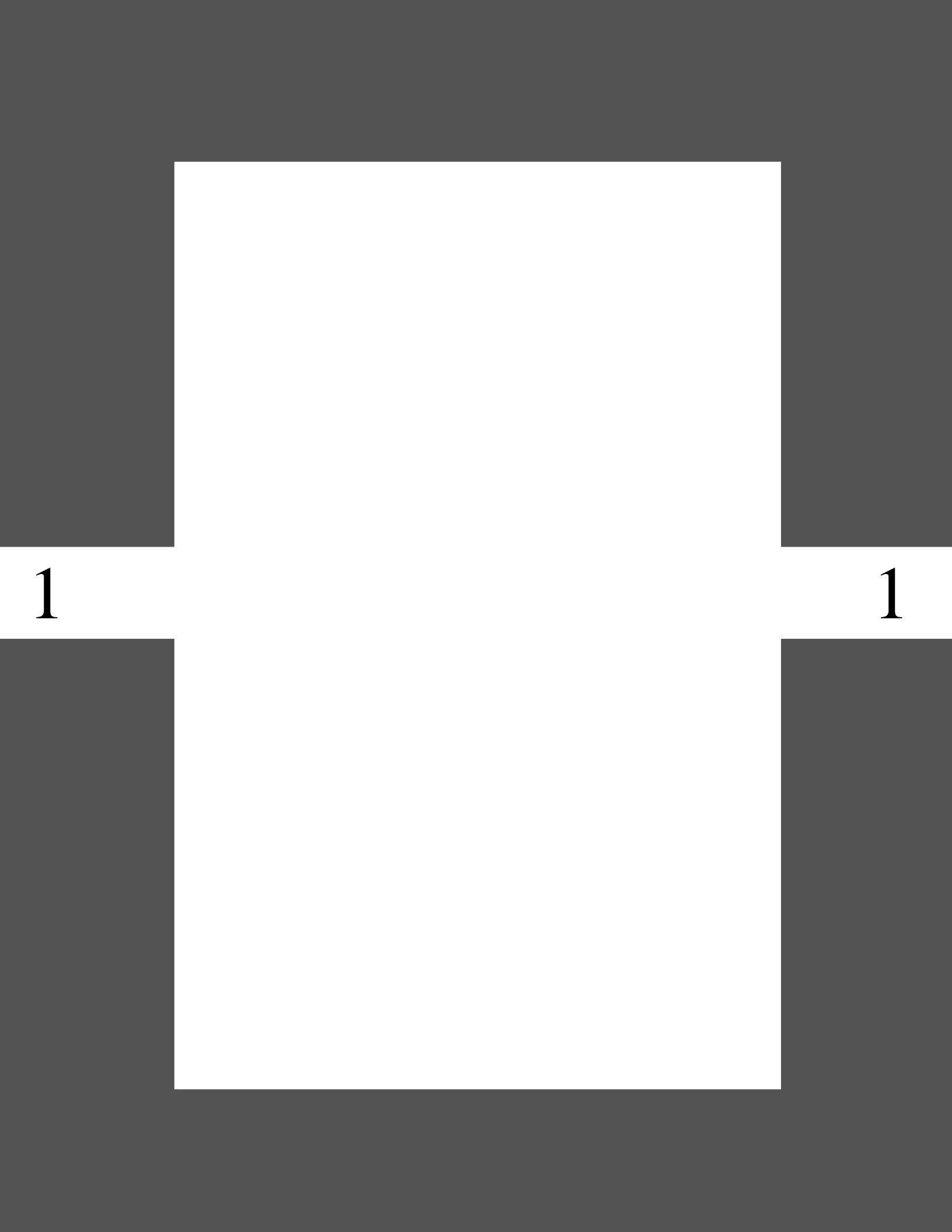
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CERTIFICATE OF SERVICE

I certify that on September 15, 2021, I submitted the foregoing “Real Party in Interest AAL-JAY Inc.’s Appendix” for filing *via* the Court’s eFlex electronic filing system. Electronic notification will be sent to the following:

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Attorneys for Plaintiff AAL-JAY, Inc.

IN THE EIGHTH JUDICIAL DISTRICT COURT
FOR THE COUNTY OF CLARK, STATE OF NEVADA

AAL-JAY, INC., a Nevada Corporation.

Plaintiff,

v.

PHILIP J. FAGAN, JR., an individual, and as
Trustee of the PHILIP J. FAGAN, JR. 2001
TRUST; DOES I through X, inclusive, and
ROE CORPORATIONS I through X,
inclusive,

Defendants.

Case No. A-21-832379-B

Dept. No. 24

EMERGENCY MOTION FOR SPECIFIC
PERFORMANCE OF PURCHASE
AGREEMENT, ON AN ORDER
SHORTENING TIME

[EMERGENCY HEARING REQUESTED]

Plaintiff AAL-JAY, INC. ("Plaintiff" or "AAL-JAY"), by and through its attorneys, Ogonna M. Brown, Esq. of the law firm Lewis Roca Rothgerber Christie LLP ("Lewis Roca"), hereby files this Emergency Motion for Specific Performance of Purchase Agreement, On An Order Shortening Time ("Emergency Motion"). The Emergency Motion seeks specific performance of Plaintiff's purchase of the real property parcel located at the address 2 Grand Anacapi, Henderson, Nevada, 89011, Assessor Parcel Number 162-22-810-011 (the "Property").

This Emergency Motion is based upon the following Memorandum of Points and Authorities; the Declaration of Christiano DeCarlo in Support of Emergency Motion ("DeCarlo Decl.") attached hereto as **Exhibit "A"**, the Director of AAL-JAY; the Declaration of Lail Leonard in Support of Emergency Motion ("Leonard Decl.") attached hereto as **Exhibit "B"**, the President of AAL-JAY, and the Declaration of Ogonna M. Brown, Esq. In Support of Emergency Motion On

1 An Order Shortening Time ("Brown Decl."), one of the attorneys for AAL-JAY; the papers and
2 pleadings on file in this action; and any such oral argument as this Court may entertain at hearing
3 on this Emergency Motion.

4 Dated this 7th day of May, 2021.

6 LEWIS ROCA ROTHGERBER CHRISTIE LLP

7 

9 By: _____

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Attorneys for Plaintiff AAL-JAY, Inc.

ORDER SHORTENING TIME

It appearing to the satisfaction of the Court, and good cause appearing therefor,

IT IS HEREBY ORDERED that the hearing on Plaintiff's EMERGENCY MOTION FOR SPECIFIC PERFORMANCE OF PURCHASE AGREEMENT, ON AN ORDER SHORTENING TIME ("Emergency Motion") shall be heard on the 1st day of June, 2021, at the hour of 9 : 00 .m. in Department 24 of this Court;

IT IS FURTHER ORDERED THAT the Defendants shall file an opposition to the Emergency Motion, if any, on or before May 25, 2021, 2021, at 9:00am a.m./p.m., and shall serve electronically a copy of same on counsel for Plaintiff using the Court's E-Filing E-Service System on this same date;

~~IT IS FURTHER ORDERED THAT Plaintiff shall file a reply in support of their Emergency Motion, if any, on or before _____, 2021, at _____ a.m./p.m. and shall serve electronically a copy of same on counsel for Defendants using the Court's E-Filing E-Service System on this same date.~~

Dated this 18th day of May, 2021



Respectfully submitted by:

LEWIS ROCA ROTHGERBER CHRISTIE LLP

859 4D1 78B7 5039
Erika Ballou
District Court Judge

By: 

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Attorneys for Plaintiff AAL-JAY, Inc.

**DECLARATION OF OGONNA M. BROWN, ESO. IN SUPPORT OF EMERGENCY
MOTION FOR SPECIFIC PERFORMANCE OF PURCHASE AGREEMENT, ON AN
ORDER SHORTENING TIME**

I, Ogonna M. Brown, upon oath state the following:

1. I am over the age of 18 and am competent to testify regarding the matters asserted herein.

2. I have personal knowledge of the facts set forth in this Declaration except as to those matters based upon information and belief, and as to those matters, I believe them to be true and correct. If called as a witness to testify, I could and would truthfully testify to the facts set forth herein.

3. I am an attorney licensed to practice in all courts within the State of Nevada, and I am a partner with the law firm of Lewis Roca Rothgerber Christie LLP ("Lewis Roca").

4. I am counsel for Plaintiff AAL-JAY, INC. ("Plaintiff") in the above-captioned lawsuit, and have been retained by Plaintiff to represent its interests in this action against Defendants Philip J. Fagan, Jr., an individual ("Mr. Fagan"), and as Trustee of the Philip J. Fagan, Jr. 2001 Trust ("Fagan Trust") (collectively, "Defendants").

5. I make this Declaration in support of Plaintiff's *Emergency Motion For Specific Performance of Purchase Agreement, on an Order Shortening Time* ("Emergency Motion").

6. The relief requested in this Emergency Motion is necessary because Plaintiff is entitled to specific performance of the Residential Purchase Agreement ("Purchase Agreement") for purchase of the real property parcel located at the address 2 Grand Anacapri, Henderson, Nevada, 89011, Assessor Parcel Number 162-22-810-011 (the "Property") to purchase the Property for \$800,000, which Purchase Agreement was offered by Defendant Mr. Fagan as Trustee of the Fagan Trust through his counsel, which was remitted to an Escrow Officer at Defendants' escrow company, First American Title Insurance Company ("First American") and executed on January 21, 2021 by Lail Leonard as President of Plaintiff, AAL-Jay, Inc. ("Ms. Leonard").

7. As evidenced by the proof of funds in escrow in the amount of \$170,000, and the pre-approved lending in the amount of up to \$680,000 from Zions Bancorporation, N.A. dba Nevada State Bank ("Lender"), Plaintiff is ready, willing and able to close on the purchase of the

Property for \$800,000, the purchase price set forth in the Purchase Agreement (“New Purchase Price”), which price reflected the (35) prior payments made under the terms of the original Contract and Addendum (defined herein).

8. The pre-approved lending from Lender is more than enough for the Plaintiff to close on the Purchase of the Property at the New Purchase Price.

9. Good cause exists for this instant request for an expedited hearing on the Emergency Motion and an expedited hearing on the Emergency Motion because the Lender will not fund the loan for the Plaintiff’s purchase of the Property until the Lender receives a fully executed Purchase Agreement.

10. Good cause also exists because Defendants have commenced eviction proceedings against the Plaintiff to vacate the Property on or before June 2, 2021 by way of serving a Thirty-Day “No Cause” Notice to Quit Pursuant to NRS 40.251 (“Notice to Quit”) served on May 3, 2021.

11. Plaintiff respectfully requests that this Court permit this Emergency Motion to be heard on an order shortening time because Plaintiff believes that, in the absence of such relief, Plaintiff risks losing the Property where Mr. Christiano DeCarlo currently resides with his family, including a minor child, as well as the prior payments Plaintiff has made over the years toward the goal of purchasing the Property.

12. Plaintiff is facing threat of eviction because the Defendants refuse to honor the Purchase Agreement for \$800,000, notwithstanding that Plaintiff is prepared to immediately close pursuant to the Purchase Agreement previously prepared by and submitted by the Defendants.

13. Plaintiff respectfully requests this Court hold a hearing on or before **June 2, 2021**, on the Emergency Motion to ensue Plaintiff is not forced to forfeit the funds that have already been invested over the years to Defendants towards the purchase of the Property, and to compel Defendants to allow the sale to close on the agreed Purchase Price of \$800,000 for the Property.

14. This request for an order shortening time on the Emergency Motion is made in good faith and without dilatory motive.

/s/ Ogonna Brown
OGONNA M. BROWN, ESQ.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff brings the instant Emergency Motion for Specific Performance of Purchase Agreement, on an Order Shortening Time in order that Plaintiff may be afforded specific performance of the Residential Purchase Agreement ("Purchase Agreement") for purchase of the real property parcel located at the address 2 Grand Anacapri, Henderson, Nevada, 89011, Assessor Parcel Number 162-22-810-011 (the "Property"), which Purchase Agreement was offered by Defendant Mr. Fagan as Trustee of the Fagan Trust through counsel, who in turn submitted the Purchase Agreement for \$800,000 to an Escrow Officer at Defendants' title company, First American Title Insurance Company ("First American"). Plaintiff accepted the offer of \$800,000 as evidenced by the Purchase Agreement drafted and prepared by Defendants, as evidenced by the executed Purchase Agreement for \$800,000, signed on January 21, 2021 by Lail Leonard as President of Plaintiff, AAL-Jay, Inc. ("Ms. Leonard").

In addition to executing the Purchase Agreement, Plaintiff has also made payments toward the Purchase Price and funded an Earnest Money Deposit ("EMD") in the total amount of \$170,000. Under the terms of the Promissory Note, Mr. Chrisitiano DeCarlo, the Director of AAL-JAY, Inc., and Ms. Leonard, the President of AAL-Jay, made 16 consecutive weekly payments of \$20,685.00 beginning January 30, 2019, totaling \$330,960. Further, in connection with the significant water damage to the Property, on May 28, 2020, Chubb approved the claim in the amount of approximately \$33,000, and withheld the \$10,000 deductible from the claim payments. Ultimately, the contractors were paid approximately \$77,000 to make the necessary repairs to make the Property habitable. Defendants are attempting to gain a windfall instead of selling the Property to Plaintiff as previously agreed.

Plaintiff's substantial investment in the Property with the expectation of purchasing the Property will be forfeited in the absence of specific performance of the Purchase Agreement, as Defendants are attempting to evict Plaintiff. Defendants fraudulently induced the Plaintiff in an attempt to void the \$800,000 Purchase Agreement, and duped the Plaintiff into believing that Defendants would review the reconciliation of past payments and proceed with the \$800,000

Purchase Agreement. Instead, Defendants extended the lease through April 2021, and then repeatedly attempted to evict Plaintiff, all while refusing to proceed with the \$800,000 Purchase Agreement in good faith. Plaintiff has been left with no other choice but to seeks an order from this Court to enforce the terms of the Purchase Agreement to purchase the Property for \$800,000, and for this Court to order Defendants to proceed to closing of the sale of the Property to Plaintiff for \$800,000, for which \$170,000 remains in escrow with the title company.

II. STATEMENT OF FACTS

CONTRACT FOR DEED AND ADDENDUM

1. Plaintiff leased the Property from the owner, Philip J. Fagan, Jr., Trustee of the Philip J. Fagan, JR 2011 Trust ("Defendant," or alternatively, "Landlord") on or near November of 2011.

2. Christiano DeCarlo, the Director of AAL-JAY, Inc. ("Mr. DeCarlo"), is the current occupant of the Property.

3. On December 8, 2016, Plaintiff and Defendant (collectively, the "Parties") entered into a Contract for Deed ("Contract"). The Contract was signed by the Defendant, Philip J. Fagan ("Dr. Fagan") as Seller and Lail Leonard ("Ms. Leonard") as President of AAL-JAY as Purchaser. A true and correct copy of the Contract is attached to the DeCarlo Decl. as **Exhibit "1"**.

4. Pursuant to the terms of the Contract, Defendant agreed to sell the Property to the Plaintiff for the purchase price of \$1,050,000.00 ("Purchase Price"). See **Ex. "1"** to the DeCarlo Decl.

5. The Purchase Price was to be paid on a schedule agreed by and between the Parties, as set forth in the Contract. See **Ex. "1"** to the DeCarlo Decl.

6. The balance of \$1,000,000 was to be due and payable as follows:

Balance payable, together with interest on the whole sum that shall be from time to time unpaid at the rate of 3.25 per cent, per annum, payable in the amount of Five Thousand Six Hundred Seventy-one and 96/100 dollars (\$5,671.96) per month beginning on the 1st day of December, 2016, and continuing on the same day of each month thereafter until the 31st day of October, 2019, when all remaining principal and interest shall be paid. Interest shall be computed monthly and deducted from payment and the balance of payment shall be applied on principal.

1 See **Ex. “1”** to the DeCarlo Decl. at pg. 2. Also attached to the DeCarlo Decl. as **Exhibit “2”** is a
2 reconciliation schedule spreadsheet (“Reconciliation”) setting forth the Tenant’s payments for the
3 Property beginning in December 2016.

4 7. The interest rate was set at 3.25% for the term of the Contract, and was not variable.
5 See **Ex. “1”** to the DeCarlo Decl.

6 8. In addition to the Purchase Price, the first year’s Property taxes were to be paid by
7 the Defendant and then added to the Purchase Price. After the first year, Plaintiff would assume
8 responsibility for the Property taxes for each subsequent year. See **Ex. “1”** to the DeCarlo Decl. at
9 pg. 3.

10 9. Despite this provision in the executed Contract, Defendant failed to add the 2017
11 Property taxes to the Purchase Price until March 2021.

12 10. Each party to the Contract agreed to insure their own contents of the Property. See
13 **Ex. “1”** to the DeCarlo Decl. at pg. 3.

14 11. Under the terms of the Contract, Plaintiff also assumed responsibility for liability
15 and hazard insurance for the duration of the Contract. Defendant agreed to purchase fire, hazard
16 and windstorm insurance but Plaintiff was to “repay the amount so paid by Seller within ten (10)
17 days of demand for same by Seller.” See **Ex. “1”** to the DeCarlo Decl. at pg. 3.

18 12. In January 2018, the Parties entered into Addendum No. 1 to the Contract
19 (“Addendum”). The Addendum was signed by Dr. Fagan on behalf of the Defendant and me on
20 behalf of the Plaintiff. A true and correct copy of the Addendum is attached to the Leonard Decl.
21 as **Exhibit “3”**.

22 13. Under the terms of the Addendum, Plaintiff agreed to cure defaults for January,
23 February and March 2018. See **Ex. “3”** to the Leonard Decl.

24 14. Specifically, Plaintiff agreed to pay Defendant \$12,340.97 on or before February 2,
25 2018, but ultimately paid \$12,437.75. See **Ex. “3”** to the Leonard Decl.

26 15. Pursuant to the Addendum, the Parties further agreed that Plaintiff would pay to
27 Defendant on or before February 20, 2018 the monthly payments due under the Contract for April
28 and May 2018. See **Ex. “3”** to the Leonard Decl.

1 16. Thereafter, the Plaintiff would make each monthly payment due on the first day of
 2 each month under the Contract and continue said monthly payments four (4) months in advance
 3 until the amount due under the Contract was paid in full. *See Ex. "3"* to the Leonard Decl.

4 17. Plaintiff was also required to remain current on the payments due under the Contract
 5 for the insurance and property taxes. *See Ex. "3"* to the Leonard Decl.

6 18. The Addendum further set forth provisions for future defaults: "In the event
 7 Purchaser fails to timely make payment of the Deferred Amount to Seller or any of the payments
 8 due under Section 4 and 5 of this Addendum or Purchaser otherwise defaults under the terms of the
 9 Contract in the future, Purchaser agrees to immediately vacate the Property, deliver possession of
 10 the Property to Seller and cooperate with Seller in terminating the Contract." *See Ex. "3"* to the
 11 Leonard Decl.

12 **TENANT MAKES PAYMENTS FOR ARREARS**

13 19. On February 12, 2018, after the Parties executed the Addendum, Plaintiff contacted
 14 Defendant's accountant, Michael Noll at Lorenzen & Noll, CPAs ("Mr. Noll") to request
 15 documentation for the insurance amounts in arrears as well as the amounts billed in advance
 16 pursuant to the agreed terms of the Addendum, including statements of all premiums paid for 2017
 17 and 2018. Mr. Noll provided the requested information (copies of insurance policies, invoices and
 18 receipts for payment) on February 21, 2018. A true and correct copy of the February 12, 2018
 19 email exchange with Mr. Noll, including attachments, is attached to the DeCarlo Decl. as **Exhibit**
 20 **"3"**.

21 20. On March 9, 2018, Mr. Noll emailed Ms. Leonard advising that "[u]pon receipt of
 22 the balance due of \$12,437.75, this will bring Mr. Decarlo [*sic*] fully paid up through June 30,
 23 2018." A true and correct copy of the March 9, 2018 email exchange with Mr. Noll is attached to
 24 the DeCarlo Decl. as **Exhibit "4"**.

25 21. In his March 9, 2018 email, Mr. Noll further stated that in order "[t]o stay 3+ months
 26 ahead, Mr. Decarlo [*sic*] is required to pay the July loan payment of \$5,671.96 on April 1, 2018."
 27 *See Ex. "4"* to the DeCarlo Decl.

28 . . .

1 22. On March 10, 2018, Plaintiff paid Defendant \$12,437.75, the total amount of the
2 outstanding arrears pursuant to the Addendum. A true and correct copy of Check No. 2141 is
3 attached to the DeCarlo Decl. as **Exhibit “5”**.

4 23. Defendant also paid the 2018 Property taxes totaling \$6,677.52. A true and correct
5 copy of a spreadsheet of all 2018 Property tax payments, including the corresponding check
6 numbers, is attached to the DeCarlo Decl. as **Exhibit “6”**; *see also* **Ex. “2”** to the DeCarlo Decl.

7 24. Beginning in June 2018, Defendant increased the interest rate on the payments from
8 3.25% to 4.85%, however, this rate increase was never fully explained to the Plaintiff until August
9 2020, at which time Defendant retroactively assessed the higher interest rate. At that time, Dr.
10 Fagan claimed that the increased interest rate was not a variable rate, but a “sliding scale” and “is
11 what it is.” Neither the Contract nor the Addendum included provisions for changes to the interest
12 rate.

13 25. On January 22, 2019, a Promissory Note in the amount of \$330,000 was executed
14 by Ms. Leonard, as Trustee of the Lail Leonard Trust dated January 26, 2005 and the undersigned
15 as Maker and Defendant as Payee. A true and correct copy of the January 22, 2019 Promissory
16 Note is attached to the DeCarlo Decl. as **Exhibit “7”**.

17 26. Ms. Leonard was provided with a check from Dr. Fagan’s wife in the amount of
18 \$330,000.00. Mrs. Fagan then accompanied Ms. Leonard to Nevada State Bank, wherein Ms.
19 Leonard deposited said check; and at Mrs. Fagan’s request per her husband, to have Ms. Leonard
20 issue a payment of \$30,000.00 to Philip J. Fagan Jr. which Ms. Leonard did in the form of Nevada
21 State Bank check number 001AA.

22 27. Ms. Leonard was told verbally by Dr. Fagan at a later date that the \$30,000.00 would
23 be applied to principle balance if the purchase agreement terms were fulfilled, and forfeited with
24 the other similar instances if we defaulted or failed to complete the purchase of the Property.

25 28. Under the terms of the Promissory Note, Ms. Leonard and Mr. DeCarlo made 16
26 consecutive weekly payments of \$20,685.00 beginning January 30, 2019. *See* **Ex. “8”** to the
27 DeCarlo Decl.

28 ...

29. However, based on a verbal agreement between the Parties, the manner in which the payments under the January 2019 Promissory Note were to be applied to the outstanding balance on the Property payments was disputed by the Parties.

30. The Plaintiff maintains that \$30,000 of these payments were to be applied to the principal balance in addition to the \$28,000 that was also to be applied pursuant to the two previous promissory notes.

31. According to the Defendant, \$30,000 of these payments represented three mortgage payments, not including taxes and insurance. Consequently, the \$30,000 represents a value applied to the principal of only \$13,366.50 (calculated as [\$5,671.96 monthly payment - \$660.00 tax payment – \$556.46 interest payment = \$4,455.5] x 3 payments).

32. As of the date of this Motion, the Parties have not resolved this discrepancy in the application of the funds.

PROPERTY DAMAGE AND INSURANCE CLAIM

33. In 2019 the Property sustained significant water damage as a result of a pipe burst.

34. In connection with the water damage, a claim was filed against the Property insurance carrier, Chubb, under policy number 1019823002.

35. On May 28, 2020, Chubb approved the claim in the amount of approximately \$33,000, and withheld the \$10,000 deductible from the claim payments.

36. Ultimately, the contractors were paid approximately \$77,000 to make the necessary repairs to make the Property habitable.

37. Beginning in July 2020, Defendant again increased the interest rate on the payments from 4.85% to 5.125%. Again, this rate increase was never fully explained to the Tenant until August 2020, at which time Landlord retroactively assessed the higher interest rate. At that time, Dr. Fagan claimed that the increased interest rate was not a variable rate, but a “sliding scale” and “is what it is.” Neither the Contract nor the Addendum included provisions for changes to the interest rate.

38. On July 2, 2020, Dr. Fagan’s bookkeeper, Kendrah Hardin (“Ms. Hardin”) sent the breakdown of the principal and interest payments for the Property to Ms. Leonard. A true and

1 correct copy of the July 2, 2020 email exchange and the attachments is attached to the DeCarlo
2 Decl. as **Exhibit “8”**.

3 39. On July 16, 2020, Ms. Hardin sent a summary of the 2020 payments to Ms. Leonard.
4 A true and correct copy of the July 16, 2020 email exchange and the attachments is attached to the
5 DeCarlo Decl. as **Exhibit “9”**.

6 40. On August 11, 2020, Ms. Hardin sent an email to Ms. Leonard regarding past due
7 payments from April 2020 through August 2020. A true and correct copy of the August 11, 2020
8 email is attached to the DeCarlo Decl. as **Exhibit “10”**.

9 41. In response, on August 15, 2020, Ms. Leonard sent an email to Ms. Hardin
10 explaining that the prior advance payments had been applied to the rent for February, March and
11 April 2020. Ms. Leonard further stated that the payment for May 2020 was being sent. A true and
12 correct copy of the August 15, 2020 email is attached to the DeCarlo Decl. as **Exhibit “11”**.

