Case No.	
----------	--

### In the Supreme Court of Nevada

TRUDI LEE LYTLE and JOHN ALLEN LYTLE, as trustees of the Lytle Trust,

Petitioners,

vs.

THE EIGHTH JUDICIAL DISTRICT COURT of the State of Nevada, in and for the County of Clark; and THE HONORABLE TIMOTHY C. WILLIAMS, District Judge,

Respondents,

and

SEPTEMBER TRUST, DATED MARCH 23, 1972; GERRY R. ZOBRIST AND JOLIN G. ZOBRIST, as trustees of the GERRY R. ZOBRIST AND JOLIN G. ZOBRIST FAMILY TRUST; RAYNALDO G. SANDOVAL AND JULIE MARIE SANDOVAL GEGEN, as Trustees of the RAYNALDO G. AND EVELYN A. SANDOVAL JOINT LIVING AND DEVOLUTION TRUST DATED MAY 27, 1992; DENNIS A. GEGEN and JULIE S. GEGEN, husband and wife, as joint tenants, ROBERT Z. DISMAN; and YVONNE A. DISMAN,

Real Parties in Interest.

Electronically Filed Apr 11 2022 03:29 p.m. Elizabeth A. Brown Clerk of Supreme Court

# PETITIONERS' APPENDIX VOLUME 6 PAGES 1251-1500

JOEL D. HENRIOD (SBN 8492)
DANIEL F. POLSENBERG (SBN 2376)
DAN R. WAITE (SBN 4078)
LEWIS ROCA ROTHGERBER CHRISTIE LLP
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
(702) 949-8200
Attorneys for Petitioners

### CHRONOLOGICAL TABLE OF CONTENTS TO APPENDIX

Tab	Document	Date	Vol.	Pages
1	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting Plaintiffs' Motion for Partial Summary Judgment	04/27/17	1	1–12
2	Transcript of Proceedings	06/06/17	1	13–44
3	Notice of Entry of Order	06/27/17	1	45–54
4	Second Amended Complaint	07/25/17	1	55–63
5	Notice of Entry of Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law	07/25/17	1	64–72
6	Joint Case Conference Report	08/02/17	1	73–79
7	Defendants Trudi Lee Lytle and John Allen Lytle, Trustees of The Lytle Trust's Answer to Plaintiff's Second Amended Complaint and Counterclaim	08/11/17	1	80–95
8	Affidavit of Service	08/23/17	1	96
9	Affidavit of Service	08/23/17	1	97
10	Plaintiffs' Answer to Counter Complaint	09/05/17	1	98–103
11	Counter-Defendants and Cross-Claimants Robert Z. Disman and Yvonne A. Disman's Answer and Crossclaim	09/26/17	1	104–113
12	Plaintiff's Answer to Cross-Complaint	10/13/17	1	114–118
13	Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings (Filed 11/30/17 in Subordinate Case No. A-17-765372-C)	03/01/18	1 2	119–250 251–361
14	Defendants Trudi Lee Lytle, John Allen Lytle, The Lytle Trust (1) Opposition to	03/01/18	2 3	362–500 501–570

	Motion for Summary Judgment, or, in the Alternative, Motion for Judgment on the Pleadings and (2) Counter Motion for Summary Judgment (Filed 2/9/18 in Subordinate Case No. A-17-765372-C)			
15	Plaintiffs' Reply to Defendants' Opposition to Motion for Summary Judgment, or, in the Alternative, Motion for Judgment on the Pleadings and Opposition to Countermotion for Summary Judgment (Filed 2/21/18 in Subordinate Case No. A-17-765372-C)	03/01/18	3	571–664
16	Notice of Entry of Order Granting Motion to Consolidate Case No. A-16-747800-C with Case No. A-17-765372-C	03/05/18	3	665–673
17	Transcript of Proceedings Re: All Pending Motions	03/21/18	3	674–693
18	Transcript of Proceedings Re: Decision	05/02/18	3	694–699
19	Notice of Entry of Order Granting Motion for Summary Judgment or, in the Alterna- tive, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment	05/25/18	3	700–716
20	Amended Order Setting Civil Non-Jury Trial	12/12/18	3	717–718
21	Notice of Entry of Order Denying Robert Z. Disman and Yvonne A. Disman's Motion for Summary Judgment or, in the Alterna- tive, Motion for Judgment on the Pleadings	01/03/19	3	719–727
22	Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice	01/14/19	3	728–735
23	Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be	03/04/20	3 4	736–750 751–841

	Held in Contempt for Violation of Court Orders			
24	Joinder to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	03/06/20	4	842–844
25	Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	03/19/20	4 5	845–1000 1001–1039
26	Correction to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	04/13/20	5	1040–1048
27	Reply to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	04/14/20	5 6	1049–1250 1251–1313
28	Joinder to Reply to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Con- tempt for Violation of Court Orders	04/14/20	6	1314–1316
29	Defendant Lytle Trust's Hearing Exhibits	04/21/20	6	1317–1329
30	Court Minutes: All Pending Motions	04/22/20	6	1330
31	Reporter's Transcript of Proceedings	04/22/20	6	1331–1398
32	Withdrawal of Joinder on Plaintiffs September Trust, et al.'s Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	05/14/20	6	1399–1401
33	Defendant's (1) Objection to Plaintiffs' Proposed Order, and (2) Competing Order	05/19/20	6	1402–1424

34	Defendant Lytle Trust's Motion for Clarifi- cation and Ex Parte Request for Order Shortening Time	05/19/20	6	1425–1436
35	Notice of Entry of Order Granting Plain- tiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not be Held in Con- tempt for Violation of Court Orders	05/22/20	6	1437–1453
36	Opposition to Defendant Lytle Trust's Motion for Clarification	05/29/20	6	1454–1459
37	Defendant Lytle Trust's Reply in Support of Motion for Clarification	06/17/20	6	1460–1469
38	Notice of Appeal	06/22/20	6 7	1470–1500 1501–1504
39	Case Appeal Statement	06/22/20	7	1505–1514
40	Amended Certificate of Service	06/22/20	7	1515–1516
41	Court Minutes: Defendant Lytle Trust's Motion for Clarification and Ex Parte Request for Order Shortening Time	07/02/20	7	1517
42	Transcript of Hearing on Defendant Lytle Trust's Motion for Clarification and Ex Parte Request for Order Shortening Time	07/02/20	7	1518–1548
43	Notice of Entry of Order Denying Defend- ant Lytle Trust's Motion for Clarification and Ex Parte Request for Order Shortening Time	07/15/20	7	1549–1561
44	Amended Notice of Appeal	07/31/20	7	1562–1564
45	Amended Case Appeal Statement	07/31/20	7	1565–1570
46	Errata to Amended Notice of Appeal	08/04/20	7	1571–1619
47	Errata to Amended Case Appeal Statement	08/04/20	7	1620–1626
48	Respondents' Motion to Dismiss in Case No. 81390	10/29/20	7	1627–1637

49	Appellants' Opposition to Respondents' Motion to Dismiss in Case No. 81390	11/30/20	7	1638–1664
50	Reply to Appellants' Opposition to Respondents' Motion to Dismiss in Case No. 81390	12/07/20	7	1665–1671
51	Order Denying Motion to Dismiss in Case No. 81390	01/08/20	7	1672–1673
52	Appellants' Opening Brief in Case No. 81390	03/15/21	7	1674–1728
53	Respondents' Answering Brief in Case No.	05/14/21	7	1729–1750
	81390		8	1751–1795
54	Appellants' Reply Brief in Case No. 81390	09/03/21	8	1796–1825
55	Order Dismissing Appeal in Case No. 81390	02/18/22	8	1826–1828

### ALPHABETICAL TABLE OF CONTENTS TO APPENDIX

Tab	Document	Date	Vol.	Pages
8	Affidavit of Service	08/23/17	1	96
9	Affidavit of Service	08/23/17	1	97
45	Amended Case Appeal Statement	07/31/20	7	1565–1570
40	Amended Certificate of Service	06/22/20	7	1515–1516
44	Amended Notice of Appeal	07/31/20	7	1562–1564
20	Amended Order Setting Civil Non-Jury Trial	12/12/18	3	717–718
52	Appellants' Opening Brief in Case No. 81390	03/15/21	7	1674–1728
49	Appellants' Opposition to Respondents' Motion to Dismiss in Case No. 81390	11/30/20	7	1638–1664
54	Appellants' Reply Brief in Case No. 81390	09/03/21	8	1796–1825
39	Case Appeal Statement	06/22/20	7	1505–1514
26	Correction to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	04/13/20	5	1040–1048
11	Counter-Defendants and Cross-Claimants Robert Z. Disman and Yvonne A. Disman's Answer and Crossclaim	09/26/17	1	104–113
30	Court Minutes: All Pending Motions	04/22/20	6	1330
41	Court Minutes: Defendant Lytle Trust's Motion for Clarification and Ex Parte Re- quest for Order Shortening Time	07/02/20	7	1517
29	Defendant Lytle Trust's Hearing Exhibits	04/21/20	6	1317–1329
34	Defendant Lytle Trust's Motion for Clarification and Ex Parte Request for Order	05/19/20	6	1425–1436

	Shortening Time			
37	Defendant Lytle Trust's Reply in Support of Motion for Clarification	06/17/20	6	1460–1469
33	Defendant's (1) Objection to Plaintiffs' Proposed Order, and (2) Competing Order	05/19/20	6	1402–1424
7	Defendants Trudi Lee Lytle and John Allen Lytle, Trustees of The Lytle Trust's Answer to Plaintiff's Second Amended Complaint and Counterclaim	08/11/17	1	80–95
14	Defendants Trudi Lee Lytle, John Allen Lytle, The Lytle Trust (1) Opposition to Motion for Summary Judgment, or, in the Alternative, Motion for Judgment on the Pleadings and (2) Counter Motion for Sum- mary Judgment (Filed 2/9/18 in Subordi- nate Case No. A-17-765372-C)	03/01/18	2 3	362–500 501–570
47	Errata to Amended Case Appeal Statement	08/04/20	7	1620–1626
46	Errata to Amended Notice of Appeal	08/04/20	7	1571–1619
24	Joinder to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	03/06/20	4	842–844
28	Joinder to Reply to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Con- tempt for Violation of Court Orders	04/14/20	6	1314–1316
6	Joint Case Conference Report	08/02/17	1	73–79
13	Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings (Filed 11/30/17 in Subordinate Case No. A-17-765372-C)	03/01/18	1 2	119–250 251–361
38	Notice of Appeal	06/22/20	6 7	1470–1500 1501–1504

1	Notice of Entry of Findings of Fact, Conclusions of Law, and Order Granting Plaintiffs' Motion for Partial Summary Judgment	04/27/17	1	1–12
3	Notice of Entry of Order	06/27/17	1	45–54
43	Notice of Entry of Order Denying Defend- ant Lytle Trust's Motion for Clarification and Ex Parte Request for Order Shortening Time	07/15/20	7	1549–1561
21	Notice of Entry of Order Denying Robert Z. Disman and Yvonne A. Disman's Motion for Summary Judgment or, in the Alterna- tive, Motion for Judgment on the Pleadings	01/03/19	3	719–727
19	Notice of Entry of Order Granting Motion for Summary Judgment or, in the Alterna- tive, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment	05/25/18	3	700–716
5	Notice of Entry of Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law	07/25/17	1	64–72
16	Notice of Entry of Order Granting Motion to Consolidate Case No. A-16-747800-C with Case No. A-17-765372-C	03/05/18	3	665–673
35	Notice of Entry of Order Granting Plain- tiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not be Held in Con- tempt for Violation of Court Orders	05/22/20	6	1437–1453
22	Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice	01/14/19	3	728–735
36	Opposition to Defendant Lytle Trust's Motion for Clarification	05/29/20	6	1454–1459

25	Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	03/19/20	4 5	845–1000 1001–1039
51	Order Denying Motion to Dismiss in Case No. 81390	01/08/20	7	1672–1673
55	Order Dismissing Appeal	02/18/22	8	1826–1828
12	Plaintiff's Answer to Cross-Complaint	10/13/17	1	114–118
10	Plaintiffs' Answer to Counter Complaint	09/05/17	1	98–103
23	Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Or- ders	03/04/20	3 4	736–750 751–841
15	Plaintiffs' Reply to Defendants' Opposition to Motion for Summary Judgment, or, in the Alternative, Motion for Judgment on the Pleadings and Opposition to Countermotion for Summary Judgment (Filed 2/21/18 in Subordinate Case No. A-17-765372-C)	03/01/18	3	571–664
50	Reply to Appellants' Opposition to Respondents' Motion to Dismiss in Case No. 81390	12/07/20	7	1665–1671
27	Reply to Opposition to Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	04/14/20	5 6	1049–1250 1251–1313
31	Reporter's Transcript of Proceedings	04/22/20	6	1331–1398
53	Respondents' Answering Brief in Case No. 81390	05/14/21	7 8	1729–1750 1751–1795
48	Respondents' Motion to Dismiss in Case No. 81390	10/29/20	7	1627–1637

4	Second Amended Complaint	07/25/17	1	55–63
42	Transcript of Hearing on Defendant Lytle Trust's Motion for Clarification and Ex Parte Request for Order Shortening Time	07/02/20	7	1518–1548
2	Transcript of Proceedings	06/06/17	1	13–44
17	Transcript of Proceedings Re: All Pending Motions	03/21/18	3	674–693
18	Transcript of Proceedings Re: Decision	05/02/18	3	694–699
32	Withdrawal of Joinder on Plaintiffs September Trust, et al.'s Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders	05/14/20	6	1399–1401

### **CERTIFICATE OF SERVICE**

I certify that on April 11, 2022, I submitted the foregoing "Petitioners' Appendix" for filing *via* the Court's eFlex electronic filing system. Electronic notification will be sent to the following:

Kevin B. Christensen Wesley J. Smith CHRISTENSEN JAMES & MARTIN 7740 W. Sahara Avenue Las Vegas, Nevada 89117 Christina H. Wang FIDELITY NATIONAL LAW GROUP 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113

Attorneys for Real Parties in Interest September Trust, dated March 23, 1972, Gerry R. Zobrist and Jolin G. Zobrist, as trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust, Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27,1992, and Dennis A. Gegen and Julie S. Gegen, husband and wife, as joint tenants Attorneys for Real Parties in Interest Robert Z. Disman and Yvonne A. Disman

I further certify that I served a true and correct copy of this docu-

ment by hand delivery, to the following:

The Honorable Timothy C. Williams Eighth Judicial District Court Judge, Department XVI Regional Justice Center 200 Lewis Ave., Las Vegas, NV 89155

Respondent

/s/ Jessie M. Helm
An Employee of Lewis Roca Rothgerber Christie LLP

#### **Appellate Case Management System**

C-Track, the browser based CMS for Appellate Courts

Find Case...