13 42. Ms. Leonard also requested an update on the status of the Chubb insurance payments
14 for the water damage claim, to which no response was provided by Ms. Hardin or Dr. Fagan. *See*
15 **Ex. “12”** to the DeCarlo Decl.

16 **NEW PURCHASE AGREEMENT**

17 43. Sometime in the latter part of 2020, Mr. DeCarlo, on behalf of Plaintiff, engaged in
18 discussions with Dr. Fagan’s attorney, Richard Scott, Esq. (“Attorney Scott”) regarding the existing
19 terms of the Property purchase.

20 44. As a result of these conversations, on January 6, 2021, an Escrow Officer at First
21 American Title Insurance Company (“First American”) sent a Residential Purchase Agreement
22 (“Purchase Agreement”) to Ms. Leonard. A true and correct copy of the January 6, 2021 email
23 and attachments is attached to the DeCarlo Decl. as **Exhibit “12”**.

24 45. According to the terms of the Purchase Agreement that was prepared by the
25 Landlord’s attorneys and remitted by the escrow company by, the new Purchase Price for the
26 Property was \$800,000.00 (“New Purchase Price”), with a stipulation for \$50,000 to be placed in
27 escrow as Earnest Money Deposit (“EMD”). The New Purchase Price reflected the (35) prior
28

1 payments made under the terms of the original Contract and Addendum. *See Ex. "13"* to the
2 DeCarlo Decl.

3 46. On January 11, 2021, Ms. Leonard executed the Purchase Agreement and
4 transmitted via electronic correspondence the executed Purchase Agreement to the First American
5 Escrow Officer. A true and correct copy of the January 11, 2021 email and attachments is attached
6 to the DeCarlo Decl. as **Exhibit "13"**.

7 47. On January 12, 2021, Tenant wired \$50,000 into an escrow account. A true and
8 correct copy of the January 12, 2021 U.S. Bank General Wire Transfer Request is attached to the
9 DeCarlo Decl. as **Exhibit "14"**.

10 **LANDLORD RESCINDS EXISTING OFFER AND DRAFTS REVISED PURCHASE AGREEMENT**

11 48. On January 12, 2021, Dr. Fagan contacted Ms. Leonard to dispute the New Purchase
12 Price, and informed her that he was withdrawing the offer to sell the Property at the New Purchase
13 Price of \$800,000, notwithstanding that the Tenant already accepted the offer

14 49. On January 15, 2021, the First American Escrow Officer verbally advised Ms.
15 Leonard via telephone and text message of a revised Residential Purchase Agreement ("Revised
16 Purchase Agreement") with a new Purchase Price of \$895,000 instead of the previously agreed-
17 upon Purchase Price of \$800,000. A true and correct copy of the January 15, 2021 text message
18 attached to the Leonard Decl. as **Exhibit "16"**.

19 50. The First American Escrow Officer then presented the Revised Purchase
20 Agreement. A true and correct copy of the January 13, 2021 email and attachments is attached to
21 the DeCarlo Decl. as **Exhibit "15"**.

22 51. As a result of the retroactive interest rate increases, the revised Purchase Price was
23 overvalued at \$871,560.01 as opposed to \$848,304.44, which would have been the price as of
24 December 31, 2020, had the rate interest rate remained at the contractual rate of 3.25% This
25 represented an increase to the original contract purchase price of \$36,695.56.

26 52. The Revised Purchase Agreement also required a \$50,000 EMD. *See Ex. "13"* to
27 the DeCarlo Decl.

28 . . .

1 53. On January 15 2021, Ms. Leonard rejected the Landlord's Revised Purchase
2 Agreement on behalf of the Plaintiff on the basis that the parties already had a deal to purchase the
3 Property for \$800,000 as evidenced by the Purchase Agreement executed by Ms. Leonard.

4 **SECOND REVISED PURCHASE AGREEMENT & RESIDENTIAL LEASE AGREEMENTS**

5 54. To permit time to negotiate the terms of the Second Revised Purchase Agreement
6 and the Modified Purchase Price, the Defendant agreed to sign documentation believed to represent
7 an extension of time to negotiate the purchase of the Property to the Plaintiff for the month of
8 February 2021. Defendant relied on the nearly ten-year relationship with Dr. Fagan as trust in his
9 story that the agreement signed was for the purpose Dr. Fagan proposed was needed to finalize the
10 terms of the sale.

11 55. To that end, the Parties entered into a Residential Lease Agreement dated January
12 22, 2021 for the term of February 2021 for the agreed rent amount of the sum of the three
13 reoccurring payments of Wells Fargo Mortgage payment, interest, and taxes ("First Lease
14 Agreement"). A true and correct copy of the January 22, 2021 First Lease Agreement executed by
15 Ms. Leonard is attached to the Leonard Decl. as **Exhibit "17"**.

16 56. On February 23, 2021, at Plaintiff's request, Ms. Hardin sent to Plaintiff the
17 amortization schedule for the Property payments ("Amortization Schedule") which included the
18 increased interest rate. A true and correct copy of the February 23, 2021 email and attachment is
19 attached to the Leonard Decl. as **Exhibit "18"**.

20 57. Plaintiff was current on the payments due and owing under the Amortization
21 Schedule through March 2021, based upon the credit of the \$30,000 payment made under the
22 Promissory Note.

23 58. On March 12, 2021, Defendant filed a Five-Day Notice to Quit for Tenancy At Will
24 ("Five-Day Notice"). A true and correct copy of the Five-Day Notice is attached to the DeCarlo
25 Decl. as **Exhibit "16"**.

26 59. On March 15, 2021, the Parties conferred regarding the updated Amortization
27 Schedule.

28 60. During this discussion, Dr. Fagan agreed to have his staff itemize all payments.

1 61. While the parties were verifying the itemization and reconciliation, Dr. Fagan
2 represented to Plaintiff that in furtherance of discussions regarding the purchase of the Property,
3 that the Landlord and the Tenant would enter into another lease agreement for the months of March
4 2021 and April 2021.

5 62. Ms. Leonard, acting on Plaintiff's behalf and relying upon Attorney Yergensen's
6 representations, agreed to enter into another lease agreement for the months of March and April
7 under the false understanding that discussions regarding the purchase of the Property would
8 continue.

9 63. On March 9, 2021, Defendant presented a second lease agreement which was dated
10 March 2, 2021 ("Second Lease Agreement"). A true and correct copy of the March 9, 2021 email
11 exchange and attachments is attached to the Leonard Decl. as **Exhibit "19"**.

12 64. Landlord also sent an unsigned Letter of Agreement attached to the March 9, 2021
13 email. The Letter of Agreement stated that, upon execution of the March Lease Agreement that
14 "all other agreements are terminated and of no further force or effect." There were also additional
15 provisions based on proposed closing dates. *See Ex. "19"* to the Leonard Decl.

16 65. Under the terms of the Second Lease Agreement, Tenant would make (2) monthly
17 payments in the amount of \$6,800 for the months of March and April 2021, of which \$3,000 of the
18 payment amount would be applied to the Modified Purchase Price. *See Ex. "19"* to the Leonard
19 Decl.

20 66. Accordingly, Plaintiff submitted two checks dated March 15, 2021 to Defendant,
21 each in the amount of \$6,800. A true and correct copy of the check numbers 3276 and 3277
22 representing payment for the March and April 2021 Property rent are attached to the Leonard Decl.
23 as **Exhibit "20"**.

24 67. On the same day and after submission of the March and April rent payments, Ms.
25 Leonard executed the Second Lease Agreement on behalf of the Plaintiff. A true and correct copy
26 of the Second Lease Agreement dated March 2, 2021 signed by Ms. Leonard on March 15, 2021 is
27 attached to the Leonard Decl. as **Exhibit "21"**.

28 . . .

68. Once the Second Lease Agreement was executed by the Plaintiff, the Defendant agreed to not pursue the March 12, 2021 Five-Day Notice. Landlord further agreed that a new Purchase Agreement which would correctly reflect and apply all prior Property payments would be completed and submitted expeditiously ("Third Revised Purchase Agreement").

69. However, shortly thereafter, Plaintiff was informed by Defendant that the Third Revised Purchase Agreement would not be executed until the end of the lease term.

70. Instead, Dr. Fagan ceased communicating in good faith regarding the fair and accurate itemization and reconciliation of the previous payments made by the Tenant, refused to negotiate in good faith and refused to sign any purchase agreement for Tenant's purchase of the Property.

71. On March 17, 2021, as a result of Dr. Fagan's refusal to proceed in good faith and proceed with the Purchase Agreement, the Tenant placed a stop payment order on check numbers 3276 and 3277.

LANDLORD RE-INITIATES EVICTION PROCEEDINGS

72. On March 26, 2021, Plaintiff was served with a Seven (7) Day Notice To Pay Or Quit pursuant to NRS § 40.253 ("Seven-Day Notice") from Defendant. Service was effectuated by posting a copy of the Seven-Day Notice on the Property. A true and correct copy of the Seven-Day Notice is attached to the DeCarlo Decl. as **Exhibit "17"**.

73. On April 6, 2021, Plaintiff filed an Affidavit in Henderson Justice Court ("Justice Court") in opposition to the Seven-Day Notice, initiating case number 21EH000680.¹

74. On April 14, 2021, a hearing regarding the Seven-Day Notice was held before Judge Bateman in Justice Court at which time the Court denied the Defendant's request for summary eviction and permitted the District Court to maintain jurisdiction over the Parties' dispute.

...

¹ Plaintiff requests that this Court take judicial notice of the Justice Court docket. This Court may take judicial notice pursuant to Chapter 47 of the Nevada Revised Statutes under the Nevada Rules of Evidence. *See* NEV. REV. STAT. §§ 47.130-.170; *see also* *Breliant v. Preferred Equities Corp.*, 109 Nev. 842, 847, 858 P.2d 1258, 1261 (1993) (allowing Nevada courts to take judicial notice of matters of public record); *FGA, Inc. v. Giglio*, 128 Nev. 271, 286, 278 P.3d 490, 500 (2012) (same).

PLAINTIFF FILES COMPLAINT AGAINST DEFENDANT

75. On April 5, 2021, Plaintiff initiated the above-captioned matter seeking an Order from the Court to enforce the existing Purchase Agreement and enforce Plaintiff's rights to purchase the Property. *See* Complaint, on file herein.

PLAINTIFF PAYS RENT ARREARS TO DEFENDANT

76. On April 23, 2021, Plaintiff delivered a cashier's check in the amount of \$17,575.00 to the Defendant ("Cashier's Check"), representing payment of rent for March and April 2021, inclusive of late fees in accordance with the Second Lease Agreement, made under reservation of rights to avoid further eviction proceedings while Plaintiff pursues its rights under the Purchase Agreement for \$800,000. A true and correct copy of the Cashier's Check is attached to the DeCarlo Decl. as **Exhibit "19"**.

77. On April 26, 2021, the Defendant remitted an invoice for May 2021 ("Invoice"), even though the Defendant should have signed the \$800,000 Purchase Agreement, and as a result, the Plaintiff has been forced to pay rent for February, March and April 2021. A true and correct copy of Invoice No. 1059 for May 2021 is attached to the DeCarlo Decl. as **Exhibit "20"**.

78. The Defendant has refused to negotiate with the Plaintiff in good faith has refused to agree to the \$800,000 Purchase Price and has refused to discuss any terms with the Plaintiff.

79. The Defendant is proceeding in bad faith and induced the Plaintiff to waive its rights under the original \$800,000 Purchase Agreement to trick the Plaintiff, and all the while the Defendant continues to charge rent instead of allowing the Plaintiff to purchase the Property at the previously negotiated \$800,000 purchase price, which was submitted by the Defendant's attorney.

80. Defendant reneged on the Purchase Agreement and is proceeding in bad faith, and should be compelled to proceed with the \$800,000 Purchase Agreement.

81. Plaintiff is ready, willing and able to close on the purchase of the Property for \$800,000, as evidenced by the proof of funds in escrow in the amount of \$170,000, and the pre-approved lending in the amount of up to \$680,000 from Zions Bancorporation, N.A. dba Nevada State Bank ("Lender"), which is more than enough for the Plaintiff to close on the Purchase of the Property. A true and correct copy of the email dated April 24, 2021, from Heather Weger, from

1 First American Title, confirming the total receipt of \$170,000 deposited in its escrow account for
 2 the real property located at 1 Grand Anacapri Drive, in the amount of \$170,000 is attached to the
 3 DeCarlo Decl. as **Exhibit “21”**; a true and correct copy of the Conditional Approval and Pre-
 4 Qualification Letter dated April 14, 2021, from the Lender is attached to the DeCarlo Decl. as
 5 **Exhibit “22”**.

6 82. The Lender will not fund the loan for the Plaintiff’s purchase of the Property until
 7 the Lender receives a fully executed Purchase Agreement.

8 83. The Plaintiff requires this Court’s intervention to order the Landlord to perform
 9 under the Purchase Agreement to sell the Property to the Tenant for \$800,000.

10 **III. APPLICABLE LAW**

11 **A. Specific Performance of the Purchase Agreement Should Be Granted**

12 “Specific performance is available only when: (1) the terms of the contract are definite and
 13 certain; (2) the remedy at law is inadequate; (3) the appellant has tendered performance; and (4)
 14 the court is willing to order it.” *Serpa v. Darling*, 107 Nev. 299, 304, 810 P.2d 778, 782 (1991); *see*
 15 *also Carcione v. Clark*, 96 Nev. 808, 811, 618 P.2d 346, 348 (1980).

16 **1. The Terms of the Purchase Agreement Are Definite and Certain.**

17 Under the first element of specific performance, the terms of the Purchase Agreement are
 18 definite and certain. Pursuant to the Purchase Agreement that was prepared by the Defendants’
 19 attorneys and remitted to Defendants’ escrow company, First American by the Defendants’
 20 attorney, Defendants agreed to sell the Property to the Plaintiff for the New Purchase Price of
 21 \$800,000.00, with a stipulation for \$5,000 to be placed in escrow as EMD. *See Ex. “14”* to the
 22 DeCarlo Decl. The New Purchase Price reflected the (35) prior payments made by Plaintiff under
 23 the terms of the original Contract and Addendum (defined *supra*). The Purchase Agreement was
 24 forwarded by the First American Escrow Officer, who was acting as a representative of the
 25 Defendant, to Ms. Leonard on January 6, 2021, which Purchase Agreement Ms. Leonard executed
 26 on January 21, 2021 and subsequently transmitted via electronic correspondence to the First
 27 American Escrow Officer. *See Ex. “14”* to the DeCarlo Decl.

1 **2. Remedy at Law is Inadequate Because the Property Is a Unique Parcel of Land**
2 **with Characteristics and Inherent Attributes That Cannot Be Replicated by**
3 **Money Damages.**

4 Any remedy at law is inadequate because the Property is a singular parcel of real property
5 having unique characteristics and because under the Parties' contractual agreements, including the
6 Contract, Addendum, and the Purchase Agreement, Defendants agreed to sell the Property to the
7 Plaintiff. Based on these contractual agreements, Defendants have funded money, including the
8 (35) prior payments made under the terms of the original Contract and Addendum, as well as the
9 \$50,000 EMD, to the Plaintiff for the specific purpose of purchasing the Property. Any monetary
10 remedy would therefore be inadequate. Plaintiff has commenced purchase of the Property for
11 \$800,000 as contemplated under the Purchase Agreement, and has been approved for a loan by
12 Lender once the Defendant signs the Purchase Agreement and honors the New Purchase Price set
13 forth in the Purchase Agreement. Plaintiff has performed under the terms of the Parties' contractual
14 agreements and is seeking an Order of the Court to compel Defendants to also perform by
15 completing the sale of the Property to the Plaintiff.

16 If the Plaintiff is not able to complete the purchase of the Property at the agreed-upon price
17 of \$800,000 as contemplated by the Purchase Agreement, the Defendants will be unjustly enriched
18 by the funds that Plaintiff has previously paid to the Defendants, and which funds were paid for the
19 express purpose of the purchase of the Property. As a result, Defendants will unjustly reap
20 Plaintiff's equity in the Property and capitalize upon the same by improperly denying Plaintiff its
21 purchase transaction.

22 Plaintiff is ready, willing and able to close on the purchase of the Property for \$800,000, as
23 evidenced by the proof of funds in escrow in the amount of \$170,000, and the pre-approved lending
24 in the amount of up to \$680,000 from Lender, Nevada State Bank, which is more than enough for
25 the Plaintiff to close on the Purchase of the Property. *See Exs. "21" and "22"* attached to the
26 DeCarlo Decl.

27 Certainly, if Defendants are permitted to renege on their agreement to sell the Property to
28 the Plaintiff at the \$800,000 Purchase Price, Plaintiff will never be able to recoup the benefit for
29 which it expressly bargained with Defendants years ago: owning and living in the Property,

1 maintaining the Property and purchasing the Property. Because the Property possesses specific and
2 unique characteristics, a monetary compensation by way of returned funds to the Plaintiff would
3 not be an adequate remedy in this circumstance.

4 **3. Plaintiff and Its Lender, Nevada State Bank, Have Tried to Tender**
5 **Performance but Were Unable to Do So When Defendants Refused to Proceed**
6 **with the Sale of the Property to Plaintiff.**

7 The record unequivocally established that Plaintiff tendered performance under the
8 Purchase Agreement by funding the \$50,000 EMD on January 12, 2021, immediately after Plaintiff
9 executed the Purchase Agreement. *See Ex. "15"* to the DeCarlo Decl. Since initially funding
10 \$50,000 for the earnest money deposit in escrow, Plaintiff has transferred an additional \$120,000
11 into escrow, increasing the earnest money deposit held in escrow with the title company to
12 \$170,000 as of the date of this Motion. Furthermore, Plaintiff is prepared to immediately close
13 should Defendants execute the Purchase Agreement. Plaintiff is ready, willing and able to close
14 on the purchase of the Property for \$800,000, as evidenced by the proof of funds in escrow in the
15 amount of \$170,000, and the pre-approved lending in the amount of up to \$680,000 from Lender,
16 Nevada State Bank, which is more than enough for the Plaintiff to close on the Purchase of the
17 Property. *See Exs. "21" and "22"* attached to the DeCarlo Decl.

18 The Supreme Court has found specific performance appropriate when the record
19 demonstrates there is "no dispute" that the purchaser of real property offered to tender the purchase
20 price. *See Mayfield v. Koroghli*, 124 Nev. 343, 351-52, 184 P.3d 362, 367-68 (2008); *cf Ford v.*
21 *Ame/co Properties, Inc.*, 126 Nev. 711, 367 P.3d 769 (Tbl.), 2010 WL 3385551 (2010)
22 (unpublished disposition finding specific performance inappropriate where the record demonstrated
23 a reasonable dispute whether purchasers had demonstrated they were ready, willing, and able to
24 tender the purchase price). Here, the record demonstrates not only that Plaintiff was ready, willing,
25 and able to tender the purchase price of \$800,000 but also evinces that Plaintiff's Lender, Nevada
26 State Bank has confirmed proof of funds in escrow and by way of pre-approved lending totaling in
27 excess of the Purchase Price. It is Defendants' – not Plaintiff's – actions that are preventing the
28 close of the Plaintiff's purchase of the Property.

1 Plaintiff believes that, in the absence of the requested relief for Defendants to perform under
2 the Purchase Agreement, Plaintiff risks losing Plaintiff is prepared to immediately close should
3 Defendants execute the Purchase Agreement.

4 **4. Specific Performance Is Warranted Under Circumstances of this Case.**

5 Plaintiff respectfully urges this Court to order specific performance of the Purchase
6 Agreement to enable Plaintiff to close on the purchase transaction of the Property, for which
7 Property Plaintiff has previously funded an EMD in the amount of \$50,000, and made (35)
8 payments towards over the course of several years.

9 In *Gullo v. City of Las Vegas*, 2015 WL 233493 (Tb1.) (Case No. 61843) (Nev. Jan. 15,
10 2015), the Nevada Supreme Court (in an unpublished disposition) upheld the District Court's order
11 of specific performance by finding that the City of Las Vegas had been entitled to specific
12 performance of its purchase contract because it signed all necessary closing documents, it deposited
13 all signed closing documents and the entire amount due under the purchase agreement with the
14 escrow agent on the closing date, and it had sought to close escrow on the closing date. *Id* at *1,
15 citing *Mayfield*, 124 Nev. 343, 184 P.3d 362. Here, Plaintiff has demonstrated proof of funds in
16 escrow in the amount of \$170,000, and the pre-approved lending in the amount of up to \$680,000
17 from Lender, Nevada State Bank, which is more than enough for the Plaintiff to close on the
18 Purchase of the Property. Plaintiff has also previously paid the \$50,000 EMD as contemplated
19 under the terms of the Purchase Agreement, which has since been increased, and is now funded in
20 the amount of \$170,000.

21 Absent specific performance, Plaintiff risks losing the Property where Mr. Christiano
22 DeCarlo currently resides with his family, including a minor child. In the event specific
23 performance is not ordered by this Court, the prior payments Plaintiff has made over the years
24 toward the goal of purchasing the Property will be completely lost. Plaintiff is facing threat of
25 eviction a second time now in the last thirty (30) days because the Defendants refuse to honor the
26 Purchase Agreement for \$800,000, notwithstanding that Plaintiff is prepared to immediately close
27 pursuant to the Purchase Agreement previously prepared by and submitted by the Defendants.
28 Absent relief from this Court, Plaintiff will be forced to forfeit the funds that have already been

1 invested over the years to Defendants towards the purchase of the Property. Under the
2 circumstance, this Court should compel Defendants to allow the sale of the Property to close for
3 the previously agreed upon Purchase Price of \$800,000. Plaintiff urges the Court to grant specific
4 performance of the Purchase Agreement and order that Defendants honor the terms of the Purchase
5 Agreement and to sell the Property to the Plaintiff for \$800,000.

6 **B. Specific Performance of the Purchase Agreement is Appropriate Because Plaintiff is**
7 **Ready, Willing, and Able to Tender the Full Purchase Price of the Property**

8 Under *Mayfield v. Koroghli*, 124 Nev. 343, 351, 184 P.3d 362, 367-68 (2008), “If a
9 purchaser of real property has not yet tendered the purchase price, the district court may still grant
10 specific performance if the purchase can ‘demonstrate that she is ready, willing, and able to
11 perform.’” *Citing Serpa v. Darling*, 107 Nev. 299, 304, 810 P.2d 778, 782 (1991).

12 Here, the record shows Plaintiff was ready, willing, and able to tender the purchase price of
13 \$800,000 and further demonstrates that Plaintiff’s Lender, Nevada State Bank has confirmed proof
14 of funds in escrow and by way of pre-approved lending totaling in excess of the \$800,000 Purchase
15 Price. *See Exs. “21” and “22”* attached to the DeCarlo Decl. Furthermore, the record established
16 that Plaintiff tendered performance under the Purchase Agreement by funding the \$50,000 EMD
17 on January 12, 2021, immediately after Plaintiff executed the Purchase Agreement. *See Ex. “14”*
18 to the DeCarlo Decl. Although Plaintiff stands ready to complete the purchase transaction,
19 Defendant has failed to perform under the terms of the Parties’ contractual agreement by way of
20 the Purchase Agreement.

21 Therefore, on this record, Plaintiff is able to establish that, if Defendants are ordered to
22 proceed with the sale of the Property to the Plaintiff for \$800,000, Plaintiff’s Lender will proceed
23 with funding the loan upon receipt of a fully-executed Purchase Agreement from the Defendants.
24 Accordingly, Plaintiff is able to perform its obligations by tendering the full amount of the
25 Property’s contracted-for Purchase Price in order to close on the Property, especially in light of the
26 \$170,000 held in escrow with the title company and the pre-approval letter for the loan from the
27 Lender, evidencing Plaintiff’s ability to close on the sale of the Property.

28 . . .

1 **C. Specific Performance of the Purchase Agreement is Entirely Appropriate in Light of**
 2 **Defendants' Purposeful Actions Taken in Order to Preclude Plaintiff From Closing**
 3 **on the Purchase Transaction for the Property**

4 The record establishes that the Purchase Agreement was provided to the Plaintiff by
 5 Defendants' representatives following discussions between Plaintiff and Dr. Fagan's counsel,
 6 Attorney Scott. As a result of these conversations, on January 6, 2021, an escrow officer from the
 7 Defendant's escrow company sent the Purchase Agreement to Ms. Leonard. *See Ex. "12"* attached
 8 to the DeCarlo Decl. However, after Plaintiff signed the Purchase Agreement on January 11, 2021
 9 and funded the EMD on January 12, 2021, Defendant Dr. Fagan, on behalf of the Defendants,
 10 proceeded to dispute the New Purchase Price, and informed Plaintiff that Defendants were
 11 withdrawing the offer to sell the Property at the New Purchase Price of \$800,000, notwithstanding
 12 that the Plaintiff already accepted the offer. *See Exs. "13" and "14"* attached to the DeCarlo Decl.