Cases

Case Search

**Participant Search** 

Disclaimer: The information and documents available here should not be relied upon as an official record of action.

Only filed documents can be viewed. Some documents received in a case may not be available for viewing.

Some documents originating from a lower court, including records and appendices, may not be available for viewing.

For official records, please contact the Clerk of the Supreme Court of Nevada at (775) 684-

Case Information: 79753					
LYTLE VS. DISMAN	Court:	Supreme Court			
	Related Case (s):	73039, 76198, 77007, 79776			
Clark Co Eighth Judicial District - A747800	Classification:	Civil Appeal - General - Other			
	Case Status:	Briefing Reinstated			
	Panel Assigned:	Panel			
	SP Status:	Exempt			
	Oral Argument Location:				
	How Submitted:				
	Clark Co Eighth Judicial District - A747800	Clark Co Eighth Judicial District - A747800  Classification: Case Status:  Panel Assigned: SP Status:  Oral Argument Location: How			

#### + Party Information

#### + Due Items

Docket Entries				
Date	Туре	Description	Pending?	Document
10/07/2019	Filing Fee	Filing Fee due for Appeal. (SC)		
10/07/2019	Notice of Appeal Documents	Filed Notice of Appeal. Appeal docketed in the Supreme Court this day. (SC)		19-41336
10/07/2019	Notice/Outgoing	Issued Notice to Pay Supreme Court Filing Fee. No action will be taken on this matter until filing fee is paid. Due Date: 10 days. (SC)		19-41349
10/11/2019	Filing Fee	Filing Fee Paid. \$250.00 from Nationwide Legal Nevada. Check no. 212204. (SC)		
10/11/2019	Notice/Outgoing	Issued Notice of Referral to Settlement Program. This appeal may be assigned to the settlement program. Timelines for requesting transcripts and filing briefs are stayed. Docketing Statement mailed to counsel for appellant - due: 21 days. (SC).		19-42208

10/14/2019	Settlement Notice	Issued Notice: Exemption from Settlement Program. It has been determined that this appeal will not be assigned to the settlement program.  Appellant(s) 14 days transcript request form; 120 days opening brief. (SC)	19-42354
10/22/2019	Notice/Incoming	Filed Substitution of Counsel (Lewis Roca Rothgerber Christie LLP in place of Gibbs, Giden, Locher, Turner, Senet & Wittbrodt as counsel for Appellants). (SC)	19-43711
01/03/2020	Motion	Filed Appellants' Motion for Extension of Time to File Docketing Statement and Transcript Request. (SC)	20-00353
01/03/2020	Docketing Statement	Filed Docketing Statement Civil Appeals. (SC)	20-00354
01/03/2020	Transcript Request	Filed Certificate of No Transcript Request. (SC)	20-00356
01/14/2020	Order/Procedural	Filed Order Granting Motion. Appellant's motion for an extension of time to file the docketing statement and transcript request form is granted. The docketing statement and certificate of no transcript request were filed on January 3, 2020. (SC)	20-01729
02/10/2020	Motion	Filed Appellants' Motion for Extension To File Opening Brief and Appendix. (SC)	20-05566
02/11/2020	Notice/Outgoing	Issued Notice Motion/Stipulation Approved. Appellants' Opening Brief and Appendix due: March 12, 2020. (SC)	20-05620

Combined Case View

# **EXHIBIT Q**

# **EXHIBIT Q**

#### **Appellate Case Management System**

C-Track, the browser based CMS for Appellate Courts

Find Case...

Cases

Case Search **Participant Search**  Disclaimer: The information and documents available here should not be relied upon as an official record of action.

Only filed documents can be viewed. Some documents received in a case may not be available for viewing.

Some documents originating from a lower court, including records and appendices, may not be available for viewing.

For official records, please contact the Clerk of the Supreme Court of Nevada at (775) 684-

Case Informatio	n: 79776		
Short Caption:	LYTLE VS. BOULDEN	Court:	Supreme Court
		Related Case (s):	73039, 76198, 77007, 79753
Lower Court Case(s):	Clark Co Eighth Judicial District - A747800	Classification:	Civil Appeal - General - Other
Disqualifications	1	Case Status:	Briefing Reinstated
Replacement:		Panel Assigned:	Panel
To SP/Judge:	10/18/2019 / Kunin, Israel	SP Status:	Completed
Oral Argument:		Oral Argument Location:	
Submission Date:		How Submitted:	

#### + Party Information

#### + Due items

Docket Entries				
Date	Туре	Description	Pending?	Document
10/09/2019	Filing Fee	Filing Fee due for Appeal. (SC)		
10/09/2019	Notice of Appeal Documents	Filed Notice of Appeal. Appeal docketed in the Supreme Court this day. (SC)		19-41857
10/09/2019	Notice/Outgoing	Issued Notice to Pay Supreme Court Filing Fee. No action will be taken on this matter until filing fee is paid. Due Date: 10 days. (SC)		19-41864
10/15/2019	Filing Fee	E-Payment \$250.00 from Richard E. Haskin		
10/15/2019	Notice/Outgoing	Issued Notice of Referral to Settlement Program. This appeal may be assigned to the settlement program. Timelines for requesting transcripts and filing briefs are stayed. Docketing Statement mailed to counsel for appellant - due: 21 days. (SC).		19-42579
10/18/2019	Settlement Notice	().		19-43248

10/22/2019	Notice/Incoming	Issued Notice: Assignment to Settlement Program. Issued Assignment Notice to NRAP 16 Settlement Program. Settlement Judge: Israel Kunin. (SC). Filed Substitution of Counsel (Lewis Roca Rothgerber Christie LLP in place of Gibbs, Giden, Locher, Turner, Senet & Wittbrodt for Appellants).	19-43713
11/08/2019	Settlement Program Report	(SC) Filed ECAR/Not Appropriate for Settlement Program. This case is not appropriate for mediation. (SC)	19-45997
11/12/2019	Settlement Order/Procedural	Filed Order Removing From Settlement Program, Reinstating Briefing, and Directing Appellants to File the Docketing Statement. This appeal is removed from the settlement program. Appellants: 14 days transcript request; 90 days opening brief and appendix. Docketing Statement due: 10 days. (SC).	19-46329
11/22/2019	Docketing Statement	Filed Docketing Statement Civil Appeals. (SC)	19-47959
11/26/2019	Transcript Request	Filed Request for Transcript of Proceedings. Transcripts requested: 3/21/18, 4/4/18, and 5/2/18. To Court Reporter: Not given. (SC)	19-48432
02/10/2020	Motion	Filed Motion for Extension of Time to File Opening Brief and Appendix. (SC)	20-05567
02/11/2020	Notice/Outgoing	Issued Notice - Motion Approved. Appellant's Opening Brief and Appendix due: March 11, 2020. (SC)	20-05617

Combined Case View

# **EXHIBIT R**

## **EXHIBIT R**

Electronically Filed 9/14/2017 3:48 PM Steven D. Grierson CLERK OF THE COURT

ORD

1

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Richard E. Haskin, Esq.
Nevada State Bar # 11592
GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP
7450 Arroyo Crossing Parkway, Suite 270
Las Vegas, Nevada 89113-4059
(702) 836-9800

Attorneys for Plaintiff
JOHN ALLEN LYTLE and TRUDI LEE
LYTLE, as Trustees of the Lytle Trust

### DISTRICT COURT

#### CLARK COUNTY, NEVADA

JOHN ALLEN LYTLE and TRUDI LEE LYTLE, as Trustees of the Lytle Trust,

Plaintiff,

٧.

ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION; and DOES 1 through 10, inclusive,

Defendants.

CASE NO. A-15-716420-C Dept.: XXX

ORDER GRANTING SUMMARY JUDGMENT

PLEASE TAKE NOTICE that on May 10, 2016, the Court heard Plaintiffs JOHN ALLEN LYTLE and TRUDI LYTLE, as Trustees of the Lytle Trust (hereinafter "Plaintiff" or the "Lytles") MOTION FOR SUMMARY JUDGMENT in the above-captioned matter, filed on September 14, 2016. After considering the First Amended Complaint, deemed filed by Order of this Court on April 7, 2016, the Motion for Summary Judgment, the Declaration of Trudi Lytle, and evidence submitted therewith, and hearing oral argument, and no opposition having been filed by Defendant and Counterclaimant ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION ("Defendant"), the Court grants Plaintiffs' Motion for Summary Judgment.

☐ Voluntary Dismissal
☐ Involuntary Dismissal
☐ Stipulated Dismissal
☐ Motion to Dismiss by Deft(s)

Default Judgment
Default Judgment
Dudgment
Judgment

1942777.1

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

#### FINDINGS OF FACT I.

- At all relevant times, Plaintiff has owned real property located at 1930 Rosemere 1. Court, Las Vegas, Nevada, Assessor Parcel No. 163-03-313-009, which was and is part of Rosemere Estates ("Rosemere Estates").
- Rosemere Estates consists of nine (9) properties, which originally were sold as 2. undeveloped lots.
- As an owner of one (1) of nine (9) lots, the Plaintiff represents 11% of the voting 3. power.
- Rosemere Estates is governed by the community's CC&Rs, which were drafted by 4. the Developer, and dated January 4, 1994 (the "CC&Rs").
  - The CC&Rs created a "property owners' committee" ("Owners Committee"). 5.
- On February 25, 1997, the Owners Committee, unanimously formed "Rosemere 6. Estates Property Owners' Association" (the "Association") on February 25, 1997, a NRS 82 nonprofit corporation, for the purpose of acting as a limited purpose association pursuant to Nevada Revised Statutes, Chapter 116.
  - Each property within Rosemere Estates is part of the Association. 7.
- The Owners Committee has consisted of three members, a President, Secretary and 8. Treasurer.
  - The Association held Board elections every three (3) years through March 2010. 9.
- Each election cycle, homeowners would be invited to submit applications to run for 10. Thereafter, election forms would be distributed, and an election would take place the Board. wherein three (3) Board members were elected.
  - The last election took place on March 24, 2010. 11.
  - Presently, there is no sitting and acting Board for the Association. 12.

26 ///

27

///

#### II. CONCLUSIONS OF LAW

### A. Summary Judgment Standard

- 1. Summary judgment shall be rendered in favor of a moving party if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law. NRCP Rule 56(c).
- 2. "Summary Judgment is appropriate and shall be rendered forthwith when the pleadings and other evidence on file demonstrate that no 'genuine issue as to any material fact [remains] and that the moving party is entitled to judgment as a matter of law." Wood v. Safeway, 121 Nev. Adv. Op. 73, 121 P.3d, 1026, 1029 (2005)(quoting NRCP 56(c)). In Wood, the Nevada Supreme Court rejected the "slightest doubt" standard from Nevada's prior summary judgment jurisprudence, Id. at 1037, and adopted the summary judgment standard which had been articulated by the United States Supreme Court in its 1986 Trilogy: Celotex Corp. v. Catrett, 477 U.S. 317 (1986); Anderson v. Liberty Lobby, Inc., 477 U.S. 242 (1986); and Matsushita Electrical Industrial Company v. Zenith Radio Corporation, 475 U.S. 574 (1986).
- 3. The application of the standard requires the non-moving party to respond to the motion by "Set[ting] forth specific facts demonstrating existence of a genuine issue for trial."

  Wood, 121 p.3d at 1031. This obligation extends to every element of every claim made, and where there is a failure as to any element of a claim, summary judgment is proper. Barmettler v. Reno Air, Inc., 114 Nevada 441, 447, 956, P2d. 1382, 1386 (1998).
- 4. The Nevada Supreme Court held that "Rule 56 should not be regarded as a "disfavored procedural shortcut" but instead as an integral important procedure which is designed "to secure just, speedy and inexpensive determination in every action." *Wood*, 121, p.3d at 1030 (quoting <u>Celotex</u>, 477 U.S. at 327). In <u>Liberty Lobby</u>, the U.S. Supreme Court noted that:

"Only disputes over facts that might affect the outcome of the suit under governing law will properly preclude the entry of summary judgment. Factual disputes that are irrelevant or unnecessary will not be counted.

Id. (quoting Liberty Lobby, 477 U.S. at 247-48).

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

#### The District Court Has The Authority To Order An Election B.

- The Association is a limited purpose association per NRS 116. While a limited 5. purpose association is not restricted by all of the provisions of Chapter 116, a limited purpose association must have a Board of Directors. NRS 116.1201, 116.31083, 116.31152.
- Pursuant to the provisions of Chapter 116 applicable to limited purpose associations, the Board must conduct noticed meetings at least once every quarter, review pertinent financial information, discuss civil actions, revise and review assessments for the common area expenses, establish adequate reserves, conduct and publish a reserve study, and maintain the common areas as required. NRS 116.31083 - 116.31152, 116.31073.
- Further, the CC&Rs require the Board to oversee and conduct the maintenance of 7. defined common areas.
- Chapter 116 does not provide for a method of elections for a limited purpose 8. association Board. However, a Board must exist and, as a consequence, so must elections. See generally NRS 116.1201, 116.31083, 116.31152.
- While Chapter 116 is silent, Chapter 82, provides needed guidance in this regard. 9. NRS 82.286 states that "[i]f a corporation has members entitled to vote for the election of directors, or for the election of delegates who vote for the election of directors...the directors or delegates of every corporation must be chosen at the annual meeting of the members or delegates, to be held on a date and at a time and in the manner provided for in the bylaws, by a plurality of the votes cast at the election. If for any reason the directors are not elected pursuant to NRS 82.271 or 82.276 or at the annual meeting of the members or delegates, they may be elected at any special meeting of the members which is called and held for that purpose."
- Further, if a non-profit corporation fails to conduct an election, as required, the 10. directors then in office maintain their respective positions until an election takes place, as required by NRS 82.296. See NRS 82.301.

26

/// 27

///

28 ///

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

- If the corporation fails or refuses, as is the case here, to hold an election within 18 11. months after the last election, "the district court has jurisdiction in equity, upon application of any one or more of the members of the corporation representing 10 percent of the voting power of the members entitled to vote for the election of directors or for the election of delegates who are entitled to elect directors..." NRS 82.306.
- Here, there has been no Board election for well over six (6) years. Further, the Board 12. directors abandoned their positions in 2013.
- Plaintiff, as the owner of one of the nine lots, represents 11% of the voting power. 13. Thus, Plaintiff may apply to the District Court to hold an election, as Plaintiff has done so in this action.
- When interpreting a statute, legislative intent "is the controlling factor." Robert E. v. 14. <u>Justice Court</u>, 99 Nev. 443, 445, 664 P.2d 957, 959 (1983). The starting point for determining legislative intent is the statute's plain meaning. Id. When a statute "is clear on its face, a court cannot go beyond the statute in determining legislative intent." Id.; see also State v. Catanio, 120 Nev. 1030, 1033, 102 P.3d 588, 590 (2004). But when "the statutory language lends itself to two or more reasonable interpretations," the statute is ambiguous, and we may then look beyond the statute in determining legislative intent. Catanio, 120 Nev. at 1033, 102 P.3d at 590. Internal conflict can also render a statute ambiguous. Law Offices of Barry Levinson v. Milko, 124 Nev. 355, 367, 184 P.3d 378, 387 (2008).
- To interpret an ambiguous statute, we look to the legislative history and construe the 15. statute in a manner that is consistent with reason and public policy. Great Basin Water Network v. State Eng'r, 126 Nev. —, 234 P.3d 912, 918 (2010); see also Moore v. State, 122 Nev. 27, 32, 126 P.3d 508, 511 (2006); Robert E., 99 Nev. at 445-48, 664 P.2d at 959-61.

/// 24

///

///

///

25

/// 26

27

28

20

21

22

23

24

25

26

27

28

1

2

3

4

5

6

7

8

- The Legislature's intent is the primary consideration when interpreting an ambiguous 16. statute. Cleghorn v. Hess, 109 Nev. 544, 548, 853 P.2d 1260, 1262 (1993). When construing an ambiguous statutory provision, "this court determines the meaning of the words used in a statute by examining the context and the spirit of the law or the causes which induced the [L]egislature to enact it." Leven v. Frey, 123 Nev. 399, 404, 168 P.3d 712, 716 (2007). In conducting this analysis, "[t]he entire subject matter and policy may be involved as an interpretive aid." Id. (internal quotation marks omitted). Accordingly, a court will consider "the statute's multiple legislative provisions as a whole." Id.
- Chapter 116 is ambiguous with respect to the election of Board for a limited purpose 17. association. While a Board is required, the election process normally required for a Board is not included in the limited purpose association statutory framework. See generally NRS 116.1201, 116.31083, 116.31152.
- In 1997, the Nevada Legislature passed Senate Bill 314 (SB 314), and in 1999, the 18. Legislature expanded legislation in Senate Bill 451 (SB 451), to provide protection, rights, and obligations of homeowners living in common interest communities, known as the Common-Interest Ownership Act, presently set forth in Chapter 116. SB 451 included several additional provisions intended to protect homeowners' rights to serve on an association's board and elect those board members, including 2-year terms, notification, secret balloting, proxies and public voting.
- Further, SB 451 offered additional protections regarding the financial accountability 19. of the Board of Directors. See generally NRS 116.31038, 31151, 31152.
- There is no question that these additional financial safeguards and requirements of the 20. board apply to a limited purpose association. However, the legislature did not include any election protocol for the limited purpose association. The Court is tasked with resolving this obvious ambiguity.
- The Court has concluded in this matter that the election must proceed in the manner 21. in which elections always have been held by the Association, every three (3) years.
- The Court grants Plaintiff's First Cause of Action for Declaratory Relief that an 22. election must be held pursuant to NRS 82.271, 82.276, and 82.306.

Plaintiff has provided good cause for this Court to order that the election be 23. administered by a neutral third party selected by Plaintiff, and the neutral shall be paid for by the Association after the election is held and directors put in place.

#### **JUDGMENT** III.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

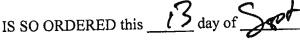
25

26

27

### IT IS HEREBY ADJUDGED AND DECREED

- The Association shall hold an election within ninety (90) days from the date of this 1. order.
- Plaintiff is directed to retain a neutral third party, either a licensed community 2. manager or attorney, to administer the election, which shall include all items required of a homeowners' election, including, but not necessarily limited to, the preparation and collection of nomination forms, preparation, mailing and collective of ballots, and counting of ballots at a duly notice Association election meeting. The neutral third party is ordered to look to NRS 116.31034 for guidance in the administration of the election.
- The Association shall pay the neutral third party for its efforts in administering the 3. election after the election takes place and directors take office.
- This Court shall retain jurisdiction until this Order has been fully complied with, 4. including but not limited to, the election has occurred, a Board is sitting, and the neutral third party has been paid by the Association.
- Plaintiff is the prevailing party in this litigation and is ordered to submit a separation 5. application for attorneys' fees and costs.



ARLE ERRY A. WIESE District Court Judge, Dept. XXX



GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	DATED: September 8, 2017  GIBBS GIDEN LOCHER TURNER SENET & WITTBROST LLP  Richard E. Haskin, Esq. Nevada State Bar # 11592 7450 Arroyo Crossing Parkway, Suite 270 Las Vegas, Nevada 89113-4059 Attorneys for Plaintiff JOHN ALLEN LYTLE and TRUDI LEE LYTLE, as Trustees of the Lytle Trust
	26	
	27	
	28	
	20	1942777.1

# **EXHIBIT S**

# **EXHIBIT S**

## ROSEMERE ESTATES HOMEOWNERS ASSOCIATION

#### Financial Account for Period 6-5-07 to 7-1-08

[Note correction on entries 6-4 and 6-5 of last Account]

Che	ck#: Dat	e: Item:			Balance:
				6-1-07:	\$152.14
	6-4-07	Kearl loan to Association	\$1,300	\$	1,452.14
	6-6	Kearl [\$500 Dues/ <mark>\$200 loan to Associatio</mark>	<mark>n]</mark> 700		2,152.14
114	6-5	Santoro et al [attorney fee]	\$1	,259.55	\$892.59
115	6-5	Fed-Ex / Kinko		53.44	839.15
116	6-5	State Farm Insurance		450.00	389.15
117	6-10	LV Water		11.68	377.47
118	6-27 .	Nevada Power		20.15	357.32
119	6-27	Embarq (phone)		26.89	330.43
	7-3	\$500 Dues [lots: #1,3,5,7,8 &9]	\$3,000		3,745.43
	7-30	\$500 Dues: Lot #2	500		3,830.43
120	7-3	County Recorder		52.00	3,778.43
121	7-4	Karen Kearl (reim. Office supplies)		151.97	3,626.46
122	7-17	LV Water		9.79	3,616.67
123	7-17	Embarq		26.88	3,589.79
124	7-20	Nevada Power		26.30	3,563.49
125	8-10	S. Kearl (reim. loan of 6-4)		2,000.00	1,563.49
126	8-10	LV Water		33.67	1,529.82
127	8-10	Karen Kearl (reim. loan of 2-16)		200.00	1,329.82
128	8-30	Nevada Power		26.39	1,303.43
129	9-13	LV Water		30.82	1,272.61
130	9-13	Embarg		26.88	1,245.73
	9-20	\$500.00 Assessment [Lots: #1,3,4,5,&7]	\$2,500		3,745.73
	9-21	\$500 Assessment Lot #8	500		4,245.73
131	9-27	S. Kearl (reim. Kinko)		23.79	4,221.94
132	9-27	Nevada Power		26.30	4,195.64
133	10-12	LV Water		16.32	4,179.32
	10-12	\$500.00 Assessment Lot #2	\$500	)	4,679.32
134	10-15	Embarg		26.87	4,652.45
135	10-15	U.S. Post Office (stamps)		41.00	4,611.45
136	11-1	Nevada Power		26.31	4,585.14
137	11-10	LV Water		16.05	•
138	11-26	Embarq		26.87	•
139	11-26	Nevada Power		30.33	4,511.89
	12-13	Lot #6 (dues/assessment/fees/int.)	\$1,500		6,011.89
140		VOID	,		,
141	12-15	LV Water		15.67	5,996.22
142	12-16	Embarq		26.87	5,969.35
		•			•

Chec	k#: Date:	: Item:	Inc:	Exp:	Balance:
143	12-20	Nevada Power		32.23	\$5,937.12
144	12-20	Innovative Access Control (gate maint	:.)	255.09	5,682.03
145	1-10-08	Embarq		26.84	5,655.19
146	1-10	Ombudsman – Fee		27.00	5,628.19
147	1-10	Secretary of State – Fee		25.00	5,603.19
148	1-15	LV Water		5.39	5,597.19
149	1-20	Nevada Power		31.92	5,565.88
150	2-20	Nevada Power		30.62	5,535.26
151	2-20	Embarq		28.47	5,506.79
152	2-20	LV Water		12.33	5,494.46
153	3-10	State Farm Insurance		450.00	5,044.46
154	3-10	Office Depot – (toner, files, supplies)		283.20	4,761.26
155	3-15	LV Water		14.06	4,747.20
156	3-15	Embarq		28.47	4,718.73
157	<b>3-30</b>	Nevada Power		29.22	4,689.51
158	4-15	Embarq		28.51	4,661.00
159	4-15	LV Water		11.93	4,649.07
160	5-1	Nevada Power		29.52	4,619.55
161	5-2	Sams Club (Assoc. Mtg. Refreshments)	)	50.00	4,569.55
162	5-15	LV Water	,	12.19	4,557.36
163	5-20	Embarq		28.51	4,528.85
164	5-20	Nevada Power		28.46	4,500.39
165	6-20	LV Water		14.99	4,485.40
166	6-20	Nevada Power		27.91	4,459.49
167	6-20	Embarq		28.51	4,428.98
		•			-,, 0

# ROSEMERE ESTATES HOMEOWNERS ASSOCIATION

Financial Records for Period 7-1-08 to 1-1-09

Check	:#:Date:	Item:	Inc:	Exp:	Balance:
					\$4,428.98
168		VOID			
169	7-15	LV Water		\$ 32.71	\$4,396.29
170	7-15	Embarq [telephone]		28.50	4,367.77
171	7-20	Nevada Power		27.63	4,340.14
172	8-12	LV Water		36.11	4,304.03
173	8-15	Embarq		28.50	4,275.53
174	9-1	Nevada Power		26.67	4,248.86
175	9-4	S. Kearl - stationary supplies		82.26	4,166.60
	9-4	Binder for Lot #6	\$100		4,266.60
176	9-10	LV Water		30.33	4,236.27
177	9-15	Embarg		28.50	4,207.77
	9-19	\$10,000/unit Assessment: Sandoval, Ha	ehn		•
			50,000		54,207.77
	9-24	Lytle [partial payment of 9-19-07			
		Assessment/Annual Dues]	500		54,707.77
178	9-24	Nevada Power		25.89	54,681.88
179	10-10	Santoro, Driggs, et al – Legal Fees	50,0	00.00	4,681.88
180	10-10	S. Kearl - Painting supplies (Home Dep	ot		
		for wall/graffiti repair)		81.48	4,600.40
181	10-15	K. Kearl - Office Supplies (CostCo)		23.56	4,576.84
182	10.15	LV Water		36.32	4,540,52
183	10-30	K. Kearl - File Cabinet - office supplies	. 2	17.44	4,323.08
184	10-30	Embarq		28.40	4,294.68
185	10-30	Nevada Power		30.71	4,263.97
186	11-12	LV Water	:	27.13	4,236.84
	11-13	\$10,000 Assessment: Boulden 10	,000		14,236.84
187	11-15	Embarq		28.42	14,208.42
188	11-25	Nevada Power	3	30.40	14,178.02
189	12-10	Secretary of State	2	5.00	14,153.02
190	12-20	Embarq	2	8.42	14,124.60
191	12-20	Mesquite Lawn Service (replacement of	•		•
		valves, timer, pipes – clean palms, etc.)	76	0.00	13,364.60
192	12-20	LV Water	4	0.06	13,324.54
193	12-20	State of Nevada	5	50.00	13,274.54
<u>194</u>	12-26	Nevada Power	3	31.50	\$13,243.04

# ROSEMERE ESTATES HOMEOWNERS ASSOCIATION

### FINANCIAL ACCOUNTS

### January 2008 thru June 2009

Check # 2008:	: Date	: Item:	Inc:	Exp:	Balance: \$5,682.03
145	1-10	Embarg		\$26.84	\$5,655.19
146	1-10	Ombudsman fee		27.00	5,628.19
147	1-10	Secretary of State fee		25.00	5,603.19
148	1-15	LV Water		5.39	5,597.19
149	1-20	Nevada Power		31.92	5,565.88
150	2-20	Nevada Power		30.62	5,535.26
151	2-20	Embarq		28.47	5,506.79
152	2-20	LV Water		12.33	5,494.46
153	3-10	State Farm Insurance		450.00	5,044.46
154	3-10	Office Depot		283.20	4,761.26
155	3-15	LV Water		14.06	4,747.20
156	3-15	Embarq		28.47	4,718.73
157	3-30	Nevada Power		29.22	4,689.51
158	4-15	Embarg		28.51	4,661.00
159	4-15	LV Water		11.93	4,649.07
160	5-1	Nevada Power		29.52	4,619.55
161	5-2	Sams Club (mtg. refreshments)		50.00	4,569.55

162	5-1:	5 LV Water	12.19	4,557.36
163	5-20	) Embarq	28.51	4,528.85
164	5-20	Nevada Power	28.46	4,500.39
165	6-20	) LV Water	14.99	4,485.40
166	6-20	Nevada Power	27.91	4,459.49
167	6-20	) Embarq	28.51	4,428.98
168	VOI	D		
169	7-15	LV Water	32.71	4,396.27
170	7-15	Embarq	28.50	4,367.77
171	7-20	Nevada Power	27.63	4,340.14
172	8-12	LV Water	36.11	4,304.03
173	8-15	Embarq	28.50	4,275.53
174	9-1	Nevada Power	26.67	4,248.86
175	9-4	Office Depot	82.26	4,166.60
		Lot #6 Binder	\$100.00	4,266.60
176	9-10	LV Water	30.33	4,236.27
177	9-15	Embarq	28.50	4,207.77
	9-19	\$10,000 assessment: Sandoval, Haehn, Kearl, Zobrist and McCumber	\$50,000.00	54,207.77
	9-24	Partial payment of 2007 Dues: Lytle	\$500.00	54,707.77
178	9-24	Nevada Power	25.89	54,681.88
179	10-10	Santoro, Driggs atty fees	\$50,000.00	4,681.88
180	10-10	Home Depot (stucco/paint)	81.48	4,600.40
181	10-15	CostCo (office supplies)	23.56	4,576.84