13 On January 13, 2021, the First American Escrow Officer presented Ms. Leonard with the
 14 Revised Purchase Agreement with a new Purchase Price of \$895,000 instead of the previously
 15 agreed-upon Purchase Price of \$800,000, which agreement was rejected on the basis that the Parties
 16 already had a deal to purchase the Property for \$800,000 as evidenced by the Purchase Agreement
 17 executed by Ms. Leonard. Subsequently, the Parties agreed to enter into two lease agreements for
 18 the term of February, March and April 2021. Plaintiff justifiably relied upon the information
 19 provided by Defendants in that it entered into the Lease Agreements with the expectation that
 20 Plaintiff would be permitted to purchase the Property as promised for the Purchase Price of
 21 \$800,000. As a proximate cause of Defendants' misrepresentations and unfair dealings, Plaintiff
 22 was induced into entering into the Second Lease Agreement under false circumstances. Defendants
 23 were not engaging in good faith negotiations when they induced Plaintiff to sign the March Lease
 24 Agreement with the intention of changing the Purchase Price. Instead, Dr. Fagan ceased
 25 communicating in good faith regarding the fair and accurate itemization and reconciliation of the
 26 previous payments made by the Plaintiff, and refused to negotiate in good faith and refused to sign
 27 any purchase agreement for Plaintiff's purchase of the Property. Plaintiff is therefore seeking the
 28 Court to order Defendants to honor the terms set forth in the original Purchase Agreement executed
 by Plaintiff on January 11, 2021, and to sell the Property to the Plaintiff for the agreed-upon price

of \$800,000 as contemplated under the Purchase Agreement, and to determine that all later proposed purchase prices are not enforceable.

1. Equity favors granting specific performance and ordering Defendants to complete the sale of the Property to Plaintiff.

Based upon the record before this Court, equity may only be served if this Court orders specific performance. The Nevada Supreme Court's ruling in *Carcione v. Clark*, 96 Nev. 808, 811, 618 P.2d 346, 348 (1980) is instructive:

Equity regards as done what in good conscience ought to be done. *Woods v. Bromley*, 69 Nev. 96 at 107, 241 P.2d 1103. Specific performance is available when the terms of the contract are definite and certain, *Dodge Bros., Inc. v. Williams Estate Co.*, 52 Nev. 364, 287 P.2d 282 (1930), the remedy at law is inadequate, *Harmon v. Tanner Motor Tours*, 79 Nev. 4, 377 P.2d 622 (1963), the plaintiff has tendered performance, *Southern Pacific Co. v. Miller*, 39 Nev. 169, 154 P. 929 (1916), and the court is willing to order it.

Although non-precedential, the Supreme Court's analysis in *Gullo v. City of Las Vegas*, 2015 WL 233493 (Tb1.) (Case No. 61843) (Nev. Jan. 15, 2015), regarding the equity of awarding performance is persuasive here. In *Gullo*, the Supreme Court's review of the record found City of Las Vegas entitled to specific performance appropriate even though the City of Las Vegas's actions in timely performing all of its responsibilities under the purchase agreement meant that a periodic payment otherwise due on the escrow closing date was not made.

Even where time is made material, by express stipulation, the failure of one of the parties to perform a condition within the particular time limited will not in every case defeat his right to specific performance, if the condition be subsequently performed, without unreasonable delay, and no circumstances have intervened that would render it unjust or inequitable to give such relief. The discretion which a court of equity has to grant or refuse specific performance, and which is always exercised with reference to the circumstances of the particular case before it, may and of necessity must often be controlled by the conduct of the party who bases his refusal to perform the contract upon the failure of the other party to strictly comply with its conditions.

Gullo, 2015 WL 233493 at *1 (internal quotation marks omitted), *quoting Mosso v. Lee*, 53 Nev. 176, 182, 295 P. 776, 777-78 (1931) (*quoting Cheney v. Libby*, 134 U.S. 68, 78 (1890) (internal citations omitted)).

1 In the present case, specific performance is warranted and appropriate because Plaintiff
2 performed its responsibilities under the Parties' contractual agreements by making (35) payments
3 towards the purchase of the Property over the course of several years, by funding an EMD in the
4 amount of \$50,000, increasing the EMD to \$170,000, and by securing pre-approved funds in the
5 amount of \$680,000 from its Lender, Nevada State Bank, which in the aggregate, is more than
6 sufficient to fund the purchase of the Property at the previously agreed upon purchase price of
7 \$800,000. Lender is only waiting for the completely executed Purchase Agreement to proceed with
8 funding the balance of the loan to the Plaintiff for purchase of the Property. However, Defendants
9 reneged on the \$800,000 Purchase Agreement in bad faith, and fraudulently coerced Plaintiff to
10 attempt to void the Purchase Agreement based upon misrepresentations to Plaintiff that a
11 reconciliation of past payments would be forthcoming and adjusted accordingly in connection with
12 the purchase of the Property. However, after the lease extensions were executed, Defendants did
13 not negotiate with Plaintiff in good faith and cut off all communications with Plaintiff regarding
14 the purchase of the Property, in direct contravention of the representations Defendants made to
15 induce Plaintiff to "negotiate" the final purchase of the Property.

16 Under the specific circumstances of this case, equity should be exercised by this Court to
17 ensure that Defendants do not profit from Plaintiff's funds that have previously been paid to the
18 Defendants towards the purchase of the Property. Defendants have made multiple
19 misrepresentations to Plaintiff and failed to engage in good faith in the Parties' contractual
20 negotiations, and as a result Defendants continue to unjustly benefit from Plaintiff's prior Property
21 payments and continues to demand future lease payments, when the Property should have been sold
22 to Plaintiff for \$800,000 in January 2021 based upon the Purchase Agreement drafted and presented
23 by Defendants, through their counsel. In particular, if the Plaintiff cannot complete the purchase
24 transaction of the Property, Defendants will be inequitably rewarded with Plaintiff's funds, as well
25 as retention of ownership of the Property.

26 Defendants' deceptive actions and unfair dealings have prevented Plaintiff from purchasing
27 the Property, which unjustly places Defendants in the position of reaping Plaintiff's equity in the
28 Property. Defendants' refusal to now sell the Property to the Plaintiff at the previously agreed-

upon Purchase Price of \$800,000, based upon a Purchase Agreement drafted by Defendants' counsel and submitted to the title company, is wholly inequitable and should be remedied by this Court by ordering specific performance.

IV. CONCLUSION

For the forgoing reasons, Plaintiff AAL-JAY, INC. requests that this Court issue an order directing Defendants to specifically perform the Purchase Agreement by immediately executing the Purchase Agreement for the Purchase Price of \$800,000; by accepting Plaintiff's tender of the loan funds secured through Plaintiff's Lender, Nevada State Bank; and by closing on Plaintiff's purchase of the real property parcel located at the address 2 Grand Anacapri, Henderson, Nevada, 89011, Assessor Parcel Number 162-22-810-011 in the amount of \$800,000.

DATED this 7th day of May, 2021.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: 

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Las Vegas, NV 89169
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Attorneys for Plaintiff AAL-JAY, Inc.

CERTIFICATE OF SERVICE

Pursuant to NEFCR 9, NRCP 5(b), and EDCR 7.26, I certify that on May 7, 2021, I served a copy of **EMERGENCY MOTION FOR SPECIFIC PERFORMANCE OF PURCHASE AGREEMENT, ON AN ORDER SHORTENING TIME** on all parties as follows:

☐ Electronic Service – By serving a copy thereof through the Court’s electronic service system via the Odyssey Court e-file system;

☒ E-mail – By serving a copy thereof at the email addresses listed below; and

Tisha R. Black, Esq	tblack@blackwadhams.law
Chris Yergensen, Esq.	cyergensen@blackwadhams.law

☒ U.S. Mail—By depositing a true copy thereof in the U.S. mail, first class postage prepaid and addressed as listed below.

Philip J. Fagan Jr.
2 Via Sienna Place
Henderson, NV 89011

Philip J. Fagan Jr. Trust
2 Via Sienna Place
Henderson, NV 89011

/s/ Kenya Jackson
An employee of Lewis Roca Rothgerber Christie LLP

CSERV

DISTRICT COURT
CLARK COUNTY, NEVADA

AAL-JAY, INC., Plaintiff(s)	CASE NO: A-21-832379-C
vs.	DEPT. NO. Department 24
Philip Fagan, Jr., Defendant(s)	

AUTOMATED CERTIFICATE OF SERVICE

This automated certificate of service was generated by the Eighth Judicial District Court. The foregoing Motion was served via the court’s electronic eFile system to all recipients registered for e-Service on the above entitled case as listed below:

Service Date: 5/18/2021

Ogonna Brown	obrown@lewisroca.com
Kennya Jackson	kjackson@lewisroca.com
Peggy Dale	Mdale@lewisroca.com

EXHIBIT “A”

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 Las Vegas, NV 89169
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Attorneys for Plaintiffs AAL-JAY, INC.

IN THE EIGHTH JUDICIAL DISTRICT COURT
 FOR THE COUNTY OF CLARK, STATE OF NEVADA

AAL-JAY, INC., a Nevada Corporation,

Plaintiff,

v.

PHILIP J. FAGAN, JR., an individual, and as
 Trustee of the PHILIP J. FAGAN, JR. 2001
 TRUST, DOES I through X, inclusive, and
 ROE CORPORATIONS I through X,
 inclusive,

Defendants.

Case No. A-21-832379-C

Dept No. 24

**DECLARATION OF CHRISTIANO
 DECARLO IN SUPPORT OF
 EMERGENCY MOTION FOR
 SPECIFIC PERFORMANCE OF
 PURCHASE AGREEMENT**

I, **CHRISTIANO DECARLO**, state as follows:

1. I am over the age of eighteen and I am competent to make this Declaration, and have personal knowledge of the facts contained herein.

2. I am the Director of AAL-JAY, Inc. ("Plaintiff," or alternatively, "Tenant"), the tenant of the residential property located at 1 Grand Anacapri, Henderson, Nevada, 89011, APN 162-22-810-011 (the "Property") in the above-captioned matter, and as such, I am fully familiar with the facts and circumstances stated herein.

3. I am also the current occupant of the Property.

4. If called upon to testify as to the matters set forth in this Declaration, I could and would competently testify that the facts herein are personally known to me to be true. My knowledge of the facts set forth in this Declaration arises from my personal involvement as it relates to the subject lease of the Property and the Purchase Agreement relating to the purchase of the

Property, which is the subject of this action as set forth below in more detail.

5. On occasion, when a problem regarding the lease or purchase of the Property, and those matters are brought to my attention, I advise Ms. Leonard of the options available to her to resolve the aforementioned potential dilemma she faces. I have worked with Ms. Leonard on such matters since 1992.

CONTRACT FOR DEED AND ADDENDUM

6. Plaintiff leased the Property from the owner, Philip J. Fagan, Jr., Trustee of the Philip J. Fagan, JR 2011 Trust ("Defendant," or alternatively, "Landlord") on or near November of 2011.

7. On December 8, 2016, Plaintiff and Defendant (collectively, the "Parties") entered into a Contract for Deed ("Contract"). The Contract was signed by the Defendant, Philip J. Fagan ("Dr. Fagan") as Seller and Lail Leonard ("Ms. Leonard") as President of AAL-JAY as Purchaser. A true and correct copy of the Contract is attached hereto as **Exhibit "1"**.

8. Pursuant to the terms of the Contract, Defendant agreed to sell the Property to the Plaintiff for the purchase price of \$1,050,000.00 ("Purchase Price"). *See Ex. "1"*.

9. The Purchase Price was to be paid on a schedule agreed by and between the Parties, as set forth in the Contract. *See Ex. "1"*.

10. Specifically, upon execution of the Contract, Plaintiff paid a lump sum of \$50,000 ("Down Payment") to the Defendant. *See Ex. "1"*.

11. The balance of \$1,000,000 was to be due and payable as follows:

Balance payable, together with interest on the whole sum that shall be from time to time unpaid at the rate of 3.25 per cent, per annum, payable in the amount of Five Thousand Six Hundred Seventy-one and 96/100 dollars (\$5,671.96) per month beginning on the 1st day of December, 2016, and continuing on the same day of each month thereafter until the 31st day of October, 2019, when all remaining principal and interest shall be paid. Interest shall be computed monthly and deducted from payment and the balance of payment shall be applied on principal.

See Ex. "1" at pg. 2. Also attached hereto as **Exhibit "2"** is a reconciliation schedule spreadsheet ("Reconciliation") setting forth the Tenant's payments for the Property beginning in December

1 2016.

2 12. The interest rate was set at 3.25% for the term of the Contract, and was not variable.
3 *See Ex. "1"*.

4 13. In addition to the Purchase Price, the first year's Property taxes were to be paid by
5 the Defendant and then added to the Purchase Price. After the first year, Plaintiff would assume
6 responsibility for the Property taxes for each subsequent year. *See Ex. "1"* at pg. 3.

7 14. Each party to the Contract agreed to insure their own contents of the Property. *See*
8 *Ex. "1"* at pg. 3.

9 15. Under the terms of the Contract, Plaintiff also assumed responsibility for liability
10 and hazard insurance for the duration of the Contract. Defendant agreed to purchase fire, hazard
11 and windstorm insurance but Plaintiff was to "repay the amount so paid by Seller within ten (10)
12 days of demand for same by Seller." *See Ex. "1"* at pg. 3.

13 **TENANT MAKES PAYMENTS FOR ARREARS**

14 16. On February 12, 2018, after the Parties executed the Addendum, I contacted
15 Defendant's accountant, Michael Noll at Lorenzen & Noll, CPAs ("Mr. Noll") to request
16 documentation for the insurance amounts in arrears as well as the amounts billed in advance
17 pursuant to the agreed terms of the Addendum, including statements of all premiums paid for 2017
18 and 2018. Mr. Noll provided the requested information (copies of insurance policies, invoices and
19 receipts for payment) on February 21, 2018. A true and correct copy of the February 12, 2018
20 email exchange with Mr. Noll, including attachments, is attached hereto as **Exhibit "3"**.

21 17. On March 9, 2018, Mr. Noll emailed Ms. Leonard advising that "[u]pon receipt of
22 the balance due of \$12,437.75, this will bring Mr. Decarlo [*sic*] fully paid up through June 30,
23 2018." A true and correct copy of the March 9, 2018 email exchange with Mr. Noll is attached
24 hereto as **Exhibit "4"**.

25 18. In his March 9, 2018 email, Mr. Noll further stated that in order "[t]o stay 3+ months
26 ahead, Mr. Decarlo [*sic*] is required to pay the July loan payment of \$5,671.96 on April 1, 2018."
27 *See Ex. "4"*.

1 19. On March 10, 2018, Plaintiff paid Defendant \$12,437.75, the total amount of the
2 outstanding arrears pursuant to the Addendum. A true and correct copy of Check No. 2141 is
3 attached hereto as **Exhibit “5”**.

4 20. Defendant also paid the 2018 Property taxes totaling \$6,677.52. A true and correct
5 copy of a spreadsheet of all 2018 Property tax payments, including the corresponding check
6 numbers, is attached hereto as **Exhibit “6”**; *see also* **Ex. “2”**.

7 21. Beginning in June 2018, Defendant increased the interest rate on the payments from
8 3.25% to 4.85%, however, this rate increase was never fully explained to the Plaintiff until August
9 2020, at which time Defendant retroactively assessed the higher interest rate. At that time, Dr.
10 Fagan claimed that the increased interest rate was not a variable rate, but a “sliding scale” and “is
11 what it is.” Neither the Contract nor the Addendum included provisions for changes to the interest
12 rate.

13 22. On January 22, 2019, a Promissory Note in the amount of \$330,000 was executed
14 by Ms. Leonard, as Trustee of the Lail Leonard Trust dated January 26, 2005 and the undersigned
15 as Maker and Defendant as Payee. A true and correct copy of the January 22, 2019 Promissory
16 Note is attached hereto as **Exhibit “7”**.

17 23. Under the terms of the Promissory Note, Ms. Leonard and the undersigned made 16
18 consecutive weekly payments of \$20,685.00 beginning January 30, 2019. *See* **Ex. “7”**.

19 24. However, based on a verbal agreement between the Parties, the manner in which the
20 payments under the January 2019 Promissory Note were to be applied to the outstanding balance
21 on the Property payments was disputed by the Parties.

22 25. The Plaintiff maintains that \$30,000 of these payments were to be applied to the
23 principal balance in addition to the \$28,000 that was also to be applied pursuant to the two previous
24 promissory notes.

25 26. According to the Defendant, \$30,000 of these payments represented three mortgage
26 payments, not including taxes and insurance. Consequently, the \$30,000 represents a value applied
27 to the principal of only \$13,366.50 (calculated as [\$5,671.96 monthly payment - \$660.00 tax
28

1 payment – \$556.46 interest payment = \$4,455.5] x 3 payments).

2 27. As of the date of this Declaration, the Parties have not resolved this discrepancy in
3 the application of the funds.

4 **PROPERTY DAMAGE AND INSURANCE CLAIM**

5 28. In 2019 the Property sustained significant water damage as a result of a pipe burst.

6 29. In connection with the water damage, a claim was filed against the Property
7 insurance carrier, Chubb, under policy number 1019823002.

8 30. On May 28, 2020, Chubb approved the claim in the amount of approximately
9 \$33,000, and withheld the \$10,000 deductible from the claim payments.

10 31. No payment has been made to date for the repair costs incurred for restoration of the
11 home to it pre-flood condition.

12 32. Beginning in July 2020, Defendant again increased the interest rate on the payments
13 from 4.85% to 5.125%. Again, this rate increase was never fully explained to the Tenant until
14 August 2020, at which time Landlord retroactively assessed the higher interest rate. At that time,
15 Dr. Fagan claimed that the increased interest rate was not a variable rate, but a “sliding scale” and
16 “is what it is.” Neither the Contract nor the Addendum included provisions for changes to the
17 interest rate.

18 33. On July 2, 2020, Dr. Fagan’s bookkeeper, Kendrah Hardin (“Ms. Hardin”) sent the
19 breakdown of the principal and interest payments for the Property to Ms. Leonard. A true and
20 correct copy of the July 2, 2020 email exchange and the attachments is attached hereto as **Exhibit**
21 **“8”**.

22 34. On July 16, 2020, Ms. Hardin sent a summary of the 2020 payments to Ms. Leonard.
23 A true and correct copy of the July 16, 2020 email exchange and the attachments is attached hereto
24 as **Exhibit “9”**.

25 35. On August 11, 2020, Ms. Hardin sent an email to Ms. Leonard regarding past due
26 payments from April 2020 through August 2020. A true and correct copy of the August 11, 2020
27 email is attached hereto as **Exhibit “10”**.

1 36. In response, on August 15, 2020, Ms. Leonard sent an email to Ms. Hardin
2 explaining that the prior advance payments had been applied to the rent for February, March and
3 April 2020. Ms. Leonard further stated that the payment for May 2020 was being sent. A true and
4 correct copy of the August 15, 2020 email is attached hereto as **Exhibit “11”**.

5 37. Ms. Leonard also requested an update on the status of the Chubb insurance payments
6 for the water damage claim, to which no response was provided by Ms. Hardin or Dr. Fagan. *See*
7 **Ex. “11”**.

8 **NEW PURCHASE AGREEMENT**

9 38. Prior to January 2021, I engaged in discussions with Dr. Fagan’s attorney, Richard
10 Scott, Esq. (“Attorney Scott”) on behalf of the Plaintiff regarding the existing terms of the Property
11 purchase.

12 39. As a result of these conversations, on January 6, 2021, an Escrow Officer at First
13 American Title Insurance Company (“First American”) sent a Residential Purchase Agreement
14 (“Purchase Agreement”) to Ms. Leonard. A true and correct copy of the January 6, 2021 email
15 and attachments is attached hereto as **Exhibit “12”**.

16 40. According to the terms of the Purchase Agreement that was prepared by the
17 Landlord’s attorneys and remitted to the escrow company by the Landlord’s attorney, the new
18 Purchase Price for the Property was \$800,000.00 (“New Purchase Price”), with a stipulation for
19 \$5,000 to be placed in escrow as Earnest Money Deposit (“EMD”). The New Purchase Price
20 reflected the (35) prior payments made under the terms of the original Contract and Addendum.
21 *See Ex. “12”*.

22 41. On January 11, 2021, Ms. Leonard executed the Purchase Agreement and
23 transmitted via electronic correspondence the executed Purchase Agreement to the First American
24 Escrow Officer. A true and correct copy of the January 11, 2021 email and attachments is attached
25 hereto as **Exhibit “13”**.

26 42. On January 12, 2021, Tenant wired \$50,000 into an escrow account. A true and
27 correct copy of the January 12, 2021 U.S. Bank General Wire Transfer Request is attached hereto
28

as **Exhibit “14”**.

LANDLORD RESCINDS EXISTING OFFER AND DRAFTS REVISED PURCHASE AGREEMENT

43. On January 12, 2021, Dr. Fagan contacted Ms. Leonard to dispute the New Purchase Price, and informed her that he was withdrawing the offer to sell the Property at the New Purchase Price of \$800,000, notwithstanding that the Tenant already accepted the offer

44. On January 13, 2021, the First American Escrow Officer presented Ms. Leonard with a revised Residential Purchase Agreement (“Revised Purchase Agreement”) with a new Purchase Price of \$895,000 instead of the previously agreed-upon Purchase Price of \$800,000. A true and correct copy of the January 13, 2021 email and attachments is attached hereto as **Exhibit “15”**.

45. As a result of the retroactive interest rate increases, the revised Purchase Price was overvalued at \$871,560.01 as opposed to \$848,304.44, which would have been the price as of December 31, 2020, had the rate interest rate remained at the contractual rate of 3.25% This represented an increase to the original contract purchase price of \$36,695.56.

46. The Revised Purchase Agreement also required a \$50,000 EMD. *See Ex. “15”*.

47. On January 15 2021, Ms. Leonard rejected the Landlord’s Revised Purchase Agreement on behalf of the Plaintiff on the basis that the parties already had a deal to purchase the Property for \$800,000 as evidenced by the Purchase Agreement executed by Ms. Leonard.

48. I was unaware that any lease agreements were being entered into with Dr. Fagan until the day payments were issued from AAL-Jay, Inc. in payment of the lease for the months of March and April 2021. After learning the details of the lease, I instructed a STOP PAYMENT to be placed upon said checks because Dr. Fagan indicated no willingness honor the previously agreed upon \$800,000 offer or be amenable to a reasonable alternative which applied the funds previously credited against the principal and demonstrated the total dollar amount of remuneration remitted to Plaintiff since inception.

49. A reconciliation revealed that the accurate balance owed versus the amount remitted over the life of the Agreement resulted in a credit to AAL-Jay, rendering Defendants’ action for

1 eviction due to non-payment as moot and without merit, because AAL-Jay was not in default as
2 reflected in the reconciliation.

3 50. In other words, AAL-Jay had actually paid Defendant more than the amount that
4 was due, thus eliminating the basis for Defendants' eviction in the first instance.

5 51. Dr. Fagan not met the implied duty of good faith and fair dealing in his seeking of
6 the lease with Ms. Leonard given the implied treachery indicated by asking Ms. Leonard for a
7 lease under false pretenses.

8 52. Plaintiff participated in conferences with Defendants to review the audit of
9 applicable credits and debits concerning this matter, which clearly indicated an overpayment by
10 AAL-Jay to Defendants.

11 53. I was unaware the "lease" had been signed by Ms. Leonard because to Dr. Fagan
12 induced her to do so in an attempt to void the \$800,000 Purchase Agreement, in a deliberate
13 deceptive quest to secure Ms. Leonard's signature to the grave detriment of Plaintiff. Dr. Fagan
14 induced Ms. Leonard to sign the leases through April 30, 2021, under the guise it was simply to be
15 used as an extension of time needed to finalize disputes arising from \$800,000 Purchase Agreement,
16 when in fact he simply sought to void the \$800,000 Purchase Agreement. Once I learned of Dr.
17 Fagan's bad faith conduct, in light of his refusal to finalize the purchase of the Property for
18 \$800,000, Plaintiff had no other choice but to place a stop payment on the rent payments for March
19 and April 2021.

20 54. On March 12, 2021, Defendant filed a Five-Day Notice to Quit for Tenancy At Will
21 ("Five-Day Notice"). A true and correct copy of the Five-Day Notice is attached hereto as **Exhibit**
22 **"16"**.

23 **LANDLORD RE-INITIATES EVICTION PROCEEDINGS**

24 55. On March 26, 2021, Plaintiff was served with a Seven (7) Day Notice To Pay Or
25 Quit pursuant to NRS § 40.253 ("Seven-Day Notice") from Defendant. Service was effectuated by
26 posting a copy of the Seven-Day Notice on the Property. A true and correct copy of the Seven-Day
27 Notice is attached hereto as **Exhibit "17"**.

56. On April 6, 2021, Plaintiff filed an Affidavit in Henderson Justice Court (“Justice Court”) in opposition to the Seven-Day Notice, initiating case number 21EH000680.¹

57. On April 14, 2021, a hearing regarding the Seven-Day Notice was held before Judge Bateman in Justice Court at which time the Court denied the Defendant’s request for summary eviction and permitted the District Court to maintain jurisdiction over the Parties’ dispute.

58. On May 3, 2021, Plaintiff was served with a Thirty-Day (30) “No Cause” Notice To Quit pursuant to NRS § 40.251 (“Thirty-Day Notice”) from Defendant. Service was effectuated by posting a copy of the Seven-Day Notice on the Property. A true and correct copy of the Thirty-Day Notice is attached hereto as **Exhibit “18”**.

PLAINTIFF FILES COMPLAINT AGAINST DEFENDANT

59. On April 5, 2021, Plaintiff initiated the above-captioned matter seeking an Order from the Court to enforce the existing Purchase Agreement and enforce Plaintiff’s rights to purchase the Property. *See* Complaint, on file herein.