182	10-15	LV Water	36.32	4,540.52
183	10-30	Office Depot	217.44	4,323.08
184	10-30	Embarq	28.40	4,294.68
185	10-30	Nevada Power	30.71	4,263.97
186	11-12	LV Water	27.13	4,236.84
	11-13	\$10,000 assessment: Boulden	\$10,000.00	14,236.84
187	11-15	Embarq	28.42	14,208.42
188	11-25	Nevada Power	30.40	14,178.02
189	12-10	Secretary of State fee	25.00	14,153.02
190	12-20	Embarq	28.42	14,124.60
191	12-20	Mesquite Landscaping	760.00	13,364.60
192	12-20	LV Water	40.06	13,324.54
193	12-20	State of Nevada (certification fee)	50.00	13,274.54
194	12-26	Nevada Power	31.50	13,243.04
200	9:			
195	1-5 C	Office Depot	219.31	13,023.73
196	1-22	NRED - Omb. fee	27.00	12,996.73
197	1-22 I	Embarq	29.96	12,966.77
198	1-22 I	LV Water	31.59	12,935.18
199	2-1 N	Nevada Energy (Power)	31.37	12,903.81
200	2-20 I	LV Water	32.71	12,871.10
201	2-20 E	Embarq	29.96	12,841.14
202	2-22 N	Nevada Energy	31.69	12,809.45

203	3-1	Office Depot	17.17	12,792.28
204	3-10	State Farm Insurance	450.00	12,342.28
205	3-15	LV Water	29.71	12,312.57
206	3-15	Embarq	29.96	12,282.61
	4-7	Lot #6 Assessment and late fee:	\$11,500.00	23,782.61
207	4-7	Office Max	98.03	23,684.58
208	4-8	Nevada Energy	31.13	23,653.45
209	4-9	Copy Doc (copier repair)	120.37	23,533.08
210	4-15	LV Water	26.32	23,506.76
211	4-16	Embarq	30.01	23,476.75
212	4-17	Esquire (Lytle Depositions)	\$1,323.45	22,153.30
213	4-22	Nevada Energy	28.30	22,125.00
214	5-7	LV Water	29.92	22095.08
215	5-20	Embarq	30.01	23,476.75
216	5-20	Nevada Energy	25.99	22,039.08
217	6-10	Santoro, Driggs atty fees	\$12,000.00	10,039.08
218	6-10	LV Water	29.51	10,009.57
219	6-15	Embarq	30.01	9,979.56
220	6-16	Kinko's	41.22	9,938.34
221	6-20	Nevada Energy	28.97	<u>\$9,909.37</u>

# ROSEMERE ESTATES HOMEOWNERS ASSOCIATION

### FINANCIAL ACCOUNTS

### July 2009 thru December 2009

Chec	k#: D	Pate: Item:	Inc: Exp:	Balance:
	6-20			9,909.37
222	7-12	LV Water	35.06	9,874.31
223	7-12	Santoro, Driggs, et al – legal fees	5,000.00	4,874.31
224	7-16	Office Max – supplies	73.84	4,800.47
225	7-22	NV Energy	24.54	4,775.93
226	7-22	Embarq	29.92	4,746.01
227	7-29	Office Max – supplies	133.30	4,612.71
228	8-12	LV Water	32.31	4,580.40
	8-29	\$7,000 assessments: Sandoval, Heal Kearl, Zobrist, McCumber	35,000	39,580.40
229	8-29	NV Energy	20.57	39,559.83
230	8-29	Embarq	29.95	39,529.88
231	8-29	US Post Office – stamps	44.00	39,485.88
232	8-31	Santoro, Driggs, et al - legal fees	35,000.00	4,485.88
	9-14	Marge Boulden	7,000	11,485.88
233	9-14	LV Water	32.71	11,453.17
234	9-16	Embarq	30.01	11,423.16
235	9-21	Santoro, Driggs, et al – legal fees	7,000.00	4,423.16
236	9-21	Kinko's	51.86	4,371.30

237	9-21	NV Energy	21.21	4,350.09
238	10-13	LV Water	29.71	4,320.38
239	10-20	Embarq	29.99	4,290.39
240	10-20	NV Energy	21.02	4,269.37
241	11-20	LV Water	32.31	4,237.06
242	11-20	NV Energy	27.85	4,209.21
	11-20	\$5,000 loan to HOA: Sandoval, Hae Kearl, Zobrist (\$10,000: \$5,000 on behalf of McCumber)	hn, \$25,000	29,209.21
243	11-21	Santoro, Driggs, et al – legal fees	25,000.00	4,209.21
244	11-21	Century Link (Embarq)	29.99	4,179.22
	12-8	McCumber deposit to replace \$5,000 from Zobrist (see 11-20 above)	\$5,000.00	9,179.22
245	12-8	Gerry Zobrist – refund	5,000.00	4,179.22
246	12-16	Century Link (Embarq)	29.99	4,149.23
247	12-16	LV Water	29.71	4,119.52
248	12-20	NV Energy	12.95	4,106.57

### **EXHIBIT T**

### **EXHIBIT T**

#### NOTICE OF SPECIAL ASSOCIATION MEETING

of the

#### ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION

A special meeting of the Rosemere Estates Property Owners Association has been called. Please refer to the attached Agenda for the list of meeting topics.

The special meeting will take place on:

MONDAY, SEPTEMBER 15, 2008 AT 7:00 PM AT: 1901 ROSEMERE COURT, LAS VEGAS, NV. 89117.

Additionally, this serves as special notice that at this meeting the Association will consider commencing a civil action by the Association against the Lytle Trust for violations of the Association Declaration and in response to the Lytle Trust's claims against the Association.

All Members are encouraged to attend for a discussion of the topics listed in the attached meeting Agenda. Additionally, any member may request copies of the minutes from this meeting and may speak to the association or the executive board about this meeting.

## **EXHIBIT U**

### **EXHIBIT U**

Ø

### THE ROSEMERE ESTATES PROPERTY OWNERS ASSOCIATION AGENDA FOR

SPECIAL MEMBERSHIP MEETING TO BE HELD AT: 1901 ROSEMERE COURT, LAS VEGAS, NV 89117 SEPTEMBER 15, 2008, 7:00 P.M.

#### REVISED AGENDA

- I. CALL THE MEETING TO ORDER
- II. ESTABLISH QUORUM OF MEMBERS In order for the quorum requirement to be satisfied, thirty percent (30%) of the Voting Membership must attend the meeting or return their ballots or proxies. See Bylaws, Article III, Section 3.9 and NRS 116.3109(1).

If the meeting cannot be held because a quorum is not present, then the Members present at the meeting may adjourn the meeting of the Membership to a time that is not less than 48 hours or more than 30 days from the date of the meeting. At the subsequent meeting, a quorum shall be deemed to be present if the number of Members of the Sub-Association who are present in person or by ballot or proxy at the beginning of the subsequent meeting equals or exceeds 20 percent of the total number of voting members of the association; however, if the number of members deemed present in person, by ballot, or by proxy still does not meet or exceed the 30% required by the Bylaws (as discussed above), action may be taken only on those matters that were included as items on the agenda of the original meeting. See NRS 116.3109(2).

#### III. TOPICS TO BE CONSIDERED:

- A. Lytle Trust/Rosemere Association Arbitration: Consideration of the Lytle proposal to enter into binding arbitration in the ADR Program of the Nevada Real Estate Division to resolve all disputes between the Lytle Trust and the Association including Case No. IS-07-1641 before the Office of the Ombudsman.
- B. Korras General Proxy: Consideration of the June 5, 2007, General Proxy signed by Chris Korras.
- C. Operating and/or reserve budget: Consideration and discussion of the preparation and distribution of an operating budget and reserve budget by the Association from July 1, 2007 though July 18, 2008.
- D. Financial statements: Consideration and discussion of the distribution of financial statements by the Association during the period of July 1, 2007 through July 18, 2008.
- E. Civil action against the Lytle Trust: Consideration of potential civil action against the Lytle Trust by the Association including enforcement of the Declaration as well as

06885-01/306890\_2

- other claims relating to actions brought by the Lytle Trust against the Association. Action may be taken on this item.
- F. Assessments: 1/9<sup>th</sup> of ninety-thousand dollars (\$90,000) per unit in conjunction with litigation in the Lytle Trust actions. Action may be taken on this item.
- G. Outstanding Assessments: Consideration of lien foreclosures on outstanding assessments. Action may be taken on this item.

#### IV. TOPICS ON WHICH ACTION MAY BE TAKEN AT THIS MEETING:

- A. Civil action against the Lytle Trust as discussed in item "E".
- B. Assessment of 1/9<sup>th</sup> of ninety-thousand dollars (\$90,000) per unit for common legal fees and expenses as discussed in item "F".
- C. Institution of foreclosure proceedings for unpaid assessments as discussed in item "G".
- V. MEMBERSHIP OPEN FORUM: Period of time devoted to Members comments and discussion of the considered topics, subject to the reasonable limitations adopted by the Board of Directors at the start of the open forum period. No action may be taken on any item at this meeting unless the item itself has been specifically included on this agenda as one in which action may be taken.
- VI. VOTE ON TOPICS WHERE ACTION MAY BE TAKEN A majority of the votes cast by Members at a duly held meeting at which a quorum is present shall constitute approval of the Members and prevail. See Bylaws, Article III, Section 3.12.
- VII. ADJOURNMENT

### **EXHIBIT V**

### **EXHIBIT V**

ROSEMERE ESTATES 1651 ROSEMERE CT LAS VEGAS, NV 69117-2081 294 14-7074/3812 FB

7-30-16

Seven THOUSAND THREE HUNDER OF TEN AND TOO - DOLLOW A LET.

Vot 1 f. ... Widts Rego Bank N.A. Normala Mariada Malistaganaman

1:3212707421: B6327413474 00294

### **EXHIBIT W**

### **EXHIBIT W**

ROSEMERE ESTATES

1881 ROSEMERE CT

LAB VEGAS, MV 80117-2001

Pay to the LEARCH JOHNS ON SOME "GRUCHOW \$ 10,000.00

TEN THOUSAND AND TOO

Madelogo Birth NA

Madelogo Birth NA

TO Rataina

1:3212707421: BE3274134 HP 00292

# 00128

### **EXHIBIT X**

### **EXHIBIT X**

Detail	Transaction File List Johnson Song & Gruchow	t
Leacn	Johnson Song & Grucnow	

			16				- 1.1.1.1	
)ate: 02/28/2012			Deta Lea	il Transactio ch Johnson Song	n File List & Gruchow			Pagi
Client	Trans Date	H Check Tmkr P Numbe		Stmt# Rate	Hours to Bili	Amount		R
Nient ID 866.001   866.001	07/14/2010	es Property Owne RR A	ers Association 1	160.00	0.30	48,00	Initial meeting with Mr. Anderson and Mr. Gruchow regarding Rosemere Estates,	AR
866.001	07/14/2010	KG A	1	275,00	0.80	220.00	timeline and possible representation. Telephone call with Mr. and Mrs. McCumber regarding case facts, issues	AR
100.888	07/15/2010	RR A	1	160,00	0.70	112.00	and engagement Conference with Kirby Gruchow regarding background; left message with Orville McCumber, phone conference with Orville	AR
866.001	07/16/2010	RR A	1	160.00	0.80	128.00	McCumber of BOD. Multiple phone conferences with Orville McGumber addressing proposed course of action with arbitration in light of discovery deadline; scheduled meeting	AR
866,001	07/1 <u>6</u> /2010	KG Å	1	275,00	0.80	220.00	with BOD Strategy conference with Mr. Reed arbitration and discovery headlines; telephone call with client regarding Issues and strategy; prior Rosemere counsel issues and strategy and meeting with client	AR
866.001	07/19/2010	RR A	1	160.00	0.10	16.00	Coordinated Initial conference with partners with BOD for refertion as counsel.	AR
866.001	07/20/2010	RR A	1	160.00	1.80	288.00	Received and reviewed additional information regarding matter before	AR
886.001	07/20/2010	SA A	1	275.00	2.00	550.00	supreme court; meeting with BOD, Review materials supplied by client; Meeting with Board of Directors	AR
866.001	07/22/2010	RR A	1	160,00	0.20	32.00	Review file for status of matter; analyze course of action.	AR
866.001	07/23/2010	RR A	1	160,00	3.30		Commenced review and analysis of file, including but not limited review of governing documents, claim form, response to claim form, supreme court briefs, order by Ara Shirinian in prior	AR
868.001	07/28/2010	RR A	1	180.00	3,20	512.00	action; NAS lien, board minutes. Received and reviewed multiple correspondence from Orville McCumber requesting advise regarding meeting; drafted analysis of relevant notice requirements per NRS Chapter 116 and requested additional information; email to Jeson Smith requesting any and all information regarding prior action; commenced additional review of fille including bylaws, rules and regulations, response form and request of consolidation and opposition to same; reviewed NRED Control No 09-33 for	AR
868.001	07/26/2010	JL A	.1	275,00	0.30	82,50	analysis of claim preclusion. Conference with Mr. Reed regarding factual background, emergency meeting	AR
866,001	07/26/2010	SA A	1 .	275.00	2.00	550,00	and budget issues Receive and review email from Orville McCumber; Email to Mr. McCumber; Long telephone conference with Jason Smith;	AR
886.001	07/27/2010	RR A	1	160:00	2,30	368,00	Confinue reviewing file; Réceived and reviewed letter from Scann, opposing counsel; drafted letter to Scann addressing same, delivered draft of same to Mr. Anderson for review and comment; phone conference with Orville McCumber regarding letter and meeting; held additional prione conferenced with Orville additional prione conferenced with Conville additional meeting and requested copy of Notice; prepared documents for Ms. Gurainy who was to attend meeting.	AR
866.001	07/27/2010	NG A	16	245.00	2.50	612.50	Guiany who was to attend meeting. Office conference with Sean Anderson and Ryan Reed regarding Board Meeting(.3); substantive analysis of governing documents and NRS 116 regarding meeting (.3); prepare for meeting (.5); travel to and attend meeting (1.4).	AR
6,001	07/27/2010	SA A	1	275.00	1.40	<b>385.00</b>	Receive numerous emails from Jason Smith; Begin reviewing voluminous	AR
866.001	07/28/2010	RR A	1	160.00	3,20		documents attached thereto Received and reviewed copy of notice of	AR