PLAINTIFF PAYS RENT ARREARS TO DEFENDANT

60. On April 23, 2021, Plaintiff delivered a cashier’s check in the amount of \$17,575.00 to the Defendant (“Cashier’s Check”), representing payment of rent for March and April 2021, inclusive of late fees in accordance with the Second Lease Agreement, made under reservation of rights to avoid further eviction proceedings while Tenant pursues its rights under the Purchase Agreement for \$800,000. A true and correct copy of the Cashier’s Check is attached hereto as **Exhibit “19”**.

61. On April 26, 2021, the Landlord remitted an invoice for May 2021 (“Invoice”), even though the Landlord should have signed the \$800,000 Purchase Agreement, and as a result, the Tenant has been forced to pay rent for February, March and April 2021. A true and correct copy of Invoice No. 1059 for May 2021 is attached hereto as **Exhibit “20”**.

¹ Plaintiff requests that this Court take judicial notice of the Justice Court docket. This Court may take judicial notice pursuant to Chapter 47 of the Nevada Revised Statutes under the Nevada Rules of Evidence. *See* NEV. REV. STAT. §§ 47.130-.170; *see also* *Breliant v. Preferred Equities Corp.*, 109 Nev. 842, 847, 858 P.2d 1258, 1261 (1993) (allowing Nevada courts to take judicial notice of matters of public record); *FGA, Inc. v. Giglio*, 128 Nev. 271, 286, 278 P.3d 490, 500 (2012) (same).

62. The Landlord has refused to negotiate with the Tenant in good faith has refused to agree to the \$800,000 Purchase Price and has refused to discuss any terms with the Tenant.

63. The Landlord is proceeding in bad faith and induced the Tenant to waive its rights under the original \$800,000 Purchase Agreement to trick the Tenant, and all the while the Landlord continues to charge rent instead of allowing the Tenant to purchase the Property at the previously negotiated \$800,000 purchase price, which was submitted by the Landlord's attorney.

64. Landlord reneged on the Purchase Agreement and is proceeding in bad faith, and should be compelled to proceed with the \$800,000 Purchase Agreement.

65. Tenant is ready, willing and able to close on the purchase of the Property for \$800,000, as evidenced by the proof of funds in escrow in the amount of \$170,000, and the pre-approved lending in the amount of up to \$680,000 from Zions Bancorporation, N.A. dba Nevada State Bank ("Lender"), which is more than enough for the Tenant to close on the Purchase of the Property. A true and correct copy of the email dated April 24, 2021, from Heather Weger, from First American Title, confirming the total receipt of \$170,000 deposited in its escrow account for the real property located at 1 Grand Anacapri Drive, in the amount of \$170,000 is attached hereto as **Exhibit "21"**; a true and correct copy of the Conditional Approval and Pre-Qualification Letter dated April 14, 2021, from the Lender is attached hereto as **Exhibit "22"**.

66. The Lender will not fund the loan for the Tenant's purchase of the Property until the Lender receives a fully executed Purchase Agreement.

67. The Tenant requires this Court's intervention to order the Landlord to perform under the Purchase Agreement to sell the Property to the Tenant for \$800,000.

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

DATED this 7th day of May, 2021.

Christiano DeCarlo

CHRISTIANO DECARLO

EXHIBIT "1"

TELEPHONE
(310) 456-5373

RICHARD N. SCOTT, INC.
A PROFESSIONAL LAW CORPORATION
24955 PACIFIC COAST HIGHWAY
MALIBU, CALIFORNIA 90265

FACSIMILE
(310) 456-9729

December 15, 2016

Ms. Lail Leonard, President
AAL-JAY, Inc.
1873 Golden Horizon Drive
Las Vegas, NV 89123

VIA FEDERAL EXPRESS

Re: 1 Grand Ana Capri

Dear Ms. Leonard:

I am enclosing herewith a fully executed copy of the Contract For Deed for your records. If you have any questions regarding the foregoing, please give me a call.

Yours very truly,

RICHARD N. SCOTT, INC.



By:

RICHARD N. SCOTT
President

RNS:sd
Encl.

PM

CONTRACT FOR DEED

THIS AGREEMENT ("Agreement") is entered into by and between PHILIP J. FAGAN, JR., Trustee of the Philip J. Fagan, JR 2011 Trust hereinafter referred to as "SELLER" and AAL-JAY, INC, LAIL LEONARD, PRESIDENT hereinafter referred to as "PURCHASER", on the terms and conditions and for the purposes hereinafter set forth:

1.

SALE OF PROPERTY

For and in consideration of TEN DOLLARS (\$10.00) and other good and valuable considerations the receipt and sufficiency of which is hereby acknowledged, Seller does hereby agree to convey, sell, assign, transfer and set over unto Purchaser, the following property situated in Clark County, State of Nevada, said property being described as 1 Grand Anacapi, Henderson, NV 89011 and more particularly described as Lot Fourteen (14) of AMENDED CAPRI (also known as 'LAKE LAS VEGAS-PARCEL 30'), as shown by map thereof on file in Book 57 of Plats, Page 88, in the office of the County Recorder of Clark County, Nevada, together with an easement for ingress and egress over those areas shown as "Private Drives" and "Common Areas" on the map of said land (the "Property"). Together with all rights of ownership associated with the property, including, but not limited to, all easements and rights benefiting the premises, whether or not such easements and rights are of record, and all tenements, hereditaments, improvements and appurtenances, including all lighting fixtures, plumbing fixtures, shades, venetian blinds, curtain rods, storm windows, storm doors, screens, awnings, if any, now on the premises.

SUBJECT TO all recorded easements, rights-of-way, conditions, encumbrances and limitations and to all applicable building and use restrictions, zoning laws and ordinances, if any, affecting the property.

2.

PURCHASE PRICE AND TERMS

The purchase price of the property shall be One Million Fifty Thousand Dollars (\$1,050,000.00). The Purchaser does hereby agree to pay to the order of the Seller the sum of Fifty Thousand Dollars (\$50,000) upon execution of this Agreement, with the balance of One Million Dollars (\$1,000,000) being due and payable as follows:

Balance payable, together with interest on the whole sum that shall be from time to time unpaid at the rate of 3.25 per cent, per annum, payable in the amount of Five Thousand Six Hundred Seventy-one and 96/100 dollars (\$5,671.96) per month beginning on the 1st day of December, 2016, and continuing on the same day of each month thereafter until the 31st day of October, 2019, when all remaining principal and interest shall be paid. Interest shall be computed monthly and deducted from payment and the balance of payment shall be applied on principal.

Purchaser hereby acknowledges that the Property is encumbered with a First Trust Deed Note in favor of Wells Fargo Home Mortgage in the approximate amount of \$1,400,000 (the "Wells Fargo Note"). During the terms of this contract and prior to payment in full of the purchase price by Buyer, Seller hereby covenants and agrees to maintain the Wells Fargo Note in good standing and upon payment of the purchase price of \$1,050,000 by Buyer, Seller shall pay to Wells Fargo Home Mortgage the then difference of the amount owed on the Wells Fargo Note and the purchase price. In the event Buyer pays the purchase price set forth in this Section 2 within twelve months of the date of full execution hereof by the parties, Seller shall grant a credit of \$50,000 to the Buyer upon full payment of the purchase price. In the event Buyer pays the balance of the purchase price between the first and second anniversary of the date of execution hereof, Seller shall give Buyer a credit of \$25,000

pg 2

against the purchase price.

3.

TIME OF THE ESSENCE

Time is of the essence in the performance of each and every term and provision in this agreement by Purchaser.

4.

SECURITY

This contract shall stand as security of the payment of the obligations of Purchaser.

5.

MAINTENANCE OF IMPROVEMENTS

All improvements on the property, including, but not limited to, buildings, trees or other improvements now on the premises, or hereafter made or placed thereon, shall be a part of the security for the performance of this contract and shall not be removed therefrom. Purchaser shall not commit, or suffer any other person to commit, any waste or damage to said premises or the appurtenances and shall keep the premises and all improvements in as good condition as they are now.

6.

CONDITION OF IMPROVEMENTS

Purchaser agrees that the Seller has not made, nor makes any representations or warranties as to the condition of the premises, the condition of the buildings, appurtenances and fixtures locate thereon, and/or the location of the boundaries. Purchaser accepts the property in its "as-is, where is, with all faults" condition without warranty of any kind.

7.

POSSESSION OF PROPERTY

Purchaser shall take possession of the property and all improvements thereon upon execution of this contract and shall continue in the peaceful enjoyment of the property so long as all payments due under the terms of this contract are timely made. Purchaser agrees to keep the property in a good state of repair and in the event of termination of this contract, Purchaser agrees to return the property to Seller in substantially the same condition as it now exists, ordinary wear and tear excepted. Seller reserves the right to inspect the property at any time with or without notice to Purchaser.

8.

TAXES, INSURANCE AND ASSESSMENTS

Taxes and Assessments: SELLER hereby covenants and agrees to pay the real property taxes for a one-year period commencing on the date of execution hereof by both parties. The real property taxes paid by SELLER shall be added to the purchase price.

Thereafter BUYER shall pay the real property taxes.

Content Insurance: Purchaser shall be solely responsible for obtaining insurance of the contents, insuring contents owned by Purchaser. Seller shall be solely responsible for obtaining insurance on all contents owned by Seller.

Liability and Hazard Insurance: Liability insurance shall be maintained by Purchaser during the term of this contract naming Seller as an additional insured, in the amount of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate.

Fire, Hazard and Windstorm insurance: Fire, hazard and windstorm insurance shall be maintained as follows:

Seller shall obtain and pay for hazard, fire and windstorm insurance in an amount not less than \$1,000,000, and Purchaser shall repay the amount so paid by Seller within ten (10) days of demand for same by Seller.

In case of any damage as a result of which said insurance proceeds are available, the Purchaser may, within sixty (60) days of said loss or damage, give to the Seller written notice of Purchaser's election to repair or rebuild the damaged parts of the premises, in which event said insurance proceeds shall be used for such purpose. The balance of said proceeds, if any, which remain after completion of said repairing or rebuilding, or all of said insurance proceeds if the Purchaser elects not to repair or rebuild, shall be applied first toward the

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satisfaction of any existing defaults under the terms of this contract, and then as a prepayment upon the principal balance owing. No such prepayment shall defer the time for payment of any remaining payments required by said contract. Any surplus of said proceeds in excess of the balance owing hereon shall be paid to the Purchaser.

9.

DEFAULT

If the Purchaser shall fail to perform any of the covenants or conditions contained in this contract on or before the date on which the performance is required, the Seller shall give Purchaser notice of default or performance, stating the Purchaser is allowed fourteen (14) days from the date of the Notice to cure the default or performance. In the event the default or failure of performance is not cured within the 14-day time period, then Seller shall have any of the following remedies, in the discretion of Seller

(a) give the Purchaser a written notice specifying the failure to cure the default and informing the Purchaser that if the default continues for a period of an additional fifteen (15) days after service of the notice of failure to cure, that without further notice, this contract shall stand cancelled and Seller may regain possession of the property as provided herein; or

(b) give the Purchaser a written notice specifying the failure to cure the default and informing the Purchaser that if the default continues for a period of an additional fifteen (15) days after service of the notice of failure to cure, that without further notice, the entire principal balance and unpaid interest shall be immediately due and payable and Seller may take appropriate action against Purchaser for collection of same according to the laws of the State of Nevada.

In the event of default in any of the terms and conditions or installments due and payable under the terms of this contract and Seller elects 9(a), Seller shall be entitled to immediate possession of the property.

In the event of default and termination of the contract by Seller, Purchaser shall forfeit any and all payments made under the terms of this contract including taxes and assessments as liquidated damages, Seller shall be entitled to recover such other damages as they may be due which are caused by the acts or negligence of Purchaser.

The parties expressly agree that in the event of default not cured by the Purchaser and termination of this agreement, and Purchaser fails to vacate the premises, Seller shall have the right to obtain possession by appropriate court action.

10.

DEED AND EVIDENCE OF TITLE

Upon total payment of the purchase price and any and all late charges, and other amounts due Seller, Seller agrees to deliver to Purchaser a Warranty Deed to the subject property, at Seller's expense, free and clear of any liens or encumbrances other than taxes and assessments for the current year and covenants, easements and conditions of record.

11.

NOTICES

All notices required hereunder shall be deemed to have been made when deposited in the U. S. Mail, postage prepaid, certified, return receipt requested, to the Purchaser or Seller at the addresses listed below. All notices required hereunder may be sent to:

Seller:

Philip J. Fagan, Jr.
637 Lucas Avenue, Room 606
Los Angeles, CA 90017

Purchaser:

AAL-JAY, INC
by Lail Leonard, President
1873 Golden Horizon Drive
Las Vegas, Nevada 89123

and when mailed, postage prepaid, certified mail, return receipt requested or delivered by a

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recognized overnight carrier to said address, shall be binding and conclusively presumed to be served upon said parties respectively.

12.

ASSIGNMENT OR SALE

Purchaser shall not sell, assign, transfer or convey any interest in the subject property or this agreement, without first securing the written consent of the Seller which the Seller may withhold in his sole and absolute discretion.

13.

PREPAYMENT

Purchaser has the right to prepay, without penalty, the whole or any part of the balance remaining unpaid on this contract at any time before the due date.

14.

ATTORNEY FEES

In the event of default, Purchaser shall pay to Seller, Seller's reasonable attorneys' fees and expenses incurred by Seller in enforcement of any rights of Seller. All attorney fees shall be payable prior to Purchaser's being deemed to have corrected any such default.

15.

LATE PAYMENT CHARGES

If Purchaser shall fail to pay, within ten (10) days after due date, any installment due hereunder, or any other monetary obligations, Purchaser shall be required to pay an additional charge of five (5%) percent of the amount past due. Such charge shall be paid to Seller at the time of payment of the past due amount.

16.

CONVEYANCE OR MORTGAGE BY SELLER

If the Seller's interest is now or hereafter encumbered by mortgage, the Seller covenants that Seller will meet the payments of principal and interest thereon as they mature and produce evidence thereof to the Purchaser upon demand. In the event the Seller shall default upon any such mortgage or land contract, the Purchaser shall have the right to do the acts or make the payments necessary to cure such default and shall be reimbursed for so doing by receiving, automatically, credit to this contract to apply on the payments due or to become due hereon.

The Seller reserves the right to convey, his or her interest in the above described land and such conveyance hereof shall not be a cause for rescission but such conveyance shall be subject to the terms of this agreement.

The Seller may, during the lifetime of this contract, place a mortgage on the premises above described, which shall be a lien on the premises, superior to the rights of the Purchaser herein, or may continue and renew any existing mortgage thereon.

17.

ENTIRE AGREEMENT

This Agreement embodies and constitutes the entire understanding between the parties with respect to the transactions contemplated herein. All prior or contemporaneous agreements, understandings, representations, oral or written, are merged into this Agreement.

POS

18.

AMENDMENT - WAIVERS

This Agreement shall not be modified, or amended except by an instrument in writing signed by all parties.

No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of any default or any acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any other right, power or privilege. No waiver shall be valid

against any party hereto unless made in writing and signed by the party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

19.

SEVERABILITY

If any one or more of the provisions contained in this Agreement shall be held illegal or unenforceable by a court, no other provisions shall be affected by this holding. The parties intend that in the event one or more provisions of this agreement are declared invalid or unenforceable, the remaining provisions shall remain enforceable and this agreement shall be interpreted by a Court in favor of survival of all remaining provisions.

20.

HEADINGS

Section headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

21.

PRONOUNS

All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular, or plural, as the identity of the person or entity may require. As used in this agreement: (1) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender, (2) words in the singular shall mean and include the plural and vice versa, and (3) the word "may" gives sole discretion without any obligation to take any action.

22.

PURCHASER'S RIGHT TO REINSTATE AFTER ACCELERATION

If Purchaser defaults and the full amount due under Contract is accelerated, then Purchaser shall have the right of reinstatement as allowed under the laws of the State of Nevada, provided that Purchaser: (a) pays Seller all sums which then would be due under this agreement as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; and (c) pays all expenses incurred in enforcing this agreement, including, but not limited to, reasonable attorneys' fees, and other fees incurred for the purpose of protecting Seller's interest in the Property and rights under this agreement. Seller may require that Purchaser pay such reinstatement sums and expenses in one or more of the following forms, as selected by Seller: (a) cash, (b) money order, (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity or (d) Electronic Funds Transfer. Upon reinstatement by Purchaser, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred.

pg. 6

23.

HEIRS AND ASSIGNS

This contract shall be binding upon and to the benefit of the heirs, administrators, executors, and assigns of the Purchaser and Seller, respectively. However, nothing herein shall authorize a transfer in violation of paragraph (12).

25.

OTHER PROVISIONS

This Agreement may be executed in counterparts by the parties hereto and will become effective and binding upon the parties at such time as all of the signatories hereto have signed a counterpart of this Agreement. All counterparts so executed shall constitute on Agreement binding upon all the parties hereto, notwithstanding that all the parties are not signatory to the original or the same counterpart. Each of the parties hereto shall sign a sufficient number of counterparts so that each party will receive a fully executed original of this Agreement.

The parties hereto agree that this Agreement shall be binding on a party upon delivery by that party of a facsimile signature. In delivering such a facsimile signature, each such party covenants and agrees to forthwith deliver by regular mail, the original of the signature to all other parties.

The parties hereto hereby agree to execute such other documents and to take such other action as may reasonably be necessary to further the purposes of this Agreement.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective spouses, representatives, successors and assigns.

Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend or describe the scope of this Agreement or any provision hereof.

No provision in this Agreement is to be interpreted for or against either party because that party or his legal representative drafted such provision.

The parties hereto, and each of them, represent and declare that in executing this Agreement they rely solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently selected counsel, concerning the nature, extent, and duration of their rights and claims, and that they have not been influenced to any extent whatsoever in executing the same by any representations or statements covering any matters made by any of the parties hereto or by any person representing them or any of them.

The parties hereto, and each of them, further represent and declare that they have carefully read this Agreement and know the contents thereof and that they sign the same freely and voluntarily.

All claims, disputes and other matters in question arising out of, or relating to, this Agreement or the breach thereof, shall be decided by arbitration in accordance with the then current rules of the American Arbitration Association unless the parties mutually agree otherwise. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. Notice of the demand for arbitration shall be filed in writing with the other

pg 9

party to this Agreement and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen, and in no event shall be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitation. The award rendered by the arbitrators shall be final and judgment may be entered upon it in accordance with applicable laws in any court having jurisdiction thereof. All claims which are related to or dependent upon each other, shall be heard by the same arbitrator or arbitrators even though the parties are not the same unless a specific contract prohibits such consolidation. The arbitrator or arbitrators shall award costs of arbitration and attorneys' fees in accordance with the terms of this Agreement.

Both parties reserve the right to take discovery by all methods established under California law and specifically including California Code of Civil Procedure, Section 1283.05.

WITNESS THE SIGNATURES of the Parties this the _____ day of _____, 2016.

SELLER:

Philip J. Fagan, Jr.

PHILIP J. FAGAN, JR., Trustee
of the Philip J. Fagan, Jr. 2011 Trust

PURCHASER:

Lail Leonard

AAL-JAY, INC
By Lail Leonard, President

~~STATE OF NEVADA~~
CALIFORNIA

~~COUNTY OF CLARK~~
LOS ANGELES

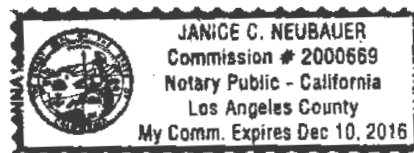
On DECEMBER 8, 2016 before me JANICE C. NEUBAUER (here
insert Notary Public

name and title of the officer), personally appeared PHILIP J. FAGAN, JR., who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Janice C. Neubauer



Affix Notary Seal Here

138

STATE OF NEVADA

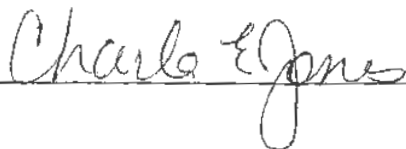
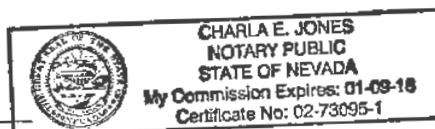
COUNTY OF CLARK

On Nov 30, 2016 before me Charles E. Jones, notary (here
insert

name and title of the officer, personally appeared LAIL LEONARD, PRESIDENT, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within the instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of Nevada that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Affix Notary Seal Here

1

/Users/admin/Documents/R Scott/Dats/Clients/Fagan/GrandAnacapi/AnacapiSale 7-28-16 (2).doc

Pg 9

EXHIBIT "2"

Purchase \$(861,382.79)
\$ (775,808.75)

000051

EXHIBIT "3"

Darlene Partney

From: Mike Noll <mike@lorenzenoll.com>
Sent: Wednesday, February 21, 2018 2:43 PM
To: Chris DeCarlo
Cc: auntlail [REDACTED] Jennifer Lorenzen
Subject: RE: 1 GRAND ANA CAPRI DRIVE (PHILIP J. FAGAN, JR.)
Attachments: Grand Ana Capri Insurance Payments 2016 and 2017.pdf; Chubb-excess policy 17-18 and pmt CK#14186.pdf; Chubb Insurance 17-18.pdf; Chubb Insurance 16-17.pdf

Hi Chris & Lail,

Per your request, I am attaching the following insurance documents that includes coverage for Grand Ana Capri:

- Chubbs Insurance invoice and coverage 16-17
- Chubbs Insurance invoice and coverage 17-18
- Screenshot from bank statements evidencing payment of premiums paid for above policies
- Chubbs Excess Liability Insurance invoice and coverage 17-18 and copy of check

I don't have a invoice readily available for the Excess Liability policy for 16-17. It's only \$146. Do you still need it?

Mike

Michael B. Noll, CPA

Dependable Expertise, Exceptional Results



LORENZEN & NOLL
CPAs

600 S. Lake Ave, Suite 502
 Pasadena, CA 91106
 P 626.683.0515
 D 626.657.2286
 F 626.683.0575
 Visit us at www.lorenzenoll.com

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From: Chris DeCarlo [mailto:chris@santinicorpusa.com]
Sent: Monday, February 12, 2018 6:46 PM
To: Mike Noll <mike@lorenzenoll.com>
Cc: Luiza Yetenekyan <Luiza@lorenzenoll.com>; Pfaganmd@aol.com; auntlail@cox.net
Subject: Re: 1 GRAND ANA CAPRI DRIVE (PHILIP J. FAGAN, JR.)

Thank you Mike. That works for me, and please know I appreciate your assistance very much. I need to go back to Texas so I'll go ahead and remit payment in the amount noted with the understanding that copies of the policy premiums and declarations of coverage are being sent by Luiza at her convenience sometime this week.

On a side note, I would like to inquire if you are interested in accepting additional clients. We have been awarded another contract from Koch Chemical's Optimized Process Designs. The accounting demands created by this increased volume to our workload will surpass our company's capabilities quickly. If you are interested in discussing the matter, please do not hesitate to contact me as soon as possible. In the interim - should you not be interested in adding us as a client or if it presents a conflict - would you be so kind as to recommend a firm specializing in General Contracting.

Sincerely,
Chris DeCarlo
Chris@santinicorpusa.com

Office (800) 416-1343

Fax (702) 384-8653

Cell (702) 561-7764



Our Mission:

To safely and efficiently, with the utmost integrity,
 meet and exceed our customer's needs

From: Mike Noll <mike@lorenzenoll.com>
Sent: Monday, February 12, 2018 6:47:29 PM
To: Chris DeCarlo
Cc: Luiza Yetenekyan; pfaganmd@lorenzenoll.com; auntlail@lorenzenoll.com
Subject: RE: 1 GRAND ANA CAPRI DRIVE (PHILIP J. FAGAN, JR.)

Dear Mr. DeCarlo

We don't keep the insurance bills at our CPA office. Luiza can make copies on Wednesday when she is at Dr. Fagan's office. We will send you the information you requested then.

Sincerely,

Mike

Michael B. Noll, CPA*Dependable Expertise, Exceptional Results***LORENZEN & NOLL**
CPAs

600 S. Lake Ave, Suite 502

Pasadena, CA 91106

P 626.683.0515

D 626.657.2286

F 626.683.0575

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From: Chris DeCarlo [<mailto:chris@santinicorpUSA.com>]**Sent:** Monday, February 12, 2018 2:58 PM**To:** Mike Noll <mike@lorenzenoll.com>**Cc:** Luiza Yetenekyan <Luiza@lorenzenoll.com>; Pfaganmd [REDACTED]; auntlail [REDACTED]**Subject:** 1 GRAND ANA CAPRI DRIVE (PHILIP J. FAGAN, JR.)

Good Afternoon Mr. Knoll,

I'm attempting to remit payment of the total balance due concerning my agreement with Dr. Fagan and 1 Grand Ana Capri Drive. Could you please email me copies of the various Insurance Policies noted in your report showing amounts in arrears still owing and amounts billed in advance per our agreement. Please ensure a statement of premiums paid for the corresponding time periods (2017 and 2018) is accompanied by the declaration of respective coverage.

If you or Luiza could please email me this back this afternoon I can arrange for the payment to also post to your account today.

Thanking you in advance for your cooperation, understanding, and assistance.

Check Details

Check Number	14186
Date Posted	04/24/17
Check Amount	\$1,090.00

DR. PHILIP J. FAGAN JR.
PO BOX 83870
HENDERSON, NV 89008

WELLS FARGO BANK, N.A.
www.wellsfargo.com
84-7074/9212

14186

04/19/2017

PAY TO THE ORDER OF Chubb Insurance \$1,090.00

One thousand ninety and 00/100 DOLLARS

Chubb Insurance
PO Box 7247-0180
Philadelphia, PA 19170-0180

MEMO Fagan - A/C 6120 4861 6452 001P - Excess

For your security, information like account numbers, signatures, and the ability to view the backs of checks have been removed from the images.
You can see full or partial fronts and backs of the images by using the link at the top of the window.

Equal Housing Lender

Masterpiece®

CHUBB

Premium Summary Renewal

DR. PHILIP JON FAGAN
DEVONA FAGAN
637 LUCAS AVE 606
LOS ANGELES, CA 90017

Page 1
Effective Date 5/1/17
Policy no. 10194959-03
Policy period 5/1/17 to 5/1/18
Producer name LINN T HODGE & SONS

We are pleased to enclose your Chubb Masterpiece Policy, customized to provide the coverage you requested.

This chart shows at a glance what coverages you have and the related premiums.

	Property covered	Coverage	Premium
Homes and Contents	HOUSE AT 1 GRAND ANA CAPRI HENDERSON, NV	EXCESS LIABILITY	\$ 146.00
Vehicles			
Total Premium			\$ 1,090.00

Your policy includes a Coverage Summary and policy provisions that explain your coverage in more detail.

Chubb Masterpiece provides many different credits for home, valuable articles, automobile and excess liability coverages. We recommend that you contact your agent or broker for an annual review to ensure that your coverages, policy limits and available credits are accurate and meet your personal insurance needs.

You will receive a separate Personal Insurance Statement that will outline the schedule of premium amounts and the due dates. If an endorsement during the policy period changes the amount of premium due, you will receive a revised Personal Insurance Statement.

If you choose one of our convenient installment plans, your payments will be slightly higher than the premium shown above because of the small service charge.

We appreciate your continued business. Since 1882, personal service and comprehensive coverages have been the hallmarks of the Chubb Group of Insurance Companies.

Thank you for insuring through Chubb.

continued on the next page



Date ▼	Description ↕
11/02/17	HAZARD INS PMT

Amount: $\frac{417.33}{417.33}$
\$3,000.00

Back to top

Date ▼	Description ↕
10/31/16	HAZARD INS PMT

Amount: $\frac{395.75}{395.75}$
\$4,749.00
 $\frac{11/27/16 - 11/27/17}{12 \text{ months}} = 395.75$

CHUBB

Premium Summary Renewal

PHILIP J. FAGAN JR. MD
DEVONA FAGAN .
637 LUCAS AVE 606
LOS ANGELES, CA 90017

Page 1
Effective Date 11/27/16
Policy no. 10198230-02
Policy period 11/27/16 to 11/27/17
Producer name LINN T HODGE & SONS

We are pleased to enclose your Chubb Masterpiece Policy, which includes an annual premium **savings of \$1,498** as listed below.

This chart shows at a glance what coverages you have and the related premiums.

	Property covered	Coverage	Premium
Homes and Contents	HOUSE AT 1 GRAND ANA CAPRI HENDERSON, NV	HOME, CONTENTS, LIABILITY	\$ 4,749.00 \$3,794.12
	We reduced by \$923 for contents, then reduced for 3 days		
Vehicles	1988 TOYOTA	COMPREHENSIVE	\$ 1.00
Total Premium			\$ 18,535.00

Your policy includes a Coverage Summary and policy provisions that explain your coverage in more detail.



Premium Summary Renewal

PHILIP J. FAGAN JR. MD
DEVONA FAGAN
637 LUCAS AVE 606
LOS ANGELES, CA 90017

Page 1
Effective Date 11/27/17
Policy no. 10198230-02
Policy period 11/27/17 to 11/27/18
Producer name LINN T HODGE & SONS

We are pleased to enclose your Chubb Masterpiece Policy, which includes an annual premium savings of \$1,566 as listed below.

This chart shows at a glance what coverages you have and the related premiums.

	Property covered	Coverage	Premium	
Homes and Contents	HOUSE AT 1 GRAND ANA CAPRI HENDERSON, NV	HOME, CONTENTS, LIABILITY	\$ 5,008.00	\$4,085.00
	We reduced by \$923 for contents			
Vehicles				
Total Premium			\$ 17,081.00	

Your policy includes a Coverage Summary and policy provisions that explain your coverage in more detail.

Chubb Masterpiece provides many different credits for home, valuable articles, automobile and excess liability coverages. We recommend that you contact your agent or broker for an annual review to ensure that your coverages, policy limits and available credits are accurate and meet your personal insurance needs.

EXHIBIT "4"

000062

Mike Noll <mike@lorenzenoll.com>

3/9/2018 8:45 PM

Amount due for Grand Ana Capri

To auntlail@ [REDACTED] <auntlail@ [REDACTED]> Copy Jennifer Lorenzen <jen@lorenzenoll.com> •
Luiza Yetenekyan <luiza@lorenzenoll.com> • Richard Scott < [REDACTED]> •
pfaganmd@ [REDACTED] <pfaganmd@ [REDACTED]>

Hi Lail

I have attached an invoice that covers expenses due on Grand Ana Capri and subsequent payments received. Upon receipt of the balance due of \$12,437.75, this will bring Mr. DeCarlo fully paid up through June 30, 2018. To stay 3+ months ahead, Mr. DeCarlo is required to pay the July loan payment of \$5,671.96 on April 1, 2018.

The \$28,000 that was paid out of the loan proceeds is not specifically identifiable to specific expense items. Rather, the funds were used to pay down the balance due comprising of a number of items. Hopefully, the attached invoice makes this clear how payments have been applied.

Let me know whether or not this satisfies your request.

Lastly, please be aware that Dr. Fagan has incurred legal fees in conjunction with the arrangement with Mr. De Carlo and Grand Ana Capri. Those fees will be billed separately.

Thank you,

Mike Noll

Michael B. Noll, CPA

Dependable Expertise, Exceptional Results



LORENZEN & NOLL
CPAs

600 S. Lake Ave, Suite 502

Pasadena, CA 91106

P 626.683.0515

D 626.657.2286

F 626.683.0575

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000062

Philip J. Fagan, Jr., MD

March 9, 2018

Lail Leonard
c/o AAL-JAY, Inc.
1873 Golden Horizon Dr.
Las Vegas, NV 89123

Re: 1 Grand Ana Capri

	<u>Monthly</u>	<u>Amount Due</u>	<u>Notes</u>
Monthly loan pmt due	\$5,671.96	39,703.72	Dec 2017 - Jun 2018 (7 months)
Property Taxes	\$556.46	3,895.22	Dec 2017 - Jun 2018 (7 months)
Home Warranty	\$65.32	653.24	Jan 2017 - Oct 2017 (10 months)
Home Warranty	\$67.32	538.60	Nov 2017 - Jun 2018 (8 months) ✓
Excess Liability Home Insurance	\$12.17	206.83	Dec 2016 - May 2018 (17 months)
Home Insurance Less Contents	<u>\$818.83</u>	3,794.12	Dec 2016 - Nov 2017 (12 months)
Home Insurance Less Contents	\$340.42	4,085.00	Dec 2017 - Nov 2018 (12 months)
Total due		52,876.73	47204.77
Payment received from loan proceeds		(28,000.00)	
12/1/2017	Ck 2223	(5,671.96)	Dec 2017 loan pmt
2/14/2018	Ck 2288	(538.60)	Nov 2017 - Jun 2018 home warranty
3/1/2018	Ck 2292	(5,671.96)	Mar 2018 loan pmt
3/1/2018	Ck 2293	(556.46)	Mar 2018 property taxes
Balance due		<u>12,437.75</u>	CK # 2141

Please make your check payable to Philip J. Fagan, Jr. and remit to address below.

Thank you for your prompt payment.

P.O. Box 93670, Henderson, NV 89009

EXHIBIT "5"

2141

AAL-JAY, INC.
1875 OCEAN BLVD. SUITE 200
LAS VEGAS, NEVADA 89102

03/10/18 04/11/18

Pay to the order of Phillip J. Fagan, Jr. \$ 12,437.75

Twelve Thousand Four Hundred Thirty Seven and 75/100

ATLAS BANK

Mr. J. Grand Ave. Las Vegas Lois L. Grand

00002341 622600779

Ref# 73030604

\$12437.75

Ch# 2141

EXHIBIT "6"

Property Taxes

1 Grand Anacapri
January - December 2018

1 Grand Anacapri
Property Taxes - 1 Grand Ana

Date	Check Num	Name	Memo/Description	Account	Amount
1/1/2018	2141	AAL-Jay, Inc. (c)	January 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
2/1/2018	2141	AAL-Jay, Inc. (c)	February 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
03/10/2018	2283	AAL-Jay, Inc. (c)	March 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
04/01/2018	2310	AAL-Jay, Inc. (c)	April 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
05/01/2018	2333	AAL-Jay, Inc. (c)	May 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
06/01/2018	2368	AAL-Jay, Inc. (c)	June 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
07/01/2018	2390	AAL-Jay, Inc. (c)	July 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
08/01/2018	2414	AAL-Jay, Inc. (c)	August 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
09/01/2018	2436	AAL-Jay, Inc. (c)	September 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
10/02/2018	2459	AAL-Jay, Inc. (c)	October 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
11/14/2018	2490	AAL-Jay, Inc. (c)	November 2018 Property Tax	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
12/19/2018	2516	AAL-Jay, Inc. (c)	December 2018	71280 1 Grand Anacapri:Property Taxes - 1 Grand Ana	556.46
Total Property Taxes Paid for 2018					\$ 6,677.52

EXHIBIT "7"

PROMISSORY NOTE

\$330,000 Las Vegas, Nevada January 22, 2019

In installments and at the times hereinafter stated for value received, Lail Leonard, Trustee of the Lail Leonard Trust dated January 26, 2005 and Chris DeCarlo (collectively, "Maker") promise to pay to Philip J. Fagan, Jr., ("Payee") or order at 2 Via Siena, Henderson, Nevada, the sum of Three Hundred Thirty Thousand and 00/100 Dollars (\$330,000). Said sum shall be paid in 16 consecutive installments of \$20,685.00 weekly on each Wednesday commencing January 30, 2019 until paid in full. Any installment (including the payment due at maturity) not made within five (5) days after it is due shall incur a late charge of 5% of the amount due. AT ANY TIME, THE PRIVILEGE IS RESERVED TO PAY MORE THAN THE SUM DUE WITHOUT PENALTY.

The entire balance of principal and interest shall be due and payable on the sale transfer or conveyance of all or any interest either of the properties listed below.

Should default be made in the payment of any installment when due, then the whole sum of principal shall become immediately due and payable at the option of the holder of this note. Should suit be commenced to collect this note or any portion thereof, such sum as the Court may deem reasonable shall be added hereto as attorney's fees. Principal and interest payable in lawful money of the United States of America.

This Note is secured by a Deed of Trust of even date encumbering real property commonly known as 1873 Golden Horizon Drive, Las Vegas, Nevada and a Contract for Deed encumbering the real property commonly known as 1 Grand Ana Capri, Henderson, NV 89011.

Maker agrees to execute any documents requested by Payee, including but not limited to the Deed of Trust referred to above to effect the foregoing.

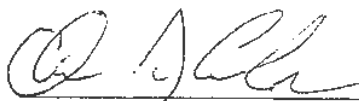


Chris DeCarlo
Lail Leonard, Trustee of the Lail Leonard Trust
dated January 26, 2005

EXHIBIT "8"

Kendrah Hardin <[REDACTED]>

7/6/2020 3:36 PM

Re: 2019 Statement

To LAIL LEONARD <auntlail@[REDACTED]>

Hello Lail,

Attached is the breakdown of the P&I.

Thanks.

Kendrah Hardin

Bookkeeper

Intercare Industrial Medical Group, Inc/CAN Emergency/California Hospitalists ERPMG/Emergency

Physician Medical Group/GCH Medical Group

637 Lucas Ave Rm#606

Los Angeles, CA 90017

Phone: 213.482.0588

Fax: 213.482.0577

*****[Click here to upload files to me securely.](#)*****

On Thu, Jul 2, 2020 at 10:02 AM Kendrah Hardin <[REDACTED]> wrote:

Hello Lail,

Attached is the 2019 Statement for 1 Grand Ana.

Have a great weekend.

Kendrah Hardin

Bookkeeper

Intercare Industrial Medical Group, Inc/CAN Emergency/California Hospitalists ERPMG/Emergency

Physician Medical Group/GCH Medical Group

637 Lucas Ave Rm#606

Los Angeles, CA 90017

Phone: 213.482.0588

Fax: 213.482.0577

*****[Click here to upload files to me securely.](#)*****

- 2019 1 Grand Ana - P&I Stmt.pdf (148 KB)

**1 Grand Anacapri P&I Payments
2019**

	Date		Payment	Interest	Principal	Balance
26	1/30/2019	Jan	\$5,671.96	\$2,493.19	\$3,178.77	\$917,381.87
27	2/14/2019	Feb	\$5,671.96	\$2,484.58	\$3,187.38	\$914,194.49
28	4/17/2019	Mar	\$5,671.96	\$2,475.94	\$3,196.02	\$910,998.47
29	4/17/2019	Apr	\$5,671.96	\$2,467.29	\$3,204.67	\$907,793.80
30	5/14/2019	May	\$5,671.96	\$2,458.61	\$3,213.35	\$904,580.45
31	6/17/2019	June	\$5,671.96	\$2,449.91	\$3,222.05	\$901,358.40
32	7/17/2019	July	\$5,671.96	\$2,441.18	\$3,230.78	\$898,127.62
33-34	10/15/2019	Aug-Sept	\$11,343.92	\$4,856.09	\$6,487.83	\$891,639.79
35	10/15/2019	Oct	\$5,671.96	\$2,414.86	\$3,257.10	\$888,382.69
36	11/18/2019	Nov	\$5,671.96	\$3,794.13	\$1,877.83	\$886,504.86
37	12/8/2019	Dec	\$5,671.96	\$3,786.11	\$1,885.85	\$884,619.02
2019 Total			\$68,063.52	\$32,121.90	\$35,941.62	

EXHIBIT "9"

Kendrah Hardin <[REDACTED]>

7/16/2020 5:06 PM

1 Grand Anacapi Stmt - as of 7-16-20

To LAIL LEONARD <auntlail[REDACTED]> Copy christianodecarlo1@[REDACTED] •
MD Philip Fagan <pfaganmd@[REDACTED]>

Good Afternoon,

Attached is the current statement of the outstanding amount due for 1 Grand Anacapi.

Thank you.

Kendrah Hardin

Bookkeeper

Intercare Industrial Medical Group, Inc/CAN Emergency/California Hospitalists ERPMG/Emergency

Physician Medical Group/GCH Medical Group

637 Lucas Ave Rm#606

Los Angeles, CA 90017

Phone: 213.482.0588

Fax: 213.482.0577

*****[Click here](#) to upload files to me securely.*****

- 1 Grand Anacapi Stmt - as of 7-16-20.pdf (144 KB)

1 Grand Anacapri
Summary
2020
AS OF JULY 16 2020

2020 Payments Made (Jan - Mar 2020)		Jan	Feb	Mar
Total P&I Payments	\$ 17,015.88	Chk 2883-2885	Chk3043-3045	Chk#3046-3048
Total Insurance Payments	\$ 1,510.02			
Total Tax Payments	\$ 1,822.98			
2020 Total Payments Made	\$ 20,348.88			

2020 Past Due (Apr - July 2020)	
Total P&I Past Due	\$ 22,687.84 (At \$5671.96 per month)
Total Insurance Past Due	\$ 2,013.36 (At \$503.34 per month)
Total Tax Past Due	\$ 2,430.64 (At 607.66 per month)
2020 Total Past Due	\$ 27,131.84

EXHIBIT "10"

Kendrah Hardin <[REDACTED]>

8/11/2020 5:18 PM

1 Grand Anacapri Stmt

To christianodecarlo1[REDACTED] • LAIL LEONARD <auntlail[REDACTED]>

Good Afternoon,

Attached is the statement as of August 11, 2020 for Grand Anacapri. Currently you are past due from April - August 2020.

Also, attached are all the payments made from 2019 through this year and the check numbers for your reconciliation. I sent this information last month to Lail, as she needed the information for the accountant.

There was a question from Lail about the balance being different. That is because we adjusted the interest rate to what the bank was charging, but kept the payments the same. I also let Lail know this.

Let me know if you have any questions.

Kendrah Hardin

Bookkeeper

Intercare Industrial Medical Group, Inc/CAN Emergency/California Hospitalists ERPMG/Emergency
Physician Medical Group/GCH Medical Group

637 Lucas Ave Rm#606

Los Angeles, CA 90017

Phone: 213.482.0588

Fax: 213.482.0577

[Click here](#) to upload files to me securely.

- 8-11-20 1 Grand Anacapri Stmt.pdf (1 MB)

1 Grand Anacapri
Summary
2020
AS OF AUG 11 2020

2020 Payments Made (Jan - Mar 2020)		Jan	Feb	Mar
Total P&I Payments	\$ 17,015.88	Chk 2883-2885	Chk3043-3045	Chk#3046-3048
Total Insurance Payments	\$ 1,510.02			
Total Tax Payments	\$ 1,822.98			
2020 Total Payments Made	\$ 20,348.88			

2020 Past Due (Apr - Aug 2020)	
Total P&I Past Due	\$ 28,359.80 (At \$5671.96 per month)
Total Insurance Past Due	\$ 2,516.70 (At \$503.34 per month)
Total Tax Past Due	\$ 3,038.30 (At 607.66 per month)
2020 Total Past Due	\$ 33,914.80

**1 Grand Anacapri P&I Payments
2019**

	Date		Payment	Interest	Principal	Balance	Check #
26	1/30/2019	Jan	\$5,671.96	\$2,493.19	\$3,178.77	\$917,381.87	2542, 2543, 2544
27	2/14/2019	Feb	\$5,671.96	\$2,484.58	\$3,187.38	\$914,194.49	2596, 2597, 2598
28	4/17/2019	Mar	\$5,671.96	\$2,475.94	\$3,196.02	\$910,998.47	2653, 2654, 2655
29	4/17/2019	Apr	\$5,671.96	\$2,467.29	\$3,204.67	\$907,793.80	2645, 2646, 2647
30	5/14/2019	May	\$5,671.96	\$2,458.61	\$3,213.35	\$904,580.45	2665, 2666, 2667
31	6/17/2019	June	\$5,671.96	\$2,449.91	\$3,222.05	\$901,358.40	2684, 2685, 2686
32	7/17/2019	July	\$5,671.96	\$2,441.18	\$3,230.78	\$898,127.62	2712, 2713, 2714
33-34	10/15/2019	Aug-Sept	\$11,343.92	\$4,856.09	\$6,487.83	\$891,639.79	2794
35	10/15/2019	Oct	\$5,671.96	\$2,414.86	\$3,257.10	\$888,382.69	2794
36	11/18/2019	Nov	\$5,671.96	\$3,794.13	\$1,877.83	\$886,504.86	2811, 2812, 2813
37	12/8/2019	Dec	\$5,671.96	\$3,786.11	\$1,885.85	\$884,619.02	2853, 2854, 2855
2019 Total			\$68,063.52	\$32,121.90	\$35,941.62		

	Date		Payment	Interest	Principal	Balance	Check #
	1/8/2020	Jan	\$5,671.96	\$3,778.11	\$1,893.90	\$882,725.12	2811, 2812, 2813
	7/2/2020	Feb	\$5,671.96	\$3,769.97	\$1,901.99	\$878,913.02	3043, 3044, 3045
	7/2/2020	Mar	\$5,671.96	\$3,761.50	\$1,910.11	\$876,994.75	3046, 3047, 3048
		Apr					
		May					
		Jun					
		July					
		Aug					
2020 Total			\$17,015.88	\$11,309.58	\$5,706.00		

EXHIBIT "11"

AAL-JAY, INC.
1873 GOLDEN HORIZON DRIVE
LAS VEGAS, NEVADA 89123
TELEPHONE: (CELL) 332-8651
FAX: 703 384-8653
E-MAIL: auntlail@ [REDACTED]

August 15, 2020

E-MAIL : [REDACTED]

Ms. Kendrah Hardin
Bookkeeper
Intercare Industrial Medical group
Physicians Medical Group
637 Lucas Ave Rm #606
Los Angeles, CA 90017

RE: 1 Grand Ana Capri
Henderson, Nevada 89011

Dear Kendrah:

I am in receipt of your e-mail of August 11, 2020 relative to payments made for the above for Calendar Year 2019 and the months of January thru August, 2020. I tried to contact you by telephone and text on August 12, 2020 and by text on August 13 to have you give me a call as I did not know if you had any records pertaining to Michael Noll's e-mail of March, 2018. Since I had no response I decided to go back to that date.

You indicate there are payments that have not been made and you are correct to a degree. I have gone back to the Calendar Year 2018 to clarify and establish where we stand with regard to the payments. I am enclosed a copy of the e-mail that Michael Noll, CPA sent relative to this matter.

000081

Accordingly, attached hereto are cancelled checks taken directly from the Aal Jay's bank statements for the Calendar Year 2018, 2019 and 2020. The only checks that have not cleared are the August, 2020 checks, but a copy of same is included.

In March 2018 please see the e-mail from Michael Noll, CPA where it clearly shows that if a payment of \$12,437.75 was made (copy of check # 2141 attached) we would have 3+ months ahead in payments. This option was never used until there were problems with getting reimbursements from CHUBB Insurance for work that was performed due to the flood damage. All payments for said damage was paid thru Christiano DeCarlo and all invoices relative to expenses incurred for the damages were given to CHUBB insurance. To date there has been no reimbursements for payment and said claim is close to or well over a year old

Inasmuch as we have paid the insurance premiums (checks attached), we expected to be reimbursed for said expenses.

As Dr. Fagan had use of these funds for almost two years it was decided they would be used in the calendar Year 2020. There was no stipulation as to when the 3+ payments could be used so accordingly they were used for the months of February, March and April 2020.

I am not exactly sure what Michael Noll, CPA meant by 3+ payments, but I do apologize in that I thought the number of months was 4, so I will be sending you the payment for the month of May, 2020 for the principal/interest, taxes and insurance to bring the account current.

I am hoping that this clarifies all payments.

It would also be appreciated if I could have some indication as to the CHUBB Insurance reimbursements. You said that I would have to contact Dr Fagan. To date, I have not heard from him, but I have had a problem with my telephone in that I have not been getting all phone calls. I last spoke to him about three weeks ago relative to this matter and was told the insurance was still having issues.


Thank you Kendrah for your assistance in this matter and if you have any questions please do not hesitate to contact me. I have been told by Verizon that my phone should now be receiving all incoming calls, but should you not hear from me, please text or e-mail me and I will respond asap,

Sincerely,

A handwritten signature in cursive script that reads "Lail Leonard".

Lail Leonard

Enc.

Cc: e-mail: pfaganmd@
chris@santinicorpUSA.com

LL:ll

EXHIBIT "12"

jgoens@firstam.com

1/6/2021 5:26 PM

File Number-2608673-Address-1 Grand Anacapi Drive - New Contract (Email Ref=1888498081)

To auntlai [REDACTED] Copy mmeaton@firstam.com • kdiffenbaugh@firstam.com

Dr Fagans attorney forwarded this to us. Please review and sign/initial and return as soon as possible. I will forward direct so please contact the seller or his attorney if you have questions.

The new contract calls for an earnest money deposit of \$5000.00. Please note we have already inquired about the close of escrow date.

Thanks so much!

File No.: 13895 2608673

Buyer: The Lail Leonard Trust, dated January 26, 2005

Seller: Philip J. Fagan Jr. 2011 Trust dated

Property Address: 1 Grand Anacapi Drive, Henderson, NV 89011

You can download Acrobat Reader at
<http://www.adobe.com/products/acrobat/readstep2.html>

Judy Goens
Escrow Assistant
First American Title Insurance Company
Phone: 702-251-5231 Ext.
Fax: 702-938-1822 Ext.

If you receive an e-mail or any other communication that appears to be generated from a First American Title Insurance Company employee that contains new, revised or altered bank wire instructions, consider it suspect and call our office at a number you trust. Our wire instructions do not change.

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If you have received this message by mistake, please immediately notify us by replying to the message and delete the original message and any copies immediately thereafter.

If you received this email as a commercial message and would like to opt out of future commercial messages, please let us know and we will remove you from our distribution list.

Thank you.

FAFLD

- SEC-Contract P/A Updated Contract.pdf (147 KB)

RESIDENTIAL PURCHASE AGREEMENT

This Residential Purchase Agreement ("Agreement") is entered into on this 14th day of December, 2020, ("Effective Date") by and between the Philip J. Fagan, Jr., as Trustee for the Philip J. Fagan, JR. 2001 Trust ("Buyer") and AAL-JAY, Inc., a Nevada corporation ("Seller"). Buyer and Seller may collectively be referred to herein as Parties.