				Leach Johnson Song	& Gruchow			
Client	Trans Date	Tmkr P		Simt# Rate	to BBI	Amount		Re
lient3D 856.001 Ro	semere Estate	s Property	Owners Association				special meeting and attached agenda;	
							special meeting and attached agenca; reviewed discovery order; commenced additional review of file including letter from NRED addressing NRS 116.3102; reviewed numerous letters from Dr. Kearl and comments; numerous correspondence with Gerry Zobrist regarding status of matter and request for file; sent email of representation to Zobrist to retain file, sent runner to obtain same; phone conference with Arbitrator who will issue order on new deadlines for this matter, all of which have been extended.	
100,668	07/28/2010	SA A	1	275.00	1.30		Receive and review correspondence from Susan Scann objecting to special meeting; Conference with Nicole Gurainy; Telephone conference with Dee Newell; Continue reviewing documents provided by Jason Smith	ARI
866,001	07/29/2010	RR A	1	160.00	0.10	16.00	oy deash chine received and reviewed email from Orville McGumber requesting status of Arbitration phone conference.	ARI
886.001	07/29/2010	SA A	1	275.00	0.70	192.50	Receive and review correspondence from counsel for Lyties and attached early Arbitration Production of Documents and documents attached thereto	ARI
866.001	08/03/2010	SA A	1	275.00	0.40	75.92	Receive and review email from Orville	ARI
866.001	08/03/2010	RR A	1	160.00	0.80	88.35	McCumber: Email to Mr. McCumber Commenced preparation of documents for exchange on August 11, as requested in	ARI
866,001	08/06/2010	RR A	1	160.00	3.90	430.68	arbitrator order. Received and reviewed arbitrator discovery order; reviewed all documents provided by Zobrist; draffed email to McGumber requesting information with attached discovery order; reviewed	ARI
866,001	08/09/2010	RR A	1	.160.00	0,30		Claimant initial disclosures. Receive and review numerous correspondence from O. McCumber with attached minutes and notice of lien.	ARI
866,001	08/10/2010	SA A	1	275,00	0.70	132.87	Review documents to be produced pursuant to Arbitrator's Order; Review Witness List	ARI
866.001	08/10/2010	RR A	1	160.00	0.60		Finalized initial production per arbitration	ARI
866.001	08/10/2010	SA A	- 1	2,75,60	0.30	56.94	order. Receive and review correspondence from Orville McCumber and attached document regarding meeting; conference with Mr. Reed regarding same	ARI
886,001	08/11/2010	SA A	1	275,00	1.40		Telephone conference with Susan Scann, counsel for Lytles; Review, edit and finalize Witness List; Review, revise and finalize initial Production of Documents; Receive and review correspondence from Arbitrator Dee Newell regarding billing; Receive and review Amended Witness List from Susan Scann	ARı
866.001	D8/12/2010	SA A	1	275.00	0.10	18.98	Receive and review correspondence from Susan Scann and attached documents	ARı
868,001	08/16/2010	RR A	-1	160,00	4,90	541.13	Drafted interrogatories and Requests for Production per arbitration order.	AR
866,Ó01	08/16/2010	NG A	16	245.00	0.70	118,37	Office conference with Mr. Reed regarding Interrogatories and Responses to Production(.3); substantive analysis of Complaint(.4).	AR
866,001	08/18/2010	RR A	1	160,00	0.90		Left phone message with Susan Scann; email to Scann regarding same; phone conference with Susan Scann regarding disclosures; email to client requesting documents.	AR
:868.001	08/19/2010	RR A	1	160.00	0.90	99,39	Reviewed discovery order and drafted email to BOD requesting draft chronology of events per order; phone conference with BOD regarding NAS, minutes, chronology; phone conference with NAS regarding file for Lytle file; received email from NAS with attached file.	AR
868.001	08/20/2010	RR A		180.00	1.80	198,78	Reviewed all documents provided by NAS;	AR

Pag€

Leach Johnson Song & Gruchow									
Client Hent ID 866,001 R	Trans Date	Tmkr F	Number Ta	nde/ sk Code	Stmt# Rate	Hours to B加	Amount		RI
Heur ID ogginn) K	oaelitere maner	s rropei	LY OWNERS ASSOCI	anou				coinmenced draft of chronology per	
886,001	08/23/2010	RR A		1	160.00	1.00	110.43	discovery order. Drafted letter to opposing counsel addressing issues related to discovery order and refinement of dispute to two	ARı
866,001	08/24/2010	RR A	•	1	160.00	1.10	121,48	issues. Receive and review multiple letter from Scann regarding disclosures; reviewed documents provided us by Orville McCumber; directed Ms Hoss to	ARI
100.608	08/25/2010	SA A		1	275.00	0.80	151.85	commence supplement. Review documents produced by NAS and Mr. McCumber for production to Susan Scann; Revise and edit correspondence to Ms. Scann	ARı
866,001	08/25/2010	RR A		1	160.00	2,40	265,04	Received and reviewed amended discovery order, reviewed documents for first supplement; drafted letter to Susan Scann in response to Aug 23 letter and requested refined issues and amended discovery; reviewed NRS 116 for applicable provisions as each relates to	AR
866.001	08/25/2010	JL A		1	275.00	0.20	37,96	loans by BOD. Review NRS 116 regarding director loaning money to HOA; conference with Mr. Reed regarding same	AR
866,0D1	08/26/2010	SA A		1	276,00	0.50		Telephone conference with Arbitrator Dee Newell; Receive and review correspondence from Susen Scann, counsel for Lytles; Additional telephone conference with Ms. Newell regarding scheduling discovery conference	AR
896,001	08/26/2010	RR A		1	160.00	3.60		Drafted and sent email to O. McCumber regarding revised discovery order; confirmed applicable dates with Dee Newell; phone conference with opposing counsel regarding scheduling of conference call; received and reviewed letter from Scann regarding production; commenced draft of Motion to Stay,	ARı
866.001	08/27/2010	RR A		1	160.00	2.30		Received and reviewed claimants revised issues .4; received and reviewed multiple letters from Scann regarding production and request for conference call with Arbitrator .4; continued draft of Motion to Stay. 1.5	ARI
865.001	08/30/2010	RR A		1	160.00	6.70		Receive and review correspondence from Orville McCumber regarding demand letter and \$5,000 check from Lyltes; receive and review correspondence from Susan Scann regarding request to amend discovery; receive and review letter from Thomas Harper regarding discovery dispute; finalized draft of Motion to Stay or alternatively to Dismiss, pulled exhibits and provided same to Mr. Anderson; phone conference with Arbitrator and opposing counsel regarding discovery dispute and deadline.	ARI
866.001 866.001	<i>09/01/2010</i>	sa a sa a		1	275.00 275.00	D.30 0.50	137.50	Exchange emails with Orville McCumber Receive and review email from Orville McCumber; Email to Mr. McCumber; Telephone conference with Mr. and Mrs. McCumber; Conference with Mr. Reed regarding discovery issues: Receive and review email from Debble Kluska of NAS and attached contract;	ARI ARI
866,001	09/02/2010	SA A	·	1	275,00	1.00	276.00	Receive and review contract provided by NAS; Directions to Mr. Reed regarding same; Receive and review email from Mr. McCumber; Email to Mr. McCumber; Email to Mr. McCumber; Telephone conference with Mr. and Mrs. McCumber; Receive and review Arbitration Telephone Conference and Order Issued by Arbitrator; Receive and review Notice of Taking Deposition of	ARı
866,001	09/02/2010	RR A		1	160.00	1.10	176.00	Person Most Knowledgeable for NAS Continued review of file; continued response to request for production.	ARı

	Leach Johnson Song & Gruchow									
Cilent	Trans Date	Tmkr P		Tcode/ Task Code	Simt# Rate	Hours to Bill	Amount		Re	
lient ID 866.001 R 866,001	osemere Estate 09/03/2010	s Propert RR A	y Owners As	ssociation 1	160.00	0,40	64.00	Finalized Motion to Dismiss, reviewed exhibits for proper order.	ARC	
866,001	09/03/2010	SA A		1	275.00	1.20	330.00	Review and finalize Motion to Dismiss or Stay	AR	
866,001	09/07/2010	NG A		1	245,00	1.70		Substantive analysis of NRS 116 regarding executive session(.3); conference with John Leach regarding the same(.1); prepare email to client regarding audio tape(.1); prepare letter to Lytle allomy regarding request from Lytle(1.2).	AR(	
100,838	09/07/2010	JL A		1	275.00	0,20	55.00	Conference with Ms. Gurainy regarding relention and meeting with counsel in executive session.	AR(	
866,001	09/07/2010	sa a		1	275.00	0.70		Conferences with Ms. Gurainy; Review correspondence prepared by Ms. Gurainy to Susan Scann; Draft email to Board	AR(	
866.001	09/08/2010	sa a		1	275.00	0,50		Receive and review email from Orville McCumber and attached documents; Telephone conference with Mr. McCumber regarding same	AR(	
866.001	09/09/2010	RR A		1	180,00	2,30	368.00	Continued responses to discovery; phone conference with Jason Smith; reviewed HOA initial disclosures in prior NRED action as provided by Mr. Smith.	ARI	
866,001	09/09/2010	SA A		1	275,00	0,50	137.50	Receive and review email and attached pleadings from Jason Smith	ARC	
896.001	09/10/2010	RR A		1	160.00	1.60		Finalized request for production list to be sent to Kearl and McCummber; finalized request for admissions; continued responses to ROGS.	AR(	
866,001	09/10/2010	SA A		1	275.00	0.30	82.50	Review and edit questions to be sent to Dr. Kearl regarding arbitration	AR(	
866.001	09/13/2010	RR A		1	160,00	3.00		Phone conference with BOD regarding requests for discovery; commenced review of additional information provided us from Kear; continued response to discovery, finalized draft of response to request for production.	AR(	
856.001	09/14/2010	RR A		1	160.00	0.50	80,08	Receive and review email from McCumber, finalized documents for response to request for production,	AR(	
866.001	09/14/2010	sa a		1	275,00	1.30		Receive and review Claimants' Supplemental List of Witnesses and Second Supplemental Document List; Receive and review email from Orville McCumber and attached documents; Listen to audio tape of 7/27/10 meeting; Discussion with Ms. Hoss regarding production of document and responses to discovery	AR(	
866,001	09/15/2010	RR A		1	160.00	0,90	144.00	Receive and review claimants supplemental list and documents; conference with Mr. Anderson regarding additional iten; phone conference with Scann regarding deposition of NAS.	AR(	
866,001	09/15/2010	SA A		1	275,00	2.40	660.00	Begin reviewing responses to written discovery propounded by Lyties; Telephone conference with offices of Susan Scann, counsel for Lyties; Conferences with Ryan Reed; Receive and review email from Presiline Alexander, assistant for Susan Scann, and attached documents to be used in deposition of NAS representative; Receive and review correspondence from Susan Scann	ARI	
866.001	09/16/2010	RR A		1	160.00	5.50	880.00	Conference with Scann regarding deposition of NAS; traveled to deposition of NAS, NAS did not show; finalized discovery, responses to request for admissions, request for production of documents and ROGs.	ARI	
865,001	09/18/2010	SA A		1	275,00	4,70	1,292.50	Multiple telephone conferences with Arbitrator Dee Newell regarding scheduling Issues; Review, revise and finalize Responses to Requests for Admission, Requests for Production, and Interrogatories; Conferences with Mr. Reed regarding deposition of NAS representative; Receive and review	ARI	

Page:

Detail	Transacti	ion File	List
Leach	Johnson Son	na & Gruc	how

			Lead	ch Johnson Song	& Gruchow			
Client	Trans Date	Tmkr P Number	Tcodel Task Code	Stmt# Rafe	Hours to Bill	Amount		Re
ient 1D 866.001 i	Rosemere Estaté	s Property Owner	s Association				voluminous fax from Dee Newel) and attachments	
886.001	09/17/2010	SA A	1	275.00	1.60	<b>4</b> 40.0ø	Receive and review Lylle's Third Supplemental Disclosure and documents attached thereto; Receive and review Lytle's responses to First Set of Interrogatories and First Set of Requests for Production of Documents; Email to Orville McCumber; Receive and review email from Mr. McCumber; Receive and review Claimants' Responses to First Set of Requests for Production of Documents	ARC
866.001	09/17/2010	RR A	1	160.00	0,20		Receive and review fax from arbitrator regarding deadlines regarding Motion to Dismiss.	ARC
100.888	09/21/2010	RR A	1	160,00	4,10		Receive and review Claimant Opposition to Motion to Dismiss; drafted rely to opposition; review letter from Scann regarding lien filed by Kearl; multiple phone conferences with Scann regarding scheduling of depositions and arbitrator phone conference.	ARC
866.001	09/21/2010	SA A	1	275.00	08.0		Receive and review correspondence from Susan Scann; Receive and review Claimants' Opposition to Motion to Dismiss or, in the Alternative, for Stay of Proceedings; Receive and review Arbitrator's Bill	AR(
886,001	09/22/2010	ŠA A	1	275.00			Revise and substantially edit Repty to Opposition; Supplemental research regarding extraneous points raised in Lytie Opposition; Review and revise lengthy correspondence to Susan Scann	AR(
866,001	09/22/2010	RR A	1	160.00	1.30	208.00	Receive and review multiple volce mails from Susan Scann; drafted letter to opposing counsel addressing confent or September 21, 2010, reviewed arbitrator bill.	AR(
866.001	09/23/2010	RR A	1	160,00	6.40	1,024.00	Prepared documents for arbitrator telephone conference; phone conference with arbitrator and opposing counsel; commenced arbitration brief; research regarding NRS 116.4116 and NAC 116.405; phone conference with BOD.	AR(
868.001	09/23/2010	JL A	1	275.00	0.40	110.00	Conference with Mr. Anderson and Mr. Reed regarding pending legal issues, status and enforceability of HOA liens	AR(
866.001	09/23/2010	SA .A	1	275.00	1.20	330.00	Prepare for and participate in telephonic conference with Arbitrator Newell and counsel for Glaimants; Receive and review Arbitrator's Decision on Motion to Dismiss or Stay	ARC
866,Q01	09/24/2010	RR A	1	160.00	1.30	208.00	Analysis of NRS 116.4117 with NRS 116.2103; receive and review additional NAS documents provided by BOD regarding member; phone call with Scann regarding subpoena of non BOD members.	AR(
866.001	09/27/2010	RR A	1	160,00	6,10	976.00	Receive and review email authorizing this office to release lien; had release of ilen prepared; commenced arbitration brief.	. AR(
866.001	09/27/2010	sa a	1	275.00	0.40	110.00	Review and revise Notice of Release of Lien; Prepare Supplement to 16.1 Disclosures	ARI
866.001	09/28/2010	RR A	1	160.00	7.50	,	Continued draft of arbitration brief; provided and drafted response to each issues identifying all responsive documents and exhibits, provided same to Mr. Anderson; phone conference with McCumbers, set pre hearing meeting; phone call from Susan Scann, email to BOD regarding request that we accept service of process.	ARI
866.001	0 <u>9/28/2</u> 010	ŃG V	1	246.00	1:80	441.00	Substantive analysis of governing documents on NRS 116 regarding common expenses and assessments (.9); draft insert regarding the same (.9).	ARI
866.001	09/28/2010	JL A	1	275,00	0.20	55,00	Review NRS 118 regarding applicability of NRS 116.4117 to small communities;	ARI