RECITALS

WHEREAS, Seller owns the residential real property located 1 Grand Anacapi, Henderson, Nevada 89011, assessor parcel number 162-22-810-011, (the "Property");

WHEREAS, on or around November 2016, Seller and Buyer entered into that certain Contract for Deed (the "Previous Contract"), wherein Seller agreed to sell, and Buyer agreed to Buy, the Property;

WHEREAS, the Previous Contract provided that the purchase price was to be \$1,050,000, in which Buyer was to pay to Seller approximately thirty five (35) monthly payments of principal and interest, with the remaining balance of principal and interest of the purchase price to be paid on or before October 31, 2019;

WHEREAS, Buyer has made monthly payments, but has failed to pay the remaining principal balance, with accrued interest thereon, on or before October 31, 2019;

WHEREAS, Seller is willing to give to Buyer credit for the principal portion of the monthly payments made to Seller in establishing the Purchase Price (as defined below) of this Agreement;

WHEREAS, based upon the terms and conditions set forth below, Buyer wishes to purchase all of Seller's right, title, and interest in and to the Property, and Seller wishes to sell all of Seller's right, title, and interest in and to the Property.

AGREEMENT

NOW THEREFORE, for good cause and valuable consideration, the receipt and sufficiency of which is hereby agreed upon, the Parties agree as follows:

1. The Previous Contract is hereby terminated, and all terms and conditions expressed therein are of no longer force or effect on either Party.
2. Purchase Price:
 - a. The Purchase Price for the Property shall be Eight Hundred Thousand and NO/100ths Dollars (\$800,000.00) ("Purchase Price").

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

- b. The Purchase Price shall be paid by Buyer in Good Funds on or before the Close of Escrow. The Purchase Price does not include closing costs, prorations, or other fees and costs associated with the purchase of the Seller's Property Interest. Closing costs, prorations and all fees and costs associated with the purchase of Seller's Property Interest shall be paid for as set forth in Section 7 of this Agreement.
- c. Upon the opening of escrow, Buyer shall deposit the sum of Five Thousand and No/100ths Dollars (\$5,000.00) as and for its Earnest Money Deposit ("EMD"). The EMD shall be credited toward the Purchase Price at Close of Escrow, as defined below, or delivered to Seller in the event of Buyer's default as set forth herein.

3. **FIXTURES AND PERSONAL PROPERTY:** The following items will be transferred to Buyer, free of liens, with the sale of the Property with no real value unless stated otherwise herein. Unless an item is covered under Section 7(F) of this Agreement, all items are transferred in an "AS IS" condition. All fixtures, fittings and furniture including, but not limited to: electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fan(s), fireplace insert(s), gas logs and grates, solar power system(s), built-in appliance(s) including ranges/ovens, window and door screens, awnings, shutters, window coverings, attached floor covering(s), television antenna(s), satellite dish(es), private integrated telephone systems, air coolers/conditioner(s), pool/spa equipment, garage door opener(s)/remote control(s), mailbox, in-ground landscaping, trees/shrub(s), water softener(s), water purifiers, security systems/alarm(s) and furniture remaining at the Property upon COE.

4. **ESCROW:**

- a. **OPENING OF ESCROW:** The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after Acceptance of this Agreement ("Opening of Escrow"), at First American Title Company ("Escrow Company" or "Escrow Holder") with Michele Eaton ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement. Escrow Holder is instructed to notify the Parties (through their respective Agents) of the opening date and the Escrow Number.
- b. **CLOSE OF ESCROW:** Close of Escrow shall be on or before 5:00 pm PST on Thursday, December 17, 2020 ("COE").
- c. **IRS DISCLOSURE:** Seller is hereby made aware that there is a regulation that requires all Escrow Holders to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the Escrow Holder. Seller is also made aware that Escrow Holder is required by federal law to provide

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

this information to the Internal Revenue Service after COE in the manner prescribed by federal law.

5. **PRELIMINARY TITLE REPORT:** The Title Company shall provide Buyer with a Preliminary Title Report ("PTR") to review, which must be approved or rejected prior to Close of Escrow (the "Title Review Period"). If Buyer does not object to the PTR prior to Close of Escrow, the PTR shall be deemed accepted. If Buyer makes an objection to any item(s) contained within the PTR, Seller shall have five (5) business days after receipt of objections to correct or address the objections. If, within the time specified, Seller fails to have each such exception removed or to correct each such objection, Buyer shall have the option to: (a) terminate this Agreement by providing notice to Seller and Escrow Officer, or (b) elect to accept title to the Property as is. All title exceptions approved or deemed accepted are hereafter collectively referred to as the "Permitted Exceptions." Buyer and Seller agree that the Deed of Trust recorded on May 09, 2006, in Book 20060509, as Instrument No. 04291, to secure an original indebtedness of \$1,400,000, is NOT a Permitted Exception, and Seller agrees to remove such exception to title of the Property at Close of Escrow.

6. Intentionally deleted.

7. **TITLE INSURANCE:** This Purchase Agreement is contingent upon the Buyer's ability to receive, good and marketable title to Seller's Property Interest on COE as evidenced by a policy of title insurance, naming Buyer as the insured in an amount equal to the purchase price, furnished by the title company identified in Section 3. Said policy shall be in the form necessary to effectuate marketable title or its equivalent and shall be paid for as set forth in Section 7.

8. **FEES, AND PRORATIONS:** The fees and costs associated with the closing shall be paid by the Parties as follows:

Loan Costs	Paid by Buyer
Escrow Company Fees:	Paid by Buyer
Title Policy:	Paid by Buyer
Real Property Transfer Tax:	Paid by Seller

PRORATIONS: Any and all rents, taxes, interest, homeowner association fees, trash service fees, payments on bonds, SIDs, LIDs, and assessments assumed by the Buyer, and other expenses of the property shall be prorated as of the date of the recordation of the deed.

ATTORNEYS FEES: Each Party shall pay its own attorneys' fees associated with and respect to this transaction.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

9. **TRANSFER OF TITLE:** Upon COE, Buyer shall tender to Seller the agreed upon Purchase Price, and Seller shall tender to Buyer marketable title to the Property free of all encumbrances other than (1) current real property taxes, (2) covenants, conditions and restrictions (CC&R's) and related restrictions, (3) zoning or master plan restrictions and public utility easements; and (4) any obligations assumed and encumbrances accepted by Buyer prior to COE. Buyer is advised the Property may be reassessed after COE which may result in a real property tax increase or decrease.

10. **COMMON-INTEREST COMMUNITIES:** If the Property is subject to a Common Interest Community ("CIC"), Seller is required to provide at Buyer's expense the CIC documents as required by NRS 116.4109 (collectively, the "Resale Package"). Buyer waives any rights to CIC documents, to the extent such apply, as Buyer has been in possession of the Property and should be aware of the status of the CIC. To the extent there are CIC Capital Contributions or CIC Transfer Fees related to the Property in connection with the transaction contemplated by this Agreement, those contributions and transfer fees shall be paid by Seller.

11. **DELIVERY OF POSSESSION:** Seller shall deliver the Property along with any keys, alarm codes, garage door opener/controls and title or bill of sale related to any other item listed under Section 2 above, upon COE, if requested by Buyer.

12. **RISK OF LOSS:** Risk of loss shall be governed by NRS 113.040. This law provides generally that if all or any material part of the Property is destroyed before transfer of legal title or possession, Seller cannot enforce the Agreement and Buyer is entitled to recover any portion of the sale price paid. If legal title or possession has transferred, risk of loss shall shift to Buyer.

13. **ASSIGNMENT OF THIS AGREEMENT:** This Agreement is non-assignable unless agreed upon in writing by the Parties.

14. **DEFAULT:**

a. **MEDIATION:** Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through a mediator mutually agreed upon by the parties, except in the case of a claim of specific performance. Mediation fees, if any, shall be divided equally among the Parties. Each party has consulted with an independent lawyer of their choice to review this mediation provision and this Agreement before agreeing thereto. By initialing below, the parties confirm that they have read and understand this section and voluntarily agree to the provisions thereof.

BUYER(S) INITIALS: ____ / ____ SELLER(S) INITIALS: ____ / ____

b. **IF SELLER DEFAULTS:** If Seller defaults in performance under this Agreement, Buyer may, at Buyer's option, (i) terminate this Agreement and receive the

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

EMD, or (ii) take legal action for specific performance, including the claim for attorneys' fees and costs in taking such action of specific performance.

c. **IF BUYER DEFAULTS:** If Buyer defaults in performance under this Agreement, Seller may retain, as liquidated damages, the EMD and shall keep title to the Property. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default.

15. **CANCELLATION OF AGREEMENT:** In the event this Agreement is properly cancelled in accordance with Section 5, neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein or except as otherwise provided by law) and both Parties shall be obligated to pay, equally, any costs set forth herein associated with this transaction and such cancelation.

16. **ESCROW INSTRUCTIONS:** If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, except losses or expenses as may arise from Escrow Holder's negligence or willful misconduct.

17. **BROKER'S COMPENSATION/FEES:** Buyer and Seller agree that the sale of the Property is not subject to any Broker's fees.

18. **DEFINITIONS:** "Acceptance" means the date that both parties have consented to a final, binding contract by affixing their signatures to this Agreement and all counteroffers and said Agreement and all counteroffers have been delivered to both parties pursuant to Section 24 herein. "Agreement" includes this document as well as all accepted counteroffers and addenda. "Appraisal" means a written appraisal or Notice of Value as required by any lending institution prepared by a licensed or certified professional. "Bona Fide" means genuine. "Broker" means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). "Business Day" excludes Saturdays, Sundays, and legal holidays. "Calendar Day" means a calendar day from/to midnight unless otherwise specified. "CIC" means Common Interest Community (formerly known as "HOA" or homeowners' associations). "CIC Capital Contribution" means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. "CIC Transfer Fees" means the administrative service fee charged by a CIC to transfer ownership records. "Close of Escrow (COE)" means the time of recordation of the deed in Buyer's name. "Default" means the failure of a Party to observe or perform any of its material obligations under this Agreement. "Delivered" means personally delivered to Parties or respective Agents, transmitted by facsimile machine, electronic means, overnight delivery, or mailed by regular mail. "Escrow Holder" means the neutral party that will handle the closing. "Good Funds" means an acceptable form of payment determined by Escrow Holder in accordance with NRS 645A.171. "IRC" means the Internal Revenue Code (tax code). "N/A" means not.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

applicable. "NAC" means Nevada Administrative Code. "NRS" means Nevada Revised Statutes as Amended. "Party" or "Parties" means Buyer and Seller. "PITI" means principal, interest, taxes, and hazard insurance. "PST" means Pacific Standard Time, and includes daylight savings time if in effect on the date specified. "PTR" means Preliminary Title Report. "Property" means the real property and any personal property included in the sale as provided herein. "Receipt" means delivery to the party or the party's agent. "RPA" means Residential Purchase Agreement.

19. SIGNATURES, DELIVERY, AND NOTICES:

- a. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. This Agreement (and documents related to any resulting transaction) may be signed by the parties manually or digitally. Facsimile signatures may be accepted as original.
- b. When a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery, overnight delivery, by facsimile, and/or by electronic transmission to the Agent for that Party. The notification shall be effective when postmarked, received, faxed, delivery confirmed, and/or read receipt confirmed in the case of email. Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer if represented. Any cancellation notice shall be contemporaneously delivered to Escrow in the same manner.

20. MISCELLANEOUS: Time is of the essence. No change, modification or amendment of this Agreement shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs incurred by such prevailing party.

(signatures follow on next page)

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

IN WITNESS WHEREOF, each of the persons executing this Agreement has authority on behalf of the respective party to do so and has had the opportunity to review this Agreement with counsel of their choosing and based upon their review and understanding of this Agreement, agrees to the terms and conditions set forth herein as of the Effective Date set forth above.

Dated this 14th day of December, 2020.

SELLER

Philip J. Fagan, JR. 2011 Trust

By: _____
Philip J. Fagan, Jr., its Trustee

BUYER

AAL-JAY, Inc.
a Nevada corporation

By : _____
Lail Leonard, its President

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

EXHIBIT "13"

LAIL LEONARD

1873 Golden Horizon drive
Las Vegas, Nevada 89123

TELEPHONE: (702) 384-8650

CELL: [REDACTED]

E-MAIL: auntlail [REDACTED]

FAX: (702) 384-8653

DATE: January 11, 2021

TO: MICHELLE

FIRST AMERICAN TITLE INSURANCE COMPANY.

E-MAIL: mmceton@firstam.com

Attached please find Residential Purchase agreement signed,

Thank you for your assistance

Lail Leonard

RESIDENTIAL PURCHASE AGREEMENT

This Residential Purchase Agreement ("Agreement") is entered into on this 14th day of December, 2020, ("Effective Date") by and between the Philip J. Fagan, Jr., as Trustee for the Philip J. Fagan, JR. 2001 Trust ("Buyer") and AAL-JAY, Inc., a Nevada corporation ("Seller"). Buyer and Seller may collectively be referred to herein as Parties.

RECITALS

WHEREAS, Seller owns the residential real property located 1 Grand Anacapi, Henderson, Nevada 89011, assessor parcel number 162-22-810-011, (the "Property");

WHEREAS, on or around November 2016, Seller and Buyer entered into that certain Contract for Deed (the "Previous Contract"), wherein Seller agreed to sell, and Buyer agreed to buy, the Property;

WHEREAS, the Previous Contract provided that the purchase price was to be \$1,050,000, in which Buyer was to pay to Seller approximately thirty five (35) monthly payments of principal and interest, with the remaining balance of principal and interest of the purchase price to be paid on or before October 31, 2019;

WHEREAS, Buyer has made monthly payments, but has failed to pay the remaining principal balance, with accrued interest thereon, on or before October 31, 2019;

WHEREAS, Seller is willing to give to Buyer credit for the principal portion of the monthly payments made to Seller in establishing the Purchase Price (as defined below) of this Agreement;

WHEREAS, based upon the terms and conditions set forth below, Buyer wishes to purchase all of Seller's right, title, and interest in and to the Property, and Seller wishes to sell all of Seller's right, title, and interest in and to the Property.

AGREEMENT

NOW THEREFORE, for good cause and valuable consideration, the receipt and sufficiency of which is hereby agreed upon, the Parties agree as follows:

1. The Previous Contract is hereby terminated, and all terms and conditions expressed therein are of no longer force or effect on either Party.
2. Purchase Price:
 - a. The Purchase Price for the Property shall be Eight Hundred Thousand and NO/100ths Dollars (\$800,000.00) ("Purchase Price").

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: PF

Seller's Initials: _____

- b. The Purchase Price shall be paid by Buyer in Good Funds on or before the Close of Escrow. The Purchase Price does not include closing costs, prorations, or other fees and costs associated with the purchase of the Seller's Property Interest. Closing costs, prorations and all fees and costs associated with the purchase of Seller's Property Interest shall be paid for as set forth in Section 7 of this Agreement.
- c. Upon the opening of escrow, Buyer shall deposit the sum of Five Thousand and No/100ths Dollars (\$5,000.00) as and for its Earnest Money Deposit ("EMD"). The EMD shall be credited toward the Purchase Price at Close of Escrow, as defined below, or delivered to Seller in the event of Buyer's default as set forth herein.

3. **FIXTURES AND PERSONAL PROPERTY:** The following items will be transferred to Buyer, free of liens, with the sale of the Property with no real value unless stated otherwise herein. Unless an item is covered under Section 7(F) of this Agreement, all items are transferred in an "AS IS" condition. All fixtures, fittings and furniture including, but not limited to: electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fan(s), fireplace insert(s), gas logs and grates, solar power system(s), built-in appliance(s) including ranges/ovens, window and door screens, awnings, shutters, window coverings, attached floor covering(s), television antenna(s), satellite dish(es), private integrated telephone systems, air coolers/conditioner(s), pool/spa equipment, garage door opener(s)/remote control(s), mailbox, in-ground landscaping, trees/shrub(s), water softener(s), water purifiers, security systems/alarm(s) and furniture remaining at the Property upon COE.

4. **ESCROW:**

- a. **OPENING OF ESCROW:** The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after Acceptance of this Agreement ("Opening of Escrow"), at First American Title Company ("Escrow Company" or "Escrow Holder") with Michele Eaton ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement. Escrow Holder is instructed to notify the Parties (through their respective Agents) of the opening date and the Escrow Number.
- b. **CLOSE OF ESCROW:** Close of Escrow shall be on or before 5:00 pm PST on Thursday, December 17, 2020 ("COE").
- c. **IRS DISCLOSURE:** Seller is hereby made aware that there is a regulation that requires all Escrow Holders to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the Escrow Holder. Seller is also made aware that Escrow Holder is required by federal law to provide

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: *LL*

Seller's Initials: _____

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9. **TRANSFER OF TITLE:** Upon COE, Buyer shall tender to Seller the agreed upon Purchase Price, and Seller shall tender to Buyer marketable title to the Property free of all encumbrances other than (1) current real property taxes, (2) covenants, conditions and restrictions (CC&R's) and related restrictions, (3) zoning or master plan restrictions and public utility easements; and (4) any obligations assumed and encumbrances accepted by Buyer prior to COE. Buyer is advised the Property may be reassessed after COE which may result in a real property tax increase or decrease.

10. **COMMON-INTEREST COMMUNITIES:** If the Property is subject to a Common Interest Community ("CIC"), Seller is required to provide at Buyer's expense the CIC documents as required by NRS 116.4109 (collectively, the "Resale Package"). Buyer waives any rights to CIC documents, to the extent such apply, as Buyer has been in possession of the Property and should be aware of the status of the CIC. To the extent there are CIC Capital Contributions or CIC Transfer Fees related to the Property in connection with the transaction contemplated by this Agreement, those contributions and transfer fees shall be paid by Seller.

11. **DELIVERY OF POSSESSION:** Seller shall deliver the Property along with any keys, alarm codes, garage door opener/controls and title or bill of sale related to any other item listed under Section 2 above, upon COE, if requested by Buyer.

12. **RISK OF LOSS:** Risk of loss shall be governed by NRS 113.040. This law provides generally that if all or any material part of the Property is destroyed before transfer of legal title or possession, Seller cannot enforce the Agreement and Buyer is entitled to recover any portion of the sale price paid. If legal title or possession has transferred, risk of loss shall shift to Buyer.

13. **ASSIGNMENT OF THIS AGREEMENT:** This Agreement is non-assignable unless agreed upon in writing by the Parties.

14. **DEFAULT:**

a. **MEDIATION:** Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through a mediator mutually agreed upon by the parties, except in the case of a claim of specific performance. Mediation fees, if any, shall be divided equally among the Parties. Each party has consulted with an independent lawyer of their choice to review this mediation provision and this Agreement before agreeing thereto. By initialing below, the parties confirm that they have read and understand this section and voluntarily agree to the provisions thereof.

BUYER(S) INITIALS: XX / ____ SELLER(S) INITIALS: ____ / ____

b. **IF SELLER DEFAULTS:** If Seller defaults in performance under this Agreement, Buyer may, at Buyer's option, (i) terminate this Agreement and receive the

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Initials: XX

Seller's Initials: _____

EMD, or (ii) take legal action for specific performance, including the claim for attorneys' fees and costs in taking such action of specific performance.

c. IF BUYER DEFAULTS: If Buyer defaults in performance under this Agreement, Seller may retain, as liquidated damages, the EMD and shall keep title to the Property. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default.

15. CANCELLATION OF AGREEMENT: In the event this Agreement is properly cancelled in accordance with Section 5, neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein or except as otherwise provided by law) and both Parties shall be obligated to pay, equally, any costs set forth herein associated with this transaction and such cancelation.

16. ESCROW INSTRUCTIONS: If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, except losses or expenses as may arise from Escrow Holder's negligence or willful misconduct.

17. BROKER'S COMPENSATION/FEES: Buyer and Seller agree that the sale of the Property is not subject to any Broker's fees.

18. DEFINITIONS: "Acceptance" means the date that both parties have consented to a final, binding contract by affixing their signatures to this Agreement and all counteroffers and said Agreement and all counteroffers have been delivered to both parties pursuant to Section 24 herein. "Agreement" includes this document as well as all accepted counteroffers and addenda. "Appraisal" means a written appraisal or Notice of Value as required by any lending institution prepared by a licensed or certified professional. "Bona Fide" means genuine. "Broker" means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). "Business Day" excludes Saturdays, Sundays, and legal holidays. "Calendar Day" means a calendar day from/to midnight unless otherwise specified. "CIC" means Common Interest Community (formerly known as "HOA" or homeowners' associations). "CIC Capital Contribution" means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. "CIC Transfer Fees" means the administrative service fee charged by a CIC to transfer ownership records. "Close of Escrow (COE)" means the time of recordation of the deed in Buyer's name. "Default" means the failure of a Party to observe or perform any of its material obligations under this Agreement. "Delivered" means personally delivered to Parties or respective Agents, transmitted by facsimile machine, electronic means, overnight delivery, or mailed by regular mail. "Escrow Holder" means the neutral party that will handle the closing. "Good Funds" means an acceptable form of payment determined by Escrow Holder in accordance with NRS 645A.171. "IRC" means the Internal Revenue Code (tax code). "N/A" means not

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: LL

Seller's Initials: _____

applicable. "NAC" means Nevada Administrative Code. "NRS" means Nevada Revised Statutes as Amended. "Party" or "Parties" means Buyer and Seller. "PITI" means principal, interest, taxes, and hazard insurance. "PST" means Pacific Standard Time, and includes daylight savings time if in effect on the date specified. "PTR" means Preliminary Title Report. "Property" means the real property and any personal property included in the sale as provided herein. "Receipt" means delivery to the party or the party's agent. "RPA" means Residential Purchase Agreement.

19. SIGNATURES, DELIVERY, AND NOTICES:

- a. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. This Agreement (and documents related to any resulting transaction) may be signed by the parties manually or digitally. Facsimile signatures may be accepted as original.
- b. When a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery, overnight delivery, by facsimile, and/or by electronic transmission to the Agent for that Party. The notification shall be effective when postmarked, received, faxed, delivery confirmed, and/or read receipt confirmed in the case of email. Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer if represented. Any cancellation notice shall be contemporaneously delivered to Escrow in the same manner.

20. MISCELLANEOUS: Time is of the essence. No change, modification or amendment of this Agreement shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs incurred by such prevailing party.

(signatures follow on next page)

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: *LL*

Seller's Initials: _____

IN WITNESS WHEREOF, each of the persons executing this Agreement has authority on behalf of the respective party to do so and has had the opportunity to review this Agreement with counsel of their choosing and based upon their review and understanding of this Agreement, agrees to the terms and conditions set forth herein as of the Effective Date set forth above.

Dated this 14th day of December, 2020.

SELLER

Philip J. Fagan, JR. 2011 Trust

By: _____
Philip J. Fagan, Jr., its Trustee

BUYER

AAL-JAY, Inc.
a Nevada corporation

By: Lail Leonard
Lail Leonard, its President

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum or counteroffer.

Buyer's Initials: LF

Seller's Initials: _____

EXHIBIT "14"



General Wire Transfer Request

000104

Date: January 12, 2021

Type of Wire: Domestic

U.S. Bank
Wire Transfer Department
PO Box 64830
St. Paul, MN 55164-0830

WIRE INFORMATION

Customer and Account Information

Account (as shown on the system)

AAL-JAY INC
LAIL LEONARD
XXXXXXXX7856

Wire PAR: XXXXXXXXXX

Wire Amount (USD): \$50,000.00

Wire Fee: \$40.00

*Beneficiary may receive less due to fees charged by the beneficiary's bank and foreign taxes.

Beneficiary Information:

XXXXXX0000
FIRST AMERICAN TITLE INSURANCE COMPANY
Address not provided



WIREIWR 11/2018

000104

000104

000104

EXHIBIT "15"

Michele Eaton <mmeaton@firstam.com>

1/13/2021 7:38 PM

new contract for execution

To LAIL LEONARD <auntlail@ [REDACTED]>

Please see the attached.



Michele Eaton

Escrow Officer



First American Title™

2500 N Buffalo Dr Ste 120

Las Vegas, NV 89128

Direct: [702.251.5214](tel:702.251.5214) **Fax:** [702.938.1822](tel:702.938.1822)

Email: mmeaton@firstam.com

[Fee Calculator \(FACC\)](#)

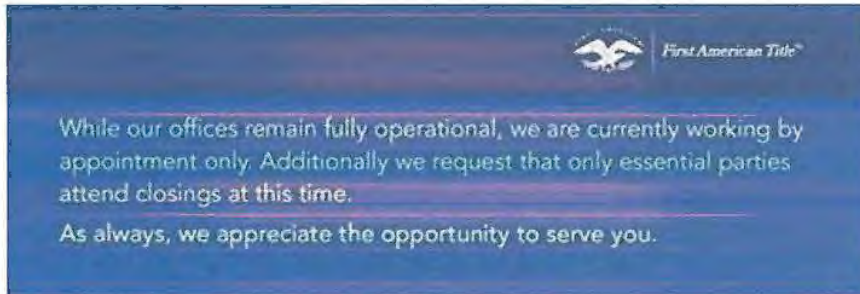
License No. 53093

Company No. NV251

Website: www.firstam.com

We will be closed Monday, January 18th in observation of MLK Day.

At First American Title the health and safety of our employees and our clients are our top priority. With that in mind, and in order to comply with Nevada State guidelines, we respectfully request that face masks are worn before entering any of our branch locations. We appreciate your understanding



WITH CYBER-CRIMES on the increase, it is important to be ever vigilant. If you receive an email or any other communication that appears to be generated from our office, containing new, revised or altered bank wire instructions, consider it suspect, and call our office at a number you trust. Our bank wire instructions seldom change

The information contained in this e-mail is privileged and confidential information, and is protected under The Privacy Act of 1974 and The Gramm-Leach-Bliley Act of 2000, and is intended only for the use of the individual or entity named above. If the reader of this e-mail message is not the intended recipient, you are hereby on notice that you are in possession of confidential and privileged information. Any dissemination, distribution or copying of this communication is strictly prohibited.