					Leavi	I novilisori soviB	d Cidicion			
	Client	Trans Date	Trnkr P	Check Number	Toodel Task Code	Strnt# Rate	Hours lo Bill	Amount		Re
lient ID	866.001 Ro	semere Estate	es Proper	ty Owners	Association				conference with Mr. Reed regarding same	
	866.001	09/28/2010	SA A		1	275.00		0.00	Receive and review Claimants' Fourth Supplemental Document List Provided as a Result of Pre-Arbitration Conference	ARI
,	866.001	09/28/2010	SA A		1	275.00	2.50	687.50	Conferences with Ryan Reed and Nicole Guralny regarding arbitration brief; Continue revisions to Chromology and	ARI
	866.001	09/29/2010	SA A		1	275.00	4.00	1,100.00	Arbitration Brief; Receive and review correspondence from Susan Scann; Telephone conference with Susan Scann; Correspondence to Ms. Scann; Continue preparation of Arbitration Brief and preparation for October 1 arbitration hearing; Complete and make final revisions to Chronology; Receive and review email from Orville McCumber;	ARI
	100,888	09/29/2010	RR A	1	1	160.00	1.90		Receive and review correspodence from Orville McCumber regarding subpoena; receive voice mail from Susan Scann regarding same; review letter to be sent to Scann objecting to supplement; review deposition of Lytles in the prior action; commenced preparation of arbitration binder with applicable documents; finalized chronology.	ARI
	866.001	09/30/2010	RR A	A	1	160.00	3.90		Completed final witness list; phone conference with Dee Newell regarding rescheduling of arbitration hearing; received and reviewed claimant voluminous chronology; phone conference with Scann regarding Information related to Zobrist; phone conference with Scann regarding production of Kearl; phone conference with Kearl; letter to Scann regarding production of Kearl; phone conference with McCumbers regarding rescheduling and course of action to be	AR
	866,001	09/30/2010	SA A	A	1	275.00	2.70	742.50	taken regarding deposition. Receive and review Claimants' Chronology of Events (16 pages); Continue drafting Arbitration Brief and preparing for October 1 hearing; Participate in telephonic hearing with Arbitrator Newell and tom harper; Telephone conference with Oniile and Johnny McCumber	AR
	866.001	10/01/2010	RR A	A	1	180.00	0.90	144.00	Phone conference with Arbitrator regarding deposition at Scann's office; phone conference with Ms. Scann regarding same and production of Kearl; receive and review letter from Harper regarding Kearl depo.	AR
	866.001	10/01/2010	ŜA .	A	1	275.00	0,60	137,50	Receive and review correspondence from tom harper; Conference with Mr. Reed;	AR
	866,001	10/05/2010	RR .	A	1	160.00	0.20	32.00	Receive and review notice of deposition from opposing counsel.	AR
	866.001 886,001	10/06/2010 10/06/2010	RR .		1 1	160.00 275.00	2.30 2.50		Deposition preparation of Dr. Kearl. Prepare for and conduct in-office conference with Dr. Kearl regarding October 8 deposition	AR AR
	86 <del>6</del> .001	10/08/2010	RR A	A	1	180.00	3.80	608.00	Receive and review email from McCumber regarding deposition; phone conference with McCumber regarding same; commenced further document review.	AR
	866,001	10/08/2010	SA	A,	1	275,00	3,20	00.088	Prepare for and attend deposition of Dr. Kearl	AR
	866,001	10/11/2010	RR .	A	1	160.00	0,30	48.00	Review letter from Jason Smith regarding vacating February 19, 2009 letter; follow up with Mr. Anderson regarding audio recording.	AR
	886.001	10/15/2010	RR	A	1	160.00	1.20	192.00	Multiple phone conference with Dee Newall regarding request by Harper for phone conference; receive and review multiple letters from Harper which were provided by Arbitrator, reviewed letters, letters sent to incorrect facsimile number, commenced response to letter.	AR
	866.001	10/18/2010	RR	A	1	160.00	0.90	144.00	Drafted letter to Dee Neviell regarding Harper letter dated October 11 and 15;	AR

001291

ate: 02/26/2012			*	Lea	ch Johnson Song	& Gruchow			, byt
Cilent	Trans Date	Tmkr P	Check Number	Tcode/ Task Code	Simi# Rale	Hours to Bill	Amount		Ri
lient ID 866,001 Ro	semere Estate	s Proper	ty Owners A	ssociation				conference call with arbitrator regarding	
866,001	10/18/2010	sa a		1	275,00	0.50		the same. Review correspondence from Tom Harper dated October 11 and 15; Draft response to Mr. Harper regarding same; Telephone conference with Arbitrator Newell regarding necessity of another tolephone	ARı
100,888	10/19/2010	RR A		1	160.00	1.10	176.00	conference Drafted and sent status to McCumber regarding Harpers requests for additional documents; reviewed First Supp and response to Claimant Request No 19; email and phone conference with Jason Smith regarding same.	ARı
866.001	10/19/2010	SA A	•	1	275.00	1.20	330.00	Conference with Mr. Reed regarding missing meeting; Receive and review email from Jason Smith regarding same; Review file for information regarding loan for attorneys' fees cited in Harper's letter;	AR/
866,001	10/20/2010	RR A	•	1	160.00	1.10	176.00	Conference with Mr. Reed regarding same Phone conference with Orville and Johnle McCumber regarding request from Harper, receive and review letter from Harper regarding discovery request; review email provided from McCumbers with attached documents.	AR
866.001	10/20/2010	şa a		1	275.00	1,00	275.00	Receive and review all bank and accounting documents provided by McCumbers; Receive and review deposition transcript for Dr. Kearl	AR
866,001	10/22/2010	RR A		1	160.00	0.40	<b>84.</b> 00	Drafted and sent letter to Dee Newell regarding Harpers request for additional documents.	AR
100,668	10/25/2010	SA A	•	1	275.00	0.30	82.50	Review and evaluate documents provided by client for production to opposing counsel as a result of supplemental request for documents	AR
866.001	10/26/2010	RR A	•	1	160.00	0.30	48,00	Printed financial ledger, identified possible issues and provided same to Mr. Anderson for review and comment.	AR
866.001	10/26/2010	SA A	•	1	275.00	0:30	82.50	Receive and review additional documents provided by McCumbers; Conference with Mr. Reed regarding amending Admissions	AR
866.001 868.001	10/27/2010 10/27/2010	RR A SA A		1	160.00 275.00	3,00 2,60		Continued Arbitration Brief. Conferences with Ryan Reed; Begin	AR-
								preparation for Arbitration Hearing	AR <sup>.</sup>
866.001	10/28/2010	RR A		1	160,00	4.70	752.00	Continued with arbitration brief; phone conference with Dee Newell regarding Harper Request; reviewed documents and amendment to be sent to Harper, reviewed and responded to email from Orville regarding billing.	AR
866.001	10/28/2010	sa a	•	1	275.00	3,00	825.00	Telephone conference with Dee Newell; Review documents to be provided to tom harper; Confinue preparation for arbitration hearing; Draft direct examination for Dr. Kearl;	AR
866.001	11/01/2010	RR A	•	1	160,00	2,10	336.00	Receive and review email from Orvillo McCumber with attached bank statements, reviewed same, continued arbitration brief.	AR
886.001	11/01/2010	SA A		1	275.00	3.70	1,017.50	Arbitation one: Multiple conferences with Mr. Reed; Continue working on Arbitration Brief; Telephone conference with Orville McCumber; Begin preparing exhibit ilst and direct and cross examinations; Telephone conference with Dee Newell; Receive and review correspondence from Tom Harper	AR
866,001	11/02/2010	SA A		1	275.00	3,80	00.00	Receive and review Tom Harper correspondence dated November 1, 2010; Revise and edit correspondence to Dee Newell in response to Tom Harper correspondence dated November 1, 2010; Continue research and drafting portlons of	AR
866.001	11/02/2010.	RR A	•	1	160.00	1.80	288.00	Arbitration Brief Receive and review Zobrist and Stone subpoena; drafted response to letter issued from Harper November 1, 2010;	AR

001292

ate: 02/28/2012				ach Johnson So	ng & Gruchow			i age
Client	Trans Date	H Check Tmkr P Number	Tcode/ Task Code	Strni# Rate	Hours to Bill	Amount		Ri
tient ID 866.001 Ro	semere Estate	s Property Owners	Association				reviewed bank statements provide from	
866.001 866.001	11/03/2010 11/03/2010	RR A SA A	1 1	180.00 275.00	4.80 2.00		Mr. McCumber. Continued draft of arbitration brief. Continue working on exhibit list and direct and cross exeminations; Receive and review subpoenas issued for NAS and Gerry Zobrist	ARı ARı
866,001	11/04/2010	SA A	1	275,00	6.00	1,375.00	Complete research and drafting Arbitration Brief; Continue reviewing documents and assembling exhibits for Arbitration hearing; in-office meeting with Board members regarding November 8	ARI
866.001	11/04/2010	RR A	1	160.00	6.10	976.00	arbitration hearing; In office meeting with Mr. Kearl, Mr. and Mrs. Zobrist and Mr. & Mrs. McCumber in preparation for arbitration; finalized brief and final list of witnesses.	ARı
866,001	11/05/2010	RR A	1	160,00	3,90	624.00	Receive and review Claimant's 84 page arbitration brief; research on slander of title in preparation for hearing; drafted letter to Tom Harper regarding requests for exhibits; reviewed two letters from	ARı
866.001	11/05/2010	SA A	1	275.00	7.50	2,062,50	Harper regarding the same. Continue reviewing 64page arbitration brief submitted by Lytles; Review research conducted by Mr. Reed regarding special damages; Revise and edit correspondence to tom harper; Receive and review correspondence from tom harper; Continue reviewing files and preparing for November 8 arbitration hearing;	AR-
866.001	11/08/2010	RR A	1	160.00	10.10	1,616.00	Prepared for traveled to and attended all	ARı
866.001	11/08/2010	SA A	1	275,00	12.50	3,437.50	day erbitration hearing. Continue preparation for arbitration hearing; Travel to and participate in arbitration hearing	AR!
886.001	11/09/2010	RR A	1	160.00	0.10	18.00	Scheduled motion for attorneys' fees and	AR
866,001	11/15/2010	RR A	1	160.00	1.40	224.00	costs deadline, Receive review and respond to email from Orville regarding agent, arbitrator bill and arbitration brief; drafted motion for altomeys' fees and costs and memorandum of costs with supporting affidavit.	ARı
866,001	11/16/2010	RR A	1	160.00	0,50	80.00	Commence preparation for costs and	AR
866,001	11/16/2010	SA A	1	275,00	1.40	385,00	fees. Telephone conference with Arbitrator Newell regarding billing issues; Receive and review email from Debble Kluska and attached account information for Lytles; Revise and edit Motion for Attorneys' Fees and Costs	AR
866.001	11/17/2010	SA A	1	275.00	1,20	330.00	Review, revise and edit Motion for Attorneys' Fees and Memorandum of Costs	AR
866.001	11/17/2010	RR A	1	180.00	1.30	208.00	Receive and review email from Debbie Kluska with current NAS lien total; finalized motion for fees and costs; gathered exhibits for same, drafted letter to Dee Newell, redacted billing for motion to be provided to claimant.	AR d
866.001	11/17/2010	SA A	1	275.00	1.00	275.00	Revise letter to Dee Newell; Finalize	AR
886.001	11/19/2010	RR A	1	160,00	0.80	128.00	Motion for Fees and Costs Receive and review letter from Torn Harper regarding motion for attorneys' fees and costs; review arbitration award and decision.	AR
866,001	11/19/2010	SA A	1	276.00	1.00	275,00	Receive and review email from Tom Harper regarding Motion for Attorneys' Fees and Costs; Review and analyze Arbitration Decision and Award; Telephone conference with Arbitrator Dee Newell regarding billing issue	AR
866.001	11/22/2010	SA A	1	275,00	0.40	110.00	Telephone conference with Mr. and Mrs. McCumber regarding Arbitration Decision and Award	AR
866.001	12/02/2010	RR A	1	160,00	0.20	32,00	Receive and review NRED completion certificate.	AR