This message may contain confidential or proprietary information intended only for the use of the addressee(s) named above or may contain information that is legally privileged. If you are not the intended addressee, or the person responsible for delivering it to the intended addressee, you are hereby notified that reading, disseminating, distributing or copying this message is strictly prohibited. If you have received this message by mistake, please immediately notify us by replying to the message and delete the original message and any copies immediately thereafter.

If you received this email as a commercial message and would like to opt out of future commercial messages, please let us know and we will remove you from our distribution list.

Thank you.

FAFLD

- Fagan PSA(1).pdf (189 KB)
- image001.jpg (8 KB)
- image002.png (4 KB)
- image005.jpg (14 KB)

RESIDENTIAL PURCHASE AGREEMENT

This Residential Purchase Agreement ("Agreement") is entered into on this 14th day of January, 2021, ("Effective Date") by and between the Philip J. Fagan, Jr., as Trustee for the Philip J. Fagan, JR. 2001 Trust ("Buyer") and AAL-JAY, Inc., a Nevada corporation ("Seller"). Buyer and Seller may collectively be referred to herein as Parties.

RECITALS

WHEREAS, Seller owns the residential real property located 1 Grand Anacapi, Henderson, Nevada 89011, assessor parcel number 162-22-810-011, (the "Property");

WHEREAS, on or around November of 2016, Seller and Buyer entered into that certain Contract for Deed (the "Previous Contract"), wherein Seller agreed to sell, and Buyer agreed to Buy, the Property;

WHEREAS, the Previous Contract provided that the purchase price was to be \$1,050,000, in which Buyer was to pay to Seller approximately thirty five (35) monthly payments of principal and interest, with the remaining balance of principal and interest of the purchase price to be paid on or before October 31, 2019;

WHEREAS, Buyer has made monthly payments, but has failed to pay the remaining principal balance, with accrued interest thereon, on or before October 31, 2019;

WHEREAS, Seller is willing to give to Buyer credit for the principal portion of the monthly payments made to Seller in establishing the Purchase Price (as defined below) of this Agreement;

WHEREAS, based upon the terms and conditions set forth below, Buyer wishes to purchase all of Seller's right, title, and interest in and to the Property, and Seller wishes to sell all of Seller's right, title, and interest in and to the Property.

AGREEMENT

NOW THEREFORE, for good cause and valuable consideration, the receipt and sufficiency of which is hereby agreed upon, the Parties agree as follows:

1. The Previous Contract is hereby terminated, and all terms and conditions expressed therein are of no longer force or effect on either Party.
2. Purchase Price:
 - a. The Purchase Price for the Property shall be Eight Hundred Ninety-Five Thousand and NO/100ths Dollars (\$895,000.00) ("Purchase Price").

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

- b. The Purchase Price shall be paid by Buyer in Good Funds on or before the Close of Escrow. The Purchase Price does not include closing costs, prorations, or other fees and costs associated with the purchase of the Seller's Property Interest. Closing costs, prorations and all fees and costs associated with the purchase of Seller's Property Interest shall be paid for as set forth in Section 7 of this Agreement.
- c. Upon the opening of escrow, Buyer shall deposit the sum of Fifty Thousand and No/100ths Dollars (\$50,000.00) as and for its Earnest Money Deposit ("EMD"). The EMD shall be credited toward the Purchase Price at Close of Escrow, as defined below, or delivered to Seller in the event of Buyer's default as set forth herein.

3. **FIXTURES AND PERSONAL PROPERTY:** The following items will be transferred to Buyer, free of liens, with the sale of the Property with no real value unless stated otherwise herein. All items are transferred in an "AS IS" condition. All fixtures, fittings and furniture including, but not limited to: electrical, mechanical, lighting, plumbing and heating fixtures, ceiling fan(s), fireplace insert(s), gas logs and grates, solar power system(s), built-in appliance(s) including ranges/ovens, window and door screens, awnings, shutters, window coverings, attached floor covering(s), television antenna(s), satellite dish(es), private integrated telephone systems, air coolers/conditioner(s), pool/spa equipment, garage door opener(s)/remote control(s), mailbox, in-ground landscaping, trees/shrub(s), water softener(s), water purifiers, security systems/alarm(s) and furniture remaining at the Property upon COE.

4. **ESCROW:**

- a. **OPENING OF ESCROW:** The purchase of the Property shall be consummated through Escrow ("Escrow"). Opening of Escrow shall take place by the end of one (1) business day after Acceptance of this Agreement ("Opening of Escrow"), at First American Title Company ("Escrow Company" or "Escrow Holder") with Michele Eaton ("Escrow Officer") (or such other escrow officer as Escrow Company may assign). Opening of Escrow shall occur upon Escrow Company's receipt of this fully accepted Agreement. Escrow Holder is instructed to notify the Parties (through their respective Agents) of the opening date and the Escrow Number.
- b. **CLOSE OF ESCROW:** Close of Escrow shall be on or before 5:00 pm PST on Friday, February 12, 2021 ("COE").
- c. **IRS DISCLOSURE:** Seller is hereby made aware that there is a regulation that requires all Escrow Holders to complete a modified 1099 form, based upon specific information known only between parties in this transaction and the Escrow Holder. Seller is also made aware that Escrow Holder is required by federal law to provide this information to the Internal Revenue Service after COE in the manner prescribed by federal law.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

5. **PRELIMINARY TITLE REPORT:** The Title Company shall provide Buyer with a Preliminary Title Report ("PTR") to review, which must be approved or rejected prior to Close of Escrow (the "Title Review Period"). If Buyer does not object to the PTR prior to Close of Escrow, the PTR shall be deemed accepted. If Buyer makes an objection to any item(s) contained within the PTR, Seller shall have five (5) business days after receipt of objections to correct or address the objections. If, within the time specified, Seller fails to have each such exception removed or to correct each such objection, Buyer shall have the option to: (a) terminate this Agreement by providing notice to Seller and Escrow Officer, and in such a case, the EMD shall be refunded to Buyer, or (b) elect to accept title to the Property as is. All title exceptions approved or deemed accepted are hereafter collectively referred to as the "Permitted Exceptions." Buyer and Seller agree that the Deed of Trust recorded on May 09, 2006, in Book 20060509, as Instrument No. 04291, to secure an original indebtedness of \$1,400,000, is NOT a Permitted Exception, and Seller agrees to remove such exception to title of the Property at Close of Escrow.

6. Intentionally deleted.

7. **TITLE INSURANCE:** This Purchase Agreement is contingent upon the Buyer's ability to receive, good and marketable title to Seller's Property Interest on COE as evidenced by a policy of title insurance, naming Buyer as the insured in an amount equal to the purchase price, furnished by the title company identified in Section 3. Said policy shall be in the form necessary to effectuate marketable title or its equivalent and shall be paid for as set forth in Section 7.

8. **FEES, AND PRORATIONS:** The fees and costs associated with the closing shall be paid by the Parties as follows:

Loan Costs	Paid by Buyer
Escrow Company Fees:	Paid by Buyer
Title Policy:	Paid by Buyer
Real Property Transfer Tax:	Paid by Seller

PRORATIONS: Any and all rents, taxes, interest, homeowner association fees, trash service fees, payments on bonds, SIDs, LIDs, and assessments assumed by the Buyer, and other expenses of the property shall be prorated as of the date of the recordation of the deed.

ATTORNEYS FEES: Each Party shall pay its own attorneys' fees associated with and respect to this transaction.

9. **TRANSFER OF TITLE:** Upon COE, Buyer shall tender to Seller the agreed upon Purchase Price, and Seller shall tender to Buyer marketable title to the Property free of all encumbrances other than (1) current real property taxes, (2) covenants, conditions and restrictions. Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

(CC&R's) and related restrictions, (3) zoning or master plan restrictions and public utility easements; and (4) any obligations assumed and encumbrances accepted by Buyer prior to COE. Buyer is advised the Property may be reassessed after COE which may result in a real property tax increase or decrease.

10. **COMMON-INTEREST COMMUNITIES:** If the Property is subject to a Common Interest Community ("CIC"), Seller is required to provide at Buyer's expense the CIC documents as required by NRS 116.4109 (collectively, the "Resale Package"). Buyer waives any rights to CIC documents, to the extent such apply, as Buyer has been in possession of the Property and should be aware of the status of the CIC. To the extent there are CIC Capital Contributions or CIC Transfer Fees related to the Property in connection with the transaction contemplated by this Agreement, those contributions and transfer fees shall be paid by Seller.

11. **DELIVERY OF POSSESSION:** Seller shall deliver the Property along with any keys, alarm codes, garage door opener/controls and title or bill of sale related to any other item listed under Section 2 above, upon COE, if requested by Buyer.

12. **RISK OF LOSS:** Risk of loss shall be governed by NRS 113.040. This law provides generally that if all or any material part of the Property is destroyed before transfer of legal title or possession, Seller cannot enforce the Agreement and Buyer is entitled to recover any portion of the sale price paid. If legal title or possession has transferred, risk of loss shall shift to Buyer.

13. **ASSIGNMENT OF THIS AGREEMENT:** This Agreement is non-assignable unless agreed upon in writing by the Parties.

14. **DEFAULT:**

a. **MEDIATION:** Before any legal action is taken to enforce any term or condition under this Agreement, the parties agree to engage in mediation, a dispute resolution process, through a mediator mutually agreed upon by the parties, except in the case of a claim of specific performance. Mediation fees, if any, shall be divided equally among the Parties. Each party has consulted with an independent lawyer of their choice to review this mediation provision and this Agreement before agreeing thereto. By initialing below, the parties confirm that they have read and understand this section and voluntarily agree to the provisions thereof.

BUYER(S) INITIALS: ____ / ____ SELLER(S) INITIALS: ____ / ____

b. **IF SELLER DEFAULTS:** If Seller defaults in performance under this Agreement, Buyer may, at Buyer's option, (i) terminate this Agreement and receive the EMD, or (ii) take legal action for specific performance, including the claim for attorneys' fees and costs in taking such action of specific performance.

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

c. **IF BUYER DEFAULTS:** If Buyer defaults in performance under this Agreement, Seller may retain, as liquidated damages, the EMD and shall keep title to the Property. In this respect, the Parties agree that Seller's actual damages would be difficult to measure and that the EMD is in fact a reasonable estimate of the damages that Seller would suffer as a result of Buyer's default.

15. **CANCELLATION OF AGREEMENT:** In the event this Agreement is properly cancelled in accordance with Section 5, neither Buyer nor Seller will be reimbursed for any expenses incurred in conjunction with due diligence, inspections, appraisals or any other matters pertaining to this transaction (unless otherwise provided herein or except as otherwise provided by law) and both Parties shall be obligated to pay, equally, any costs set forth herein associated with this transaction and such cancelation.

16. **ESCROW INSTRUCTIONS:** If this Agreement or any matter relating hereto shall become the subject of any litigation or controversy, Buyer and Seller agree, jointly and severally, to hold Escrow Holder free and harmless from any loss or expense, except losses or expenses as may arise from Escrow Holder's negligence or willful misconduct.

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18. **DEFINITIONS:** "Acceptance" means the date that both parties have consented to a final, binding contract by affixing their signatures to this Agreement and all counteroffers and said Agreement and all counteroffers have been delivered to both parties pursuant to Section 24 herein. "Agreement" includes this document as well as all accepted counteroffers and addenda. "Appraisal" means a written appraisal or Notice of Value as required by any lending institution prepared by a licensed or certified professional. "Bona Fide" means genuine. "Broker" means the Nevada licensed real estate broker listed herein representing Seller and/or Buyer (and all real estate agents associated therewith). "Business Day" excludes Saturdays, Sundays, and legal holidays. "Calendar Day" means a calendar day from/to midnight unless otherwise specified. "CIC" means Common Interest Community (formerly known as "HOA" or homeowners' associations). "CIC Capital Contribution" means a one-time non-administrative fee, cost or assessment charged by the CIC upon change of ownership. "CIC Transfer Fees" means the administrative service fee charged by a CIC to transfer ownership records. "Close of Escrow (COE)" means the time of recordation of the deed in Buyer's name. "Default" means the failure of a Party to observe or perform any of its material obligations under this Agreement. "Delivered" means personally delivered to Parties or respective Agents, transmitted by facsimile machine, electronic means, overnight delivery, or mailed by regular mail. "Escrow Holder" means the neutral party that will handle the closing. "Good Funds" means an acceptable form of payment determined by Escrow Holder in accordance with NRS 645A.171. "IRC" means the Internal Revenue Code (tax code). "N/A" means not applicable. "NAC" means Nevada Administrative Code. "NRS" means Nevada Revised Statutes as Amended. "Party" or "Parties" means Buyer and Seller. "PITI" means principal, interest, taxes, and hazard insurance. "PST" means Pacific Standard Time, and includes daylight savings time if

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Buyer's Initials: _____

Seller's Initials: _____

in effect on the date specified. "PTR" means Preliminary Title Report. "Property" means the real property and any personal property included in the sale as provided herein. "Receipt" means delivery to the party or the party's agent. "RPA" means Residential Purchase Agreement.

19. SIGNATURES, DELIVERY, AND NOTICES:

- a. This Agreement may be signed by the parties on more than one copy, which, when taken together, each signed copy shall be read as one complete form. This Agreement (and documents related to any resulting transaction) may be signed by the parties manually or digitally. Facsimile signatures may be accepted as original.
- b. When a Party wishes to provide notice as required in this Agreement, such notice shall be sent regular mail, personal delivery, overnight delivery, by facsimile, and/or by electronic transmission to the Agent for that Party. The notification shall be effective when postmarked, received, faxed, delivery confirmed, and/or read receipt confirmed in the case of email. Delivery of all instruments or documents associated with this Agreement shall be delivered to the Agent for Seller or Buyer if represented. Any cancellation notice shall be contemporaneously delivered to Escrow in the same manner.

20. MISCELLANEOUS: Time is of the essence. No change, modification or amendment of this Agreement shall be valid or binding unless such change, modification or amendment shall be in writing and signed by each party. This Agreement will be binding upon the heirs, beneficiaries and devisees of the parties hereto. This Agreement is executed and intended to be performed in the State of Nevada, and the laws of that state shall govern its interpretation and effect. The parties agree that the county and state in which the Property is located is the appropriate forum for any action relating to this Agreement. Should any party hereto retain counsel for the purpose of initiating litigation to enforce or prevent the breach of any provision hereof, or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs incurred by such prevailing party.

(signatures follow on next page)

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

IN WITNESS WHEREOF, each of the persons executing this Agreement has authority on behalf of the respective party to do so and has had the opportunity to review this Agreement with counsel of their choosing and based upon their review and understanding of this Agreement, agrees to the terms and conditions set forth herein as of the Effective Date set forth above.

Dated this 14th day of January, 2021.

SELLER

Philip J. Fagan, JR. 2011 Trust

By: _____
Philip J. Fagan, Jr., its Trustee

BUYER

AAL-JAY, Inc.
a Nevada corporation

By : _____
Lail Leonard, its President

Each party acknowledges that he/she has read, understood, and agrees to each and every provision of this page unless a particular paragraph is otherwise modified by addendum of counteroffer.

Buyer's Initials: _____

Seller's Initials: _____

EXHIBIT "16"

To:

Christianano De Carlo
1873 Golden Horizon Drive
Las Vegas, NV 89123

or

1 Grand Anacapi
Henderson, NV 89011

From:

Philip J. Fagan, Jr., as Trustee for the Philip J.
Fagan, Jr. 2001 Trust
c/o Black & Wadhams
attn: Tisha Black, Esq.
10777 West Twain Avenue, Suite 300
Las Vegas NV 89135
702-869-8801

FIVE-DAY NOTICE TO QUIT FOR
TENANCY-AT-WILL

(NRS 40.251)

PLEASE TAKE NOTICE that your tenancy-at-will is hereby terminated, and you are required to vacate the premises of **1 Grand Anacapi, Henderson, Nevada 89011, APN # 162-22-810-011** within five (5) judicial days following the Date of Service of this notice. If you do not comply with this notice, your possession of the premises will be unlawful (called "unlawful detainer"), and your landlord may initiate an eviction against you by either serving you with a Five-Day Notice to Quit for Unlawful Detainer or a Summons and Complaint for Unlawful Detainer. If the court determines that you are guilty of an unlawful detainer, the court may issue a summary order for your removal or an order providing for your nonadmittance, directing the sheriff or constable to post the order in a conspicuous place on the premises not later than 24 hours after the order is received by the sheriff or constable. The sheriff or constable shall then remove you not earlier than 24 hours but not later than 36 hours after the posting of the order.

Pursuant to NRS 118A.390, you may seek relief if a landlord unlawfully removes you from the premises, or excludes you by blocking or attempting to block your entry upon the premises, or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of the Nevada Revised Statutes.

Pursuant to NRS 40.251, if you receive this notice during a government shutdown and you are a federal worker, tribal worker, state worker, or household member of such a worker, you may request to be allowed to continue in possession during the period commencing on the date on which a shutdown begins and ending on the date that is 30 days after the date on which the shutdown ends by submitting a written request for the extended period and providing proof that you are a federal worker, tribal worker, state worker, or household member of such a worker during a shutdown. The landlord who receives this request shall allow you to continue in possession for the period requested unless the court orders otherwise.

Should you have any questions with respect to this notice, you may contact the law firm of Black & Wadhams, who is acting as the legal agent of your landlord, at the address or telephone number listed above.

DECLARATION OF SERVICE

On (insert date of service) 3/12/2021, I served this notice in the following manner (check only one):

- ☐ By delivering a copy to the tenant(s) personally.
- ☐ Because the tenant(s) was absent from tenant's place of residence, by leaving a copy with (insert name or physical description of person served) _____, a person of suitable age and discretion, AND mailing a copy to the tenant(s) at tenant's place of residence.
- ☒ Because neither tenant nor a person of suitable age or discretion could be found there, by posting a copy in a conspicuous place on the property, AND mailing a copy to the tenant(s) at the place where the property is situated.

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

3/12/21 (Date) JUDITH MAEALL (Server's Name) R-040570 (Server's License#) Judith Maeall (Server's Signature)

EXHIBIT "17"

To:

AAL-Jay, Inc., a Nevada Corporation
1873 Golden Horizon Drive
Las Vegas, NV 89123

Attn: Lail Leonard, President

From:

Philip J. Fagan, Jr., as Trustee for the Philip J.
Fagan, Jr. 2001 Trust
c/o Black & Wadhams
attn: Tisha Black, Esq.
10777 West Twain Avenue, Suite 300
Las Vegas NV 89135
702-869-8801

SEVEN-DAY NOTICE TO PAY OR QUIT**(NRS 40.253)**DATE OF SERVICE: 3/26/

THIS IS AN EVICTION NOTICE FOR NONPAYMENT OF RENT. TENANT(S) ARE ADVISED THAT THE HENDERSON JUSTICE COURT HAS INFORMATION ON ITS WEBSITE CONCERNING THE AVAILABILITY OF MEDIATION, GOVERNMENT-SPONSORED RENTAL ASSISTANCE, AND ELECTRONIC FILING FOR THE TENANT AFFIDAVIT, AMONG OTHER MATTERS. A TENANT MAY ACCESS THIS INFORMATION AT:

https://www.clarkcountynv.gov/government/departments/justice_courts/jurisdictions/henderson/index.php

PLEASE TAKE NOTICE that you are in default in payment of rent for the premises of **1 Grand Anacapri, Henderson, Nevada 89011, APN # 162-22-810-011**, pursuant to the Residential Lease Agreement dated March 2, 2021, executed by and between you and landlord on March 15, 2021 and March 17, 2021, respectively. You are in default for the period beginning March 1, 2021, and ending April 30, 2021. The amount of periodic rent due is \$6,800 per month, wherein the current amount due is \$13,600, which is past due as of March 4, 2021. The total amount due as of March 25, 2021, with late fees, is \$15,100.

Your failure to pay rent or vacate the premises before the close of business on the seventh (7th) judicial day following the Date of Service, as indicated above, of this notice may result in your landlord applying to the Henderson Justice Court for an eviction order. If the court determines that you are guilty of an unlawful detainer, the court may issue a summary order for your removal or an order providing for your nonadmittance, directing the sheriff or constable to post the order in a conspicuous place on the premises not later than 24 hours after the order is received by the sheriff or constable. The sheriff or constable shall then remove you not earlier than 24 hours but not later than 36 hours after the posting of the order. Pursuant to NRS 118A.390, you may seek relief if a landlord unlawfully removes you from the premises, or excludes you by blocking or attempting to block your entry upon the premises, or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of the Nevada Revised Statutes.

YOU ARE HEREBY ADVISED OF YOUR RIGHT TO CONTEST THIS NOTICE by filing an Affidavit no later than by the close of business on the seventh (7th) judicial day

following the Date of Service of this notice, with the Henderson Justice Court stating that you have tendered payment or are not in default of rent. The Henderson Justice Court is located at:

Henderson Justice Court
243 Water Street
Henderson, NV 89015
(702) 455-7951

Should you have any questions with respect to this notice, you may contact the law firm of Black & Wadhams, who is acting as the legal agent of your landlord, at the address or telephone number listed above.

DECLARATION OF SERVICE

On (insert date of service) 3/26/2021, I served this notice in the following manner (check only one):

☐ By delivering a copy to the tenant(s) personally.

☐ Because the tenant(s) was absent from tenant's place of residence, by leaving a copy with (insert name or physical description of person served) _____, a person of suitable age and discretion, AND mailing a copy to the tenant(s) at tenant's place of residence.

☒ Because neither tenant nor a person of suitable age or discretion could be found there, by posting a copy in a conspicuous place on the property, AND mailing a copy to the tenant(s) at the place where the property is situated.

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

3/26/2021 (Date) Judith Mae All (Server's Name) R-040510 (Server's License#) Judith Mae All (Server's Signature)

EXHIBIT "18"

To:

AAL-Jay, Inc., a Nevada Corporation
1873 Golden Horizon Drive
Las Vegas, NV 89123

AAL-JAY, Inc., a Nevada Corporation
1 Grand Anacapi
Henderson, NV 89011

From:

Philip J. Fagan, Jr., as Trustee for the Philip J.
Fagan, Jr. 2001 Trust
c/o Black & Wadhams
attn: Tisha Black, Esq.
10777 West Twain Avenue, Suite 300
Las Vegas NV 89135
702-869-8801

THIRTY-DAY "NO CAUSE" NOTICE TO QUIT

(NRS 40.251)

PLEASE TAKE NOTICE that you are hereby required to vacate the premises of **1 Grand Anacapi, Henderson, Nevada 89011, APN # 162-22-810-011**, within thirty (30) calendar days following the Date of Service of this notice. If you do not comply with this notice, your possession of the premises will be unlawful (called "unlawful detainer"), and your landlord referenced above may initiate an eviction against you by either serving you with a Five-Day Notice to Quit for Unlawful Detainer or a Summons and Complaint for Unlawful Detainer. If the court determines that you are guilty of an unlawful detainer, the court may issue a summary order for your removal or an order providing for your nonadmittance, directing the sheriff or constable to post the order in a conspicuous place on the premises not later than 24 hours after the order is received by the sheriff or constable. The sheriff or constable shall then remove you not earlier than 24 hours but not later than 36 hours after the posting of the order.

If you are 60 years of age or older, or if you have a physical or mental disability, and your tenancy is not week-to-week, you may make a written request to your landlord to be allowed to continue in possession of the rental premises for an additional 30 days past the expiration of this notice. You must provide your landlord with proof of your age or disability with your written request. If your landlord rejects your request, you have the right to petition the court to continue in possession of the rental unit for an additional 30 days.

Pursuant to NRS 40.251, if you receive this notice during a government shutdown and you are a federal worker, tribal worker, state worker, or household member of such a worker, you may request to be allowed to continue in possession during the period commencing on the date on which a shutdown begins and ending on the date that is 30 days after the date on which the shutdown ends by submitting a written request for the extended period and providing proof that you are a federal worker, tribal worker, state worker, or household member of such a worker during a shutdown. The landlord who receives this request shall allow you to continue in possession for the period requested unless the court orders otherwise.

Pursuant to NRS 118A.390, you may seek relief if a landlord unlawfully removes you from the premises, or excludes you by blocking or attempting to block your entry upon the premises, or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of the Nevada Revised Statutes.

Should you have any questions with respect to this notice, you may contact the law firm of Black & Wadhams, who is acting as the legal agent of your landlord, at the address or telephone number listed above.

DECLARATION OF SERVICE

On (insert date of service) 5/3/2021, I served this notice in the following manner (check only one):

☐ By delivering a copy to the tenant(s) personally.

☐ Because the tenant(s) was absent from tenant's place of residence, by leaving a copy with (insert name or physical description of person served) _____, a person of suitable age and discretion, AND mailing a copy to the tenant(s) at tenant's place of residence.

☒ Because neither tenant nor a person of suitable age or discretion could be found there, by posting a copy in a conspicuous place on the property, AND mailing a copy to the tenant(s) at the place where the property is situated.