	Detail Transaction Leach Johnson Son	on File List g & Gruchow	
e!	Stmt#	House	

	<b></b>		11 04						
Client lifent ID 866.001		Tmke	H Check P Number	Toode/ Task Code	Stmt# .	to Bill	Amount		R
866,001	12/08/2010	Jf.		Association 1	275.00	0.30	82 <i>.</i> 50	Telephone conference with Attorney Christensen regarding appeal right and settlement issues; conference with Mr. Anderson regarding status and proposed course of action	AR
866.001	12/09/2010	RR	Α	1	160,00	0,50	80.08	Multiple phone conferences with BOD and Mr. Anderson regarding issues with final bill.	AR
866.001	12/15/2010	RR	Α	1	160,00	0.70	112.00	Multiple phone conferences with BOD regarding complaint filed by Lytle and meeting requirements as sol forth in NRS 116.	AR
866,001	12/15/2010	NG	A	3	245.00	0.60	147.00	Telephone conference with client and Mr. Read regarding board meetings;agendas; litigation (.6)	AR
866,001	1 <i>2/</i> 1 <i>5/</i> 2010	SA	A	1	275,00	0.80	220.00	Receive and review copy of Complaint filed by Lyttes against Association; Telephone conference with Orville McCumber regarding same	AR
866,001	12/16/2010	RR	A	1	160,00	1.80		Receive and review complaint; research regarding NRS 38.300, NRCP 9 and slander of title; conference with Mr. Anderson regarding same.	AR
866.001	12/17/2010	RR	A	1	160,00	0.20	32,00	Drafted and sent email to BOD with	AR
866.001	12/20/2010	RR	A	1	160,00	0.30	48.00	attached complaint.  Phone conference with BOD regarding complaint, service of complaint and	AR
866.001	12/20/2010	NG	A	1	246,00	2.90		proposed course of action.  Draft and prepare notice template for general meeting (1.2); Draft and prepare Agenda for general meeting (.6); Draft and prepare Notice of Executive session (.4)  Draft and prepare agenda for executive session (.4); Draft and prepare email client	AR
866,001	12/21/2010	RR	A	1	160.00	3.70	592.00	regarding notices (.3) Commenced motion in response to complaint regarding NRS 38.330, subject matter jurisdiction, factual background and judicial estoppel.	AR
866,001	12/21/2010	SA	A	1	275.00	0.70		Review Lylle Complaint and confer with Mr. Reed regarding Motion to Dismiss or	AR
866.001	12/30/2010	SA	A	1	275.00	0.60	165,00	Motion for Summary Judgment Telephone conference with Orville and Johnnie McCumber; Receive and review email from Jim Christensen, new counsel for Lyles	AR
866,001	01/03/2011	SA	A	1	275,00	0.40		Conference with Mr. Leach regarding substitution of attorney Jlm Christensen for Tom Harper and Mr. Christensen's request for settlement discussions; Telephone conference with Jim Christensen;	AR
866.001	01/03/2011	RR	A	1	160.00	D.60		Phone conference with Orville and Johnie McCumber regarding response to Complaint and Board Meeting; receive and review emeil from Mr. Christensen advising that he will be substituting as counsel for Lytle and granting extention of time to answer complaint.	AR
886,001	91/03/2011°	JL .	A	1	275.00	0.30	82.50	Telephone conference with Attorney Christensen regarding substitution of counsel; conference with Mr. Anderson regarding status	AR
866.001	01/05/2011	SA	A	1	275.00	0.40	110.00	Receive and review email from Orville McGumber, Telephone conference with Mr. and Mrs. McCumber	AR
866,001	01/06/2011	RR .	A	29	0.50	0.30	0.15	Phone conference with Orville and Johnie McCumber regarding course of action and	AR
866.001	01/10/2011	SA	A	1	275.00	0.40		upcoming meeting with Jim Christiansen. Receive and review email from McCumbers; Receive and review attorneys' lien filed by Tom Harper; Conference with Mr. Reed regarding same	AR
866.001	01/10/2011	RIR .	A	1	160.00	D.40	64.00	Receive phone call from Orville & Johnnie McCumber regarding lien placed on award by Herper, Received and reviewed Notice of a Hearing lien - email to Mr. McCumber	AR:
866.001	01/12/2011	SA	Α	1	275.00	1,40	385.00	regarding same. Conference with Jim Christensen, counsel	AR

Page:

001294

				read		a Giucion			
Client	Trans Date	Tmkr P	Gheck Number	Tcode/ Task Code	Stmt# Rate	to Bill	Amount		R/
:llent ID 866.001 F	Rosemere Estate	s Proper	ly Owners As	sociation				for Lytles, regarding possible settlement of matter (1.4);	
866.001	01/13/2011	RR A		а	160.00	0,20	32.00	make (174), Telephone conference with Orville McCumber regarding meeting with Jim Christensen, counsel for Lytles.	AR
868.001	01/18/2011	RR A		9	160.00	0.20	32.00	Receive and review email from Orville McCumber regarding settlement of matter and position of the Board.	AR
866.001	01/18/2011	SA A		1	275,00	0,20	55.00	Receive and review email from Orville McCumber; Directions to Mr., Reed	AR
866,001	01/19/2011	SA A		1	275.00	1.00		Telephone conference with McCumbers; Directions to Mr. Reed	AR
865.001	01/19/2011	RR A		3	160,00	0.60		Telephone conference with Johnle and Orvillo McCumber regarding course of action to be taken.	AR
866.001	01/25/2011	RR A	<b>.</b>	9	160.00	0.30		Receive and review opposition to Motion to Withdraw and to adjudicate lien.	AR
866.001	01/26/2011	RR A	•	8	160.00	0.40	64.00	Receive and review Tom Harper's Motion to withdraw as attorney of record.	AR
866.001	01/26/2011	SA A	<b>\</b>	<b>1</b> 1	275,00	0.70	192.50	Receive and review Tom Harper Motion to Withdraw, Telephone conference with Jim Christensen, counsel for Lytles;	AR
866.001	01/27/2011	RR A		3	160.00	0.30	48.00	Telephone conference with Orville and Johnle McCumber regarding status of matter and proposes agenda and notice,	AR
866.001	01/27/2011	NG A		9	245.00	0.70	171.50	Review and analyze proposed agenda and nolices (2); Verify compliance with NRS 116 (.3) Telephone Conference client regarding same (.2)	AR
866.001	01/27/2011	sa A		1	275.00	0.40	110.00	Receive and review email and attachments from Mr. McCumber, Conference with Ms. Guralny regarding	AR
866,001	01/28/2011	RR A	1	1	160,00	0,20	32.00	same Email to Orville McCumber requesting Invoice for recorder fees.	AR
866,001	02/01/2011	SA A		1	275,00	0,50	137.50	Telephone conference with Jim Christensen, coursel for Lytles	AR
100.688	02/10/2011	RR A	١	3	160.00	0.10	16,00	Telephone conference with Orville and Johnle McCumber regarding status of matter.	AR
866,001	02/16/2011	SA A		1	275.00	0.40	110,00	Telephone conference with Orville and Johnnie McCumber;	AR
866.001	02/16/2011	RR A	1	1	160.00	0.30	48.00	Phone conference with Board of Directors regarding course of action; brief discussion regarding same with Mr. Anderson,	AR
866,001	09/07/2011	SA A		9	275.00	1.20	00,08	Receive and review email from Orville McCumber and attached notice for oral argument issued by Nevada Suprema court; Telephone conference with Mr. and Mrs. McCumber; Conference with Mr. Reed regarding drafting and answering counterdalm	AR
886,001	03/07/2011	RR A	¥.	9	160.00	0,20		Receive and review email from Orville McCumber regarding strategies.	AR
866.001	03/14/2011	RR A	A.	9	160,00	0,40	64.00	Review and analyze Nevada Supreme Court Order of Oral Argument (.2); Receive and review Notice of Entry of Order and Order denying Harper's Motion to Adjudicate Attorney Lien.(.2)	AR
866,001	03/18/2011	SA A	<b>\</b>	1	275.00	0.10	27,50	Receive and review email from Mr. McCumber and attachments	AR
868,001	03/25/2011	RR A	<b>\</b>	9	160.00	0.40	64,00	Receive and review email from Orville McCumber regarding status of Answer and Counterclaim; Phone conference regarding same	AR:
866.001	03/25/2011	SA /		1	275.00	1,40		Receive and review email from Orville McCumber; Telephone conference with Board of Directors regarding status and strategy; Begin preparation of Answer and Counterclaim	AR
886.001	03/31/2011	RR A	A	9	160.00	0,30	48.00	Reviewed Answer and Counterclaim; Made edits to same	AR
866.001	04/01/2011	RR A	A	3	160.00	0.30		Telephone conference with Jim Christensen regarding Substitution of new counsel and Failure to Serve same	AR
866.001	04/04/2011	RR A	4	8	160,00	08,0	48.00	Prepared Initial Appearance and Fee Disclosure email to board of directors regarding new counsel for the Lytles	AR

Page:

Detail	Transaction Johnson Song	File List
Leach	Johnson Song	& Gruchow

			ng & Gruchow	Leach Johnson So					
<u>R</u> ı		Amount	Hours to Bill	Simt# Rate	Check Tcode/ Number Task Code	P	Tmkr		Client
AR	Review and revise correspondence to	55,00	0.20	275.00	Owners Association 9		tes Prope SA	04/05/2011	lient ID 866.001 866,001
ARı	James Christensen, counsel for the Lytles Drafted letter to James Christensen regarding representation (.3); Edits to Same (.1)	64.00	0.40	160.00	8	A	RR	04/05/2011	100,00R
ARı	Directed Ms. Cybul to provide Answer and Counterclaim to board of directors	32.00	0,20	160,00	1	A	RR	04/08/2011	868.001
AR	Receive and review issue related to Counterclaim	16.00	0.10	160,00	8	Α	RR	04/11/2011	866.001
AR	Review, revise and substantially edit Errata to Answer	82.50	0,30	275.00	9.	A	SA	04/18/2011	866,001
ARı	raceive and review Substitution of Attorney; email to Orville McCumber with same, requested status of Supreme Court Hearing (.3); Compiled and executed documents regarding same		0.50	160,00	9	A	RR	04/18/2011	866,001
AR	Receive, review and respond to email from Orville McCumber (.5); Drafted 3 day Notice of Intent to take Default (.3); Edit to Response (.1)	144.00	0.90	160.00	9	Α	ЯR	04/20/2011	866,001
AR	Review, revise and edit 3 day Notice of Intent to Take Default (.1); Review, revise and edit email to Mr. McCumber (.1)	55,00	0.20	275,00	1	Α	SA	04/20/2011	866.001
AR	Conference with Mr. Reed regarding status and strategy	82.50	0,30	275.00	14	Α	SA	05/06/2011	866,001
AR	Prepared 3 day Notice, directed same to be served for Lytle Counsel	60.00	0.30	200,00	8	A	RR	05/08/2011	866.001
AR	Receive and review correspondence from Robert Sullivan, counsel for Lytles		0.20	275.00	9		SA	05/11/2011	866.001
AR	Receive and review letter from opposing counsel regarding scheduling of Early Case Conference (.2); Finalized 3 day Notice (.1)		0.30	200,00	9	A	RR	05/11/2011	866,001
AR	Receive and review Reply to Counterclaim; Receive and review Demand for Jury Trial	82,50	0.30	275,00	9	Α	SA	05/13/2011	866,001
AR	Receive and raview Lytle Reply to Counterclaim (.3); Receive and review Demand for Jury Trial (.2); Receive and review certificate of Service (.1)	120.00	0,60	200.00	g	Α	RR	05/13/2011	866,001
AR	Commenced document preparation for Early Casa Conference; Confirmed early case conference location and time.	80.00	0.40	200,00	8	Α	RR	05/20/2011	866,001
ARı	continued preparation of documents for NRCP 16.1 initial Disclosures	40,00	0.20	200,00	9	Α	RR	05/24/2011	886,001
AR	Receive and review Notice of Early Case Conference	40.00	0.20	200.00	9	Α	RR	05/25/2011	866.001
AR	confinued preparation of documents for NRCP 16.1 Initial Disclosures; left phone message with ORville McCumber regarding Early Case Conference; Phone conference with Orville McCumber providing status	100.00	0,50	200,00	8	Α	RR	05/25/2011	866,001
AR	Continued documents review of draft; 16.1 initial disclosures prepared for and attended Early Case Conference	300.00	1.50	200.00	8	Α	RR	06/26/2011	866,001
AR	Telephone conference with Orville McCumber (.5):	137,50	0.50	275.00	3	A	SA	05/27/2011	866.001
AR	Exchange emails with Orville McCumber; Review and enalyze correspondence from Lyties	82.50	0.30	275,00	.9.	A	SA	06/07/2011 ·	866,001
AR	Review and analyze Lytie correspondence to Dr. Sandavol; Evaluate Nevada Revised Statutes; Telephone conference with Mr. and Mrs. McCumber regarding same	1 <del>9</del> 2.50	0.70	275.00	9	A	SA	06/08/2011	866.001
AR	Left phone message with opposing counsel requesting initial Disclosures(2); Receive and review email from Orville McCumber requesting status (2)	80.08	<b>D.4</b> 0	200,00	į <b>1</b>	Α	RR	06/16/2011	866.001
AR	Receive, review and respond to email form Orville McCumber regarding initial Disclosures (.3)		0.30	200,00	9		RR		866,001
AR	Prepare and draft letter to Lylles' (1.2); substantive analysis of NRS 118 regarding assessments (.4)		1,60	245,00	8		NG		866.001
AR	Receive, review, and respond to email from Orville McGumber regarding Plaintiffs initial Disclosures	60,00	0.30	200,00	9	Α	RR	06/27/2011	866.001