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

5/3/2021
(Date)

JUDITH MAE ALL
(Server's Name)

R-040570
(Server's License#)

(Server's Signature)

EXHIBIT "19"

000008 11-24 Office AU # 1210/8		CASHIER'S CHECK		SERIAL #: 0650813107	
Remitter: LAIL LEONARD Purchaser: LAIL LEONARD Purchaser Account: 8440 Operator I.D.: u894833 u261239 Funding Source: Cash, Paper (None)				ACCOUNT# [REDACTED]	
PAY TO THE ORDER OF ***PHILIP FAGAN*** ***RE: 1 GRAND ANA CAPRI***				April 23, 2021	
Seventeen Thousand Five Hundred Seventy-Five and 00/100 -US Dollars **				**\$17,575.00	
Payee Address: Memo: WELLS FARGO BANK, N.A. 445 E WINDMILL LN LAS VEGAS, NV 89123 FOR INQUIRIES CALL (480) 394-3122		NOTICE TO PURCHASER-IF THIS INSTRUMENT IS LOST, STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION AND REISSUANCE, AS A CONDITION TO CANCELLATION AND REISSUANCE, WELLS FARGO & COMPANY MAY IMPOSE A FEE AND REQUIRE AN INDEMNITY AGREEMENT AND BOND.		VOID IF OVER US \$ 17,575.00	
		Purchaser Copy		NON-NEGOTIABLE	
FB004 90151704					

PRINTED ON LINEMARK PAPER - HOLD TO LIGHT TO VIEW - FOR ADDITIONAL SECURITY FEATURES SEE BACK.

000008 11-24 Office AU # 1210/8		CASHIER'S CHECK		0650813107	
Remitter: LAIL LEONARD Operator I.D.: u894833 u261239				April 23, 2021	
PAY TO THE ORDER OF ***PHILIP FAGAN*** ***RE: 1 GRAND ANA CAPRI***					
Seventeen Thousand Five Hundred Seventy-Five and 00/100 -US Dollars **				**\$17,575.00	
Payee Address: Memo: WELLS FARGO BANK, N.A. 445 E WINDMILL LN LAS VEGAS, NV 89123 FOR INQUIRIES CALL (480) 394-3122				VOID IF OVER US \$ 17,575.00	
RE: (6800 x 2) + 53 DAYS @ 75¢ per day				Authorized Signature	

EXHIBIT "20"

AAL-JAY, INC.
1873 GOLDEN HORIZON DR
LAS VEGAS, NEVADA 89123

3276

PAY
TO THE
ORDER OF

Philip Fagan

DATE 3-15-2021 94-7711224

\$ 6800⁰⁰

Six Thousand Eight Hundred & No/100 DOLLARS

NEVADA STATE BANK

P.O. Box 990, Las Vegas, NV 89123

FOR March 2021 Lease on

1 Grand Ara Capri, Henderson NV

Laila Leonard

⑈00003276⑈ ⑆122400779⑆ 552029985⑈

AAL-JAY, INC.
1873 GOLDEN HORIZON DR
LAS VEGAS, NEVADA 89123

3277

PAY
TO THE
ORDER OF

Philip Fagan

DATE 3-15-2021 94-7711224

\$ 6800⁰⁶

Six Thousand Eight Hundred & No/100 DOLLARS

NEVADA STATE BANK

P.O. Box 990, Las Vegas, NV 89123

FOR April 2021 Lease on

1 Grand Ara Capri, Henderson NV

Laila Leonard

⑈00003277⑈ ⑆122400779⑆ 552029985⑈

EXHIBIT "21"

RESIDENTIAL LEASE AGREEMENT

I. THE PARTIES. This Residential Lease Agreement ("Agreement") made this 2nd day of March, 2021, is by and between:

Landlord: Philip J. Fagan, Jr., as Trustee for the Philip J. Fagan, Jr. 2001 Trust ("Landlord"), and

Tenant: AAL-JAY, Inc., a Nevada corporation ("Tenant"). Landlord and Tenant are each referred to herein as a "Party" and, collectively, as the "Parties".

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and agreements contained herein, the Tenant agrees to lease the Premises from the Landlord under the following terms and conditions:

II. LEASE TYPE. This Agreement shall be considered a Fixed Lease, and supersedes and terminates all previous agreements, whether written or not written, between the Parties. The Tenant shall be allowed to occupy the Premises, in accordance to this Agreement only, starting on March 1, 2021 and ending on April 30, 2021 ("Lease Term"). At the end of the Lease Term the Tenant shall vacate the Premises.


III. OCCUPANT(S). The Premises is to be occupied strictly as a residential dwelling with only those individuals related to, or affiliated with, the Tenant.

IV. THE PROPERTY. The Landlord agrees to lease the described property below to the Tenant:

1 Grand Anacabri, Henderson, Nevada 89011

The aforementioned property shall be leased wholly by the Tenant ("Premises").

V. PURPOSE. The Tenant may only use the Premises as a residential dwelling.

 **VI. FURNISHINGS.** ~~The Premises is fully furnished. Tenant hereby acknowledges and agrees that such furnishings are in an acceptable condition and takes such furnishings "as-is".~~

VII. APPLIANCES. The Premises contains appliances. Tenant hereby acknowledges and agrees that such appliances are in an acceptable condition and takes such appliances "as-is".

VIII. RENT. The Tenant shall pay the Landlord the amount of \$6,800 ("Rent") per each month or the Lease Term. Payment of the entire amount of Rent in the amount of \$13,600 shall be due and payable on or before March 4, 2021 ("Due Date").

IX. LATE FEE. If Rent is not paid on or before the Due Date, there shall be a penalty of \$75 for every Day Rent is Late. Rent is considered late for when it has not been paid by the Due Date.

X. POSSESSION. The Parties acknowledge that Tenant is currently in possession of the Premises, and therefore, Tenant has examined the condition of the Premises and acknowledges that Tenant has accepted the Premises in good order, "as-is", and in its current condition.

XI. SECURITY DEPOSIT. Landlord does not require a payment of a "Security Deposit" in connection with this Agreement.

XII. UTILITIES. Any and all utilities and/or services are the responsibility of the Tenant.

XIII. PETS AND CHILDREN. The Tenant shall have the right to have pets on the Premises. The tenant shall have the right to have children on the Premises.

XIV. NOTICES. Any notice to be sent by the Landlord or the Tenant to each other shall use the following addresses:

Landlord:

242 Sienna, Henderson NV 89011

Tenant:

1873 Golden Horizon DR. Las Vegas, NV 89123

XV. ACCESS. If not already delivered, Landlord agrees to give access to the Tenant in the form of keys, fobs, cards, or any type of keyless security entry as needed to enter the Premises. Duplicate copies of the access provided may only be authorized under the consent of the Landlord and, if any replacements are needed, the Landlord may provide them for a fee. At the end of this Agreement all access provided to the Tenant shall be returned to the Landlord.

XVI. SUBLETTING. The Tenant shall not be able to sublet the Premises without the written consent from the Landlord, which may be withheld at Landlord's sole and absolute discretion for any reason, or no reason. The consent by the Landlord to one subtenant shall not be deemed to be consent to any subsequent subtenant.

XVIII. ABANDONMENT. If the Tenant vacates or abandons the Premises for a time-period that is the minimum set by Nevada law or five (5) days, whichever is less, the Landlord shall have the right to terminate this Agreement immediately and remove all belongings including any personal property off of the Premises. If the Tenant vacates or abandons the Premises, the Landlord shall immediately have the right to terminate this Agreement.

XIX. ASSIGNMENT. Tenant shall not assign this Lease without the prior written consent of the Landlord, which may be withheld at Landlord's sole and absolute discretion for any reason, or no reason. The consent by the Landlord to one assignment shall not be deemed to be consent to any subsequent assignment.

XX. RIGHT OF ENTRY. The Landlord shall have the right to enter the Premises during normal working hours by providing at least twenty-four (24) hours notice in order for inspection, make necessary repairs, alterations or improvements, to supply services as agreed or for any reasonable purpose. The Landlord may exhibit the Premises to prospective purchasers, mortgagees, or lessees upon reasonable notice.

XXI. MAINTENANCE, REPAIRS, OR ALTERATIONS. The Tenant shall, at its own expense and at all times, maintain premises in a clean and sanitary manner, and shall surrender the same at termination hereof, in as good condition as received, normal wear and tear excepted. The Tenant may not make any alterations to the leased premises without the consent in writing of the Landlord. The Landlord shall be responsible for repairs to the interior and exterior of the building.

XXII. NOISE/WASTE. The Tenant agrees not to commit waste on the premises, maintain, or permit to be maintained, a nuisance thereon, or use, or permit the premises to be used, in an unlawful manner. The Tenant further agrees to abide by any and all local, county, and state noise ordinances.

XXIII. OCCUPANTS AND GUESTS. Occupants of the Premises shall be limited to 6 persons and shall be used solely for housing accommodations and for no other purpose. Guests of the Tenant are allowed for periods not lasting for more than 48 hours unless otherwise approved by the Landlord in writing.

XXIV. COMPLIANCE WITH LAW. The Tenant agrees that during the term of the Agreement, to promptly comply with any present and future laws, ordinances, orders, rules, regulations, and requirements of the Federal, State, County, City, and Municipal government or any of its departments, bureaus, boards, commissions and officials thereof with respect to the premises, or the use or occupancy thereof, whether said compliance shall be ordered or directed to or against the Tenant, the Landlord, or both.

XXV. DEFAULT. If the Tenant fails to comply with any of the financial or material provisions of this Agreement, or materially fails to comply with any duties imposed on the Tenant by statute or state laws, within the time period after delivery of written notice by the Landlord specifying the non-compliance and indicating the intention of the Landlord to terminate the Agreement by reason thereof, the Landlord may terminate this Agreement. If the Tenant fails to pay rent when due, the Landlord may, at its option, declare rent payable hereunder to be immediately due and payable and may exercise any and all rights and remedies available to the Landlord at law or in equity and may immediately terminate this Agreement.

The Tenant will be in default if: (a) Tenant does not pay rent or other amounts that are owed; (b) Tenant, its guests, violate this Agreement, rules, or fire, safety, health, or criminal laws, regardless of whether arrest or conviction occurs; (c) Tenant abandons the Premises; (d) Tenant, or any person related to or affiliated of Tenant, is arrested, convicted, or given deferred adjudication for a criminal offense involving actual or potential physical harm to a person, or involving possession, manufacture, or delivery of a controlled substance, or drug paraphernalia under state statute; (e) any illegal drugs or paraphernalia are found in the Premises or on the person of the Tenant or guests while on the Premises and/or; (f) as otherwise allowed by law.

XXVI. DISPUTES. If a dispute arises during or after the term of this Agreement between the Landlord and Tenant, they shall agree to hold negotiations amongst themselves, in "good faith", before any litigation.

XXVII. SEVERABILITY. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

XXVIII. SURRENDER OF PREMISES. Upon the expiration of the Lease Term hereof, the Tenant shall surrender the Premise in better or equal condition as it were at the commencement of this Agreement, reasonable use, wear and tear thereof, and damages by the elements excepted.

XXIX. WAIVER. A Waiver by the Landlord for a breach of any covenant or duty by the Tenant, under this Agreement is not a waiver for a breach of any other covenant or duty by the Tenant, or of any subsequent breach of the same covenant or duty. No provision of this Agreement shall be considered waived unless such a waiver shall be expressed in writing as a formal amendment to this Agreement and executed by the Tenant and Landlord.

XXX. EQUAL HOUSING. If the Tenant possesses any mental or physical impairment, the Landlord shall provide reasonable modifications to the Premises unless the modifications would be too difficult or expensive for the Landlord to provide. Any impairment(s) of the Tenant are encouraged to be provided and presented to the Landlord in writing in order to seek the most appropriate route for providing the modifications to the Premises.

XXXI. HAZARDOUS MATERIALS. The Tenant agrees to not possess any type of personal property that could be considered a fire hazard such as a substance having flammable or explosive characteristics on the Premises. Items that are prohibited to be brought into the Premises, other than for everyday cooking or the need of an appliance, includes but is not limited to gas (compressed), gasoline, fuel, propane, kerosene, motor oil, fireworks, or any other related content in the form of a liquid, solid, or gas.

XXXII. INDEMNIFICATION. The Landlord shall not be liable for any damage or injury to the Tenant, or any other person, or to any property, occurring on the Premises, or any part thereof, or in common areas thereof, and the Tenant agrees to hold the Landlord harmless from any claims or damages unless caused solely by the Landlord's negligence. It is recommended that renter's insurance be purchased at the Tenant's expense.

XXXIII. COVENANTS. The covenants and conditions herein contained shall apply to and bind the heirs, legal representatives, and assigns of the parties hereto, and all covenants are to be construed as conditions of this Agreement.

XXXIV. RIGHT TO RAISE FLAG. The Landlord allows the Tenant the right to raise the American flag in accordance with NRS 118A.325.

XXXV. MOVE-IN CHECKLIST. The Landlord and Tenant acknowledge that Tenant has been in possession of the Premises and has inspected the inventory and condition of the Property in accordance with NRS 118A.200(k).

XXXVI. GOVERNING LAW. This Agreement is to be governed under the laws located in the state and local jurisdiction of where the Premises is located in Clark County, Henderson, Nevada.

XXXVII. ENTIRE AGREEMENT. This Agreement contains all the terms agreed to by the parties relating to its subject matter including any attachments or addendums. This Agreement replaces all previous discussions, understandings, and oral agreements, and as such all previous discussions, understandings, and oral agreements are void and of no further force or effect. The Landlord and Tenant agree to the terms and conditions and shall be bound until the end of the Lease Term.

Landlord's Signature _____ **Date:** _____

Name: Philip J. Fagan, Jr., Trustee of the Philip J. Fagan, Jr. 2011 Trust

Tenant's Signature Lail Leonard **Date:** 3-15-2021

Name: Lail Leonard, President of AAL-JA, Inc.

EXHIBIT "22"

To:

AAL-Jay, Inc., a Nevada Corporation
1873 Golden Horizon Drive
Las Vegas, NV 89123

Attn: Lail Leonard, President

From:

Philip J. Fagan, Jr., as Trustee for the Philip J.
Fagan, Jr. 2001 Trust
c/o Black & Wadhams
attn: Tisha Black, Esq.
10777 West Twain Avenue, Suite 300
Las Vegas NV 89135
702-869-8801

SEVEN-DAY NOTICE TO PAY OR QUIT

(NRS 40.253)

DATE OF SERVICE: 3/26/

THIS IS AN EVICTION NOTICE FOR NONPAYMENT OF RENT. TENANT(S) ARE ADVISED THAT THE HENDERSON JUSTICE COURT HAS INFORMATION ON ITS WEBSITE CONCERNING THE AVAILABILITY OF MEDIATION, GOVERNMENT-SPONSORED RENTAL ASSISTANCE, AND ELECTRONIC FILING FOR THE TENANT AFFIDAVIT, AMONG OTHER MATTERS. A TENANT MAY ACCESS THIS INFORMATION AT:

https://www.clarkcountynv.gov/government/departments/justice_courts/jurisdictions/henderson/index.php

PLEASE TAKE NOTICE that you are in default in payment of rent for the premises of **1 Grand Anacapri, Henderson, Nevada 89011, APN # 162-22-810-011**, pursuant to the Residential Lease Agreement dated March 2, 2021, executed by and between you and landlord on March 15, 2021 and March 17, 2021, respectively. You are in default for the period beginning March 1, 2021, and ending April 30, 2021. The amount of periodic rent due is \$6,800 per month, wherein the current amount due is \$13,600, which is past due as of March 4, 2021. The total amount due as of March 25, 2021, with late fees, is \$15,100.

Your failure to pay rent or vacate the premises before the close of business on the seventh (7th) judicial day following the Date of Service, as indicated above, of this notice may result in your landlord applying to the Henderson Justice Court for an eviction order. If the court determines that you are guilty of an unlawful detainer, the court may issue a summary order for your removal or an order providing for your nonadmittance, directing the sheriff or constable to post the order in a conspicuous place on the premises not later than 24 hours after the order is received by the sheriff or constable. The sheriff or constable shall then remove you not earlier than 24 hours but not later than 36 hours after the posting of the order. Pursuant to NRS 118A.390, you may seek relief if a landlord unlawfully removes you from the premises, or excludes you by blocking or attempting to block your entry upon the premises, or willfully interrupts or causes or permits the interruption of an essential service required by the rental agreement or chapter 118A of the Nevada Revised Statutes.

YOU ARE HEREBY ADVISED OF YOUR RIGHT TO CONTEST THIS NOTICE by filing an Affidavit no later than by the close of business on the seventh (7th) judicial day

following the Date of Service of this notice, with the Henderson Justice Court stating that you have tendered payment or are not in default of rent. The Henderson Justice Court is located at:

Henderson Justice Court
243 Water Street
Henderson, NV 89015
(702) 455-7951

Should you have any questions with respect to this notice, you may contact the law firm of Black & Wadhams, who is acting as the legal agent of your landlord, at the address or telephone number listed above.

DECLARATION OF SERVICE

On (insert date of service) 3/26/2021, I served this notice in the following manner (check only one):

☐ By delivering a copy to the tenant(s) personally.

☐ Because the tenant(s) was absent from tenant's place of residence, by leaving a copy with (insert name or physical description of person served) _____, a person of suitable age and discretion, AND mailing a copy to the tenant(s) at tenant's place of residence.

☒ Because neither tenant nor a person of suitable age or discretion could be found there, by posting a copy in a conspicuous place on the property, AND mailing a copy to the tenant(s) at the place where the property is situated.

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

3/26/2021 Judith MAE ALL R-040510 Judith Mae All
(Date) (Server's Name) (Server's License#) (Server's Signature)

EXHIBIT "23"

000008 11-24 Office AU # 1210/8		CASHIER'S CHECK		SERIAL #: 0650813107
Remitter: LAIL LEONARD Purchaser: LAIL LEONARD Purchaser Account: 8440 Operator I.D.: u894833 u261239 Funding Source: Cash, Paper (None)				ACCOUNT# [REDACTED]
PAY TO THE ORDER OF ***PHILIP FAGAN***				April 23, 2021
RE: 1 GRAND ANA CAPRI				
Seventeen Thousand Five Hundred Seventy-Five and 00/100 -US Dollars **		**\$17,575.00		
Payee Address: Memo: WELLS FARGO BANK, N.A. 445 E WINDMILL LN LAS VEGAS, NV 89123 FOR INQUIRIES CALL (480) 394-3122		NOTICE TO PURCHASER-IF THIS INSTRUMENT IS LOST, STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION AND REISSUANCE, AS A CONDITION TO CANCELLATION AND REISSUANCE, WELLS FARGO & COMPANY MAY IMPOSE A FEE AND REQUIRE AN INDEMNITY AGREEMENT AND BOND.		VOID IF OVER US \$ 17,575.00
		NON-NEGOTIABLE		
		Purchaser Copy		
FB004 90151704				

PRINTED ON LINEMARK PAPER - HOLD TO LIGHT TO VIEW - FOR ADDITIONAL SECURITY FEATURES SEE BACK.				
000008 11-24 Office AU # 1210/8		CASHIER'S CHECK		0650813107
Remitter: LAIL LEONARD Operator I.D.: u894833 u261239				April 23, 2021
PAY TO THE ORDER OF ***PHILIP FAGAN***				
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Payee Address: Memo: WELLS FARGO BANK, N.A. 445 E WINDMILL LN LAS VEGAS, NV 89123 FOR INQUIRIES CALL (480) 394-3122		VOID IF OVER US \$ 17,575.00		
RE: (6800 x 2) + 53 DAYS @ 75¢ per day		Authorized Signature		

EXHIBIT "24"

From: Heather Weger <hweger@firstam.com>
Sent: Friday, April 23, 2021 2:00 PM
To: Brown, Ogonna
Cc: Michele Eaton; Judy Goens
Subject: Lail Leonard / 1 Grand Anacapri Drive

[EXTERNAL]

Hi,

We have received a total of \$170,000 deposited into our escrow account for property 1 Grand Anacapri Drive.

Please advise if you need anything additional from us at this time.

Thanks,

Heather Weger



First American Title™

2500 N. Buffalo Drive, Suite 120

Las Vegas, NV 89128

Office: 702-251-5000

Direct: 702-251-5077

Fax: 702-938-1822

Email: hweger@firstam.com



First American Title™

While our offices remain fully operational, we are currently working by appointment only. Additionally we request that only essential parties attend closings at this time.

As always, we appreciate the opportunity to serve you.

At First American Title the health and safety of our employees and our clients are our top priority. With that in mind, and in order

****Be aware! Online banking fraud is on the rise. If you receive an email containing WIRE TRANSFER INSTRUCTIONS call your e**

This message may contain confidential or proprietary information intended only for the use of the addressee(s) named above or may contain information that is legally privileged.

If you are not the intended addressee, or the person responsible for delivering it to the intended addressee, you are

hereby notified that reading, disseminating, distributing or copying this message is strictly prohibited.
If you have received this message by mistake, please immediately notify us by replying to the message and delete the original message and any copies immediately thereafter.

If you received this email as a commercial message and would like to opt out of future commercial messages, please let us know and we will remove you from our distribution list.

Thank you.

FAFLD

EXHIBIT "23"

Philip J Fagan Jr MD
637 Lucas Ave #606
Los Angeles, CA 90017 US
khardin.iimg@gmail.com

INVOICE

BILL TO
AAL-Jay, Inc.
1873 Golden Horizon Drive
Las Vegas, NV 89123

INVOICE # 1059
DATE 05/01/2021
DUE DATE 05/01/2021
TERMS Due on receipt

DESCRIPTION	QTY	RATE	AMOUNT
Property Tax Monthly Property Tax - Grand AnaCapri - October 2019	1	607.66	607.66
Insurance Reimbursement Monthly Insurance - Grand Anacapri	1	503.34	503.34
AAL-Jay Note Principal Payment # 35 Oct 2019	1	3,257.10	3,257.10
AAL-Jay Note Interest AAL-Jay Note Interest	1	2,414.86	2,414.86

Make check payable to:
Philip J. Fagan, Jr.
637 Lucas Ave. Room 606
Los Angeles, CA 90017

BALANCE DUE **\$6,782.96**

EXHIBIT "24""

From: Heather Weger <hweger@firstam.com>
Sent: Friday, April 23, 2021 2:00 PM
To: Brown, Ogonna
Cc: Michele Eaton; Judy Goens
Subject: Lail Leonard / 1 Grand Anacapri Drive

[EXTERNAL]

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Heather Weger



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Office: 702-251-5000

Direct: 702-251-5077

Fax: 702-938-1822

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If you received this email as a commercial message and would like to opt out of future commercial messages, please let us know and we will remove you from our distribution list.

Thank you.

FAFLD

EXHIBIT "25"

CONDITIONAL APPROVAL AND PRE-QUALIFICATION LETTER

April 14, 2021

Lail Sharron Leonard
1873 Golden Horizon Dr.
Las Vegas, NV 89123
Loan Number: 361221040136070

Dear Applicant,

We are pleased that you've considered Zions Bancorporation, N.A. dba Nevada State Bank to provide your mortgage loan. After review of your information, we would like to offer a conditional approval should you choose to proceed with the application process. Final loan approval will be subject to all necessary documentation pertaining to this transaction being submitted in a timely manner. This conditional approval is based upon the following loan terms:

Loan program: Portfolio 85% no MI 10/1 ARM CMT

Term: 360 Months

Loan Amount: \$ 680,000.00

Interest rate: 3.250%

(If your interest rate has not been locked at this time, this conditional loan approval is subject to change in accordance with changes in the interest rate market)

Loan-to-value: 85.000%

Property Address: TBD Las Vegas, NV 89011

Your interest rate will be locked after a subject property has been identified and you wish to lock in your interest rate; the lender will issue a Loan Estimate (LE) and early disclosure packet upon receipt of a property address. Once the LE and early disclosures are issued, you will be required to provide additional documentation if you accept the LE and choose to proceed with the application process.

This conditional approval and pre-qualification is based on a review of your credit report and credit scores. Zions Bancorporation, N.A. dba Nevada State Bank has not verified income, has not verified available cash for down payment and closing costs, and has not reviewed debts and other assets of the applicant. This conditional approval and pre-qualification is valid provided the applicant's creditworthiness and financial position do not materially change prior to closing, and provided the following additional conditions are fully satisfied:

1. Zions Bancorporation, N.A. dba Nevada State Bank is provided with a satisfactory appraisal of the subject property for an amount not less than \$800,000 and property's condition meets lender and investor requirements.
2. Acceptable title insurance coverage from an approved Title Company/Insurer.
3. The subject property is insured in accordance with requirements, including hazard and flood insurance as applicable.
4. Borrowers execute the loan documents as required and abides by the written closing instructions issued to the title company.
5. Any additional Investor requirements that determine the secondary market eligibility of the specific loan request.

6. Zions Bancorporation, N.A. dba Nevada State Bank, its agents, or employees, cannot provide and have not provided you any promises, assurances or commitments that your loan application can or will receive final approval. You are advised that final loan application approval is contingent upon the actions and services being provided by numerous third parties over whom we have no control. These third parties include, but are not limited to, appraisers, title companies, credit reporting agencies, realtors, builders, sellers, private mortgage insurance companies, and pest inspectors. It will be necessary for us to verify the information in your loan application and, furthermore, it may be necessary to verify and/or clarify some of the information in the reports received from third parties with whom we will correspond in connection with your loan request.

This Pre-qualification expires on 06/13/2021.

Thank you for giving Zions Bancorporation, N.A. dba Nevada State Bank the opportunity to serve your real estate financing needs. Please feel free to call Hazeer Razack at 702-706-9599 should you have any questions.

Sincerely,

Hazeer Razack
Loan Officer
NMLS # 424934
750 E Warm Springs Road 2nd Floor
Las Vegas, NV 89119

000149