Info: 02/	2012042				Dotail	Transanti	ion File List			Page:
)ate: 02/3	20/20  2				Leach	Johnson Sor	ng & Gruchow			ı ayı.
	Client	Trans Date	Tmkr	P Number 7	code/ ask Code	Stat# Rale	Hours to Bill	Amount		R
lient ID	865.001 Ros 865.001	semere Estate: 06/28/2011	Prope RR	rty Owners Assoc A	elation 8	200.00	2.70		Continued draft of Motion for Summary	AR
	868.001	06/29/2011	RR	A	9	200.00	0.20	40.00	Judgment, Reviewed NRS 38,330 (5) Provided Mr. Anderson with status of	AR
	866,001	06/30/2011	RR	A	10	200.00	1.90		Motion for Summary Judgment (.2) legislative research regarding NRS	AR
	866,001	07/05/2011	SA	A	9	275.00	0,50		38,330; Westlaw research regarding same Review, revise, and edit draft Joint Case	AR
									Conference Report prepared by opposing counsel	
	866.001	07 <i>1</i> 13/2011	RR.	A	9	200,00	0,30		Receive and review revised Joint Case Conference Report; Executed same; Left Message with opposing counsel regarding conduct of client (.3)	AR
	866,001	07/13/2011	SA	A	1	275.Q0	0.50	137.50	Receive and review email from Orville McCumber and attachments from Lytles; Email to Orville; Telephone conference with Orville	AR
	866.001	07/19/2011	RR	A	₽.	200.00	0,20	40.00	Receive and review copy of filed Joint Case Conference Report (.2)	AR
	869,001	07/19/2011	SA	A	1	275.00	0.20	55.00	Case Comercia Case (22) Receive and review Final Joint Case Conference Report from Rebert Sullivan, coursel for Lyfles (.2)	AR
	866.001	07/22/2011	RR	A	9	200.00	0,50	100.00	Receive and review documents from Orville McCumber, drafted response to Lytle lefter dated July 11, 2011 (.5)	AR
	866.001 866.001	07/25/2011 07/25/2011	DZ RR		14 9	125,00 200.00	0.20 4.10	25.00	Office conference with Mr. Reed re: MSJ Continued Motion to Dismiss (1.8);	AR AR
	000.001	UIIZUIZUTT	141	•	J	200.00	7110		Research regarding stander of title and Injunctive relief (2.3)	אוי
	866.001	07/26/2011	RR.	A	3	200,00	0,40	80,08	Phone conference with Arbitrator regarding court reporter and hearing (.2); left message with opposing counsel regarding documents, after review of Early	AR
	868.001	07/27/2011	RR	A	1	200.00	0.20	40.00	Case Conference documents (.2) Directed assistant to contact Mr. Harper regarding ADR hearing court reporter (.1); Receive, review, and respond to request	ЯA
	866,001	08/16/2011	RR	A	3	200.00	0.70	140.00	from Mr. McCumber for copy of letter (.1) Tried to call Mr. McCumber (.1); Drafted status update to Mr. McCumber regarding course of action (.3); Drafted letter to opposing council regarding initial	AF
	866,001	08/17/2011	RR	A	9	200.00	0.30		disclosure (.3) Receive and review phone message from Orville McCumber; Phone conference with Mr. and Mrs. McCumber regarding status	AR
	866,001	08/18/2011	SA	Α	14	275.00	0.20	55,00	of matter and Arbitration hearing transcript Conference with Mr. Reed regarding	AR
	866,001	08/22/2011	RR	A	8	200.00	2.80	560,00	Motion for Summary Judgment (.2) Continued Motion for Summary Judgment; Reviewed arbitration transcript, drafted affidavit of Orville McCumber in Support of	AR
	866,001	09/19/2011	NG	A	9	265.00	0.30	76.50	Motion Summary Judgment (2.8) Review and analyze letter from Lylle's attorney regarding various issues (.2); conference with Mr. Reed regarding the same (.1)	AR
	866,001	09/15/2011	RR	Α	9	200.00	0.10	20.00	Receive and review e-mail from Mr.	AF
	866.001	09/15/2011	SA	A	9 .	295,00	2.50	737.50	McCumber requesting status (.1) Reviso, review, and edit Motion for Summary Judgment and Affidavit of Orville McCumber; Exchange e-mails with	AR
	866.001	09/16/2011	RR	A	8	200,00	3.40	80,088	Mr. McCumber (2.5) Commenced edils to Motion for Summary Judgment and McCumber Affidavit, additional analysis regarding stander of	AR
	866.001	09/16/2011	SA	A	8	295.00	1.00	295,00	title (2.7); Meeting with Mr. McCumber (.7) Final revisions to Motion for Summary Judgment and Affidavit of Orville McCumber (1.0)	AR
	866,001	09/19/2011	RR	A	8	200,00	0.90	180.00	inputted McCumber Affidavit Into Motion to Summary Judgment, finalized Motion to Summary Judgment provided draft to Mr. Anderson (:9)	AF
	866.001	09/21/2011	RR	A	<b>9</b> .	200,00	0.30	60,00	Receive and review notice of Motion; Provided status to client e-mail	AF
	866,001	09/21/2011	SA	A	8	295,00	1.20	354.00	Final revisions to Motion for Summary Judgment and Affidavit of Orville McCumber (1.2)	AF

Pate: 02/28/2012					il Transaction ch Johnson Song				Page:
Client	Trans Date	Trườo	H Check P Number	Tcode/ Task Code	Stmt# Rato	Hours to Bill	Amount		R
ilent ID 856.001 R 866.001	osemere Estate: 09/22/2011	s Prope SA		Association 9	295.00	0.50		Receive and review plaintiffs First Supplement to Early Case Conference Production of Documents and Witnesses and documents attached thereto (.5)	AR
866.001	09/23/2011	RR .	A	9	200.00	08.0	120.00	Receive and review Plaintiffs First Supplement to Early Case Conference (.3); Receive and review letter from Hand, Page, & Sullivan regarding Lytles (.3)	AR
866.001	10/03/2011	JL .	A.	1	295.00	0,20	59.00	Conference with Mr. Anderson regarding consolidation of claims and construction penalty issues	AR
866.001	10/03/2011	RR .	A	9	200,00	1,50.	300.00	Receive and review e-mail from Mr.  McCumber regaring upcoming meeting and Supreme Court e-mail; Received e-mail; Reviewed e-mail; Reviewed et achieve of Court and oliters; Called and left message with Mr.  McCumber regarding same; Phone conference with Mr. McCumber; Receive and review e-mail setting up conference for tomorrow	AR
886,001	10/03/2011	SA	A	9	295.00	1.80		Receive and review e-mail from Orville McCumber and numerous letters and documents from Lytles and Decision of Supreme Court; Telephone conference with Mr. and Mrs. McCumber, Continue review and analysis of documents provided by Mr. McCumber and begin formulating response (1.8)	AR
866.001	10/04/2011	RR .	A	9	200.00	1.80	360.00	Receive and review e-mail from Orville McCumber regarding meeting with board of directors	AR
866.001	10/04/2011	SA	A	9	295.00	2.30	678.50	Receive and review e-mail from Orville McCumber (.1); E-mail to Mr. McCumber (.2); In office meeting with board of directors regarding status and strategy (2.0)	AR
866.001	10/05/2011	RR	A	g	200.00	0.10		Receive and review e-mall from Mr. McCumber advising Mr. Smith of our representation of Rosemere Estates POA (.1)	AR
866.001	10/05/2011	SA	A	9	295,00	0.10	29.50	Receive and review e-mail from Orville McCumber (.1)	AR
866.001	10/06/2011	RR	A	8	200.00	0.60	120.00	Drafted substitution of counsel (.4); Research on wiznet for who was Lytles' counsel on other matter (.2)	AR
866,001	10/07/2011	RR	A	9-	200,00	0,10		Receive and review e-mall from Mr. Jason Smith regarding our firm represenation (-1)	AR
866,001	10/07/2011	SA	A	9	295.00	0.30	88.50	(-7) Review, revise, and edit substitution of counsel (,2); Receive and review e-mail from Jason Smith (.1)	AR
866,001	10/10/2011	RR .	A	9	200.00	1.40	280,00	Requested Ms. Calimpong to prepare a list of reserve specialists to provide to Mr. McCumber (.1); Drafted Notice of Non-Opposition (1.2); Receive and review executed Substitution from Jason Smith (.1)	AR
866.001	10/17/2011	RR	A	8	200.00	4,10	820,00	Commenced letter to Lytles in response to 5 letters issued by Lytles reviewed same (4.1)	AR
866.001	10/17/2011	SA.	A	9	295,00	08.0	236.00	Review, revise, and edit correspondence to Lylles; Directions to Mr. Reed regarding same and Motion for Summary Judgment (.8)	AR
866.001	10/18/2011	JL .	A	1	295.00	0,20	59.00	Conference with Mr. Reed regarding unpeid assessments, budgeting and construction penalties	AR
866.001	10/18/2011	RR .	A	9	200.00	4.20		Revise, review, and edit letter to Lytles regarding violation letters (.3); Commenced review of Opposition to Motion for Summary Judgment (.8); Commenced Reply to Opposition (3.1)	AR
868,001	10/18/2011	SA	A	18	295.00	3.30	973.50	Office conference with Mr. Reed regarding Opposition to Motion for Summary Judgment and strategy on same; Review Opposition to Motion for Summary Judgment; Draft framework for Reply Brief (3.3)	AR

Page:

001298

					Leac	h Johnson Song	& Gruchow			-
	Glent	Trans Data	Tmkr P		Tcode/ TaskGode	Stint ≇ Rate	Hours to Bill	Amount		Re
lient ID	866.001 I 866.001	Rosemere Estati 10/19/2011	es Propert RR A	y Owners	Association 8	200.00	5,30		Continued Opposition to Motion for Summary Judgment; considerable	AR(
	866.001	10/20/2011	RR A		9	200.00	0.30	60.00	westlaw research regarding stander of title Receive, review, and respond to e-mail from Mr. McCumber regarding briefs, substitution of attorney and documents	AR(
	866,901	10/20/2011	SA A		9	295,00	3.00		under NRS 116 (.3) Réceive and review e-mail from Orville McCumber; E-meil to Orville McCumber; Conference with Mr. Reed; Review Opposition to Motion for Summary Judgment; Begin reviewing, revising, and editing Reply to Opposition to Motion for	AR(
	866.001	10/26/2011	SA A		9	295.00	3,30	973.50	Summary Judgment (3.0) Complete reviewing and editing reply to Opposition to Motion for Summary Judgment; Follow up research regarding pleading requirements for special damages and Application to Award of Attorneys Fees (3.3)	AR(
	866.001	10/27/2011	RR A		8	200.00	0.20	40.00	Reviewed file for other information related	ARC
	866.001	10/31/2011	RR A		3	200,00	<b>0.70</b>	140.00	to special assessments (.2) Telephone conference with Mr. McCumber regarding letter from Lytles and course of action (.5); Receive and review message from Sullivan regarding continuing deadline on hearing on Motion for Summary Judgment (.2)	ARC
7	866.001	10/31/2011	sa a		ð	295,00	1,20	354.00	Receive, review and analyze Notice of Entry of Reversal and Remand and attached Reversal and Remand from Nevada Supreme Court; Receive and review correspondence from Lytles to Dr. Sandoval; Telephone conference with Mr.	ARC
	866.001	11/02/2011	RR; A		9	200.00	0.70	140.00	and Mrs. McCumber (1.2) Advised of possibility of moving hearing to accommodate military service of Sullivan (.1); Receive and review Notice of Entry of Order on revertal and remand (.3); Telephone conference with Mr. McCumber regarding moving hearing; Atlempted to	AR(
	866.001	11/02/2011	SA A		3	295,00	0.40	118.00	contact Sullivan regarding same (.3) Telephone conference with Robert Sullivan, counsel with Lytes (.2); Conference with Mr. Reed (.1); Receive and review e-mail from Crville McCumber (.1)	AR(
	866.001	11/03/2011	RR A		3	200.00	0.90	180.00	Telephone conference with opposing counsel and ollent regarding moving hearing to November 14, 2011 (.3); Receive and review proposed Stipulation and Order executed same (.2); Letter to Lyttes regarding moving date in which documents available (.2); E-mail to Orville regarding same (.2)	ARI
	866.001	11/04/2011	RR A		8,	200.00	0.30	60.00	Finalized letter to Lytles regarding document review, executed same (.2); Receive and review e-mail from Mr. McCumber regarding time frame for related action (.1)	AR(
	866,001	11/04/2011	SA A	•	â	295.00	0.30	88,50	Review, revise, and edit correspondence to Lyties (.2); Receive and review e-mail from Orville McCumber (.1)	ARI
	866,001	11/08/2011	RR A	<u>.</u>	1	200.00	0.20	40.00	Contacted by court regarding Plaintiffs failure to affix signature to Stipulation and Order and need re-file same (.2)	ARI
	866.001	11/10/2011	RR A		8	200,00	0.40	80.08	Drafted and sent e-mail to Mr. Smith requesting file (.2); Receive, review, and respond to e-mail from Mr. Smith (.2)	ARI
	866.001	11/10/2011	SA A	<b>\</b>	19	295.00	0.10	29.50	Receive and review e-mail from Jason Smith (.1);	ARI
<b></b>	866,001	11/14/2011	RR A		13	200,00	5.80	1,160.00	Prepared for, traveled to, and altended Hearing on Motion for Summary Judgment (4.3); Telephone conference with Mr. & Mrs. McCumber regarding hearing and course of action (.3); Receive and review Plaintiffs First Supplement to Opposite to Motion for Summary Judgment; Faxed same on 11/11/2011 at 7:17 (.3);	ARI

Page:

			Lt	each Johnson Song	or Gruchow			
Client	Trans Date	Trike P	Check Tcode/ Number Task Gode	Stmt# Rate	to Bill	Amount		Ra
lent ID 866.001	Kosemere Estate	s Property	Owners Association				Commenced verified memo of costs (.1);	
866,001	11/14/2011	SA A	9	295,00	5.80	1,711.00	Commenced draft of Order Granting Motion for Summary Judgment (.8) Receive, review, and analyze Lyties First Supplement to Opposition to Motion for Summary Judgment (.3); Prepare for, travel to, and argue Hearing on Motion for	AR(
866,001	11/15/2011	RR A	8	200,00	0.60	120,00	Summary Judgment (4.5); Telephone conference with Mr. and Mrs. McCumber regarding same and status (.5) Edits to Order Granting Associations Motion for Summary Judgment (.3); Drafted and sent e-mall to Sullivan with draft Order for review and comment to be	AR(
866,001	11/15/2011	SA A	8	295.00	0.20		provided by November 18, 2011 (.3) Final revisions to Order Granting Motion	AR(
868.001	11/16/2011	RR A	8	200.00	0.30	60,00	for Summary Judgment (2) Commenced draft of verified Memo of	AR(
866.001	11/17/2011	RR A	9	200,00	2.50	600,00	Costs (.3) Reviewed billings for purpose of determining applicable time person for Mollon for Attorney Fees (.2): Commenced application to confirm and	AR(
866.001	11/21/2011	RR A	9	200.00	1.10		Motion for Attomeys Fees (2.5) Review and analyze e-mail from Mr. Sullivan with suggested redline edits to Order forwarded same to Mr. Anderson (.3); Requested assistant to pull minute order, if any, reviewed same (.3); Continued Motion for Attomey's fees and application to continue (.2); Directed assistant to contact Mr. Smith regarding file (.1); Receive, review and respond to e-mail from Mr. McCumber regarding	ARC
866.001	11/23/2011	RR A	9	200,00	0.40	80.00	Order and Motion and course of action (.2) Receive and review e-mail from Santoro Ortiggs regarding files ready for pick up (.2) Receive and review letter from Mr.	ARC
866.001	11/23/2011	SA A	9	295.00	1.50		Smith confirming transfer of file (.2) Receive and review correspondence from Jason Smith and begin reviewing documents provided by Mr. Smith regarding previously filed action by Lytles (1.0); Receive and review e-mail from Lytles counsel Robert Sullivan regarding revisions to Order Granting Motion for Summary Judgment (.2); Directions to Mr.	AR(
866.001	11/28/2011	RR A	8	200.90	0.50		Read regarding same (.3) Made edits to Order, compared to original Order as submitted, provided draft and changes to Mr. Anderson for review and comment (.3); Drafted and sent e-mail to opposing counsel regarding Order and conduct of Ms. Lytle contacting our office (.2)	ARC
886,001	11/28/2011	sa a	8	295,00	0.20	59.00	Finalize Order granting Motion for Summary Judgment (2)	AR(
866.001	11/29/2011	RR A	9	200.00	0.40	-80.00	Reviewed Wiznet for Register of actions (:2); Receive, review, and respond to e-mail from Mr. McCumber regarding	AR(
866.001	11/30/2011	SA A	9	295.00	1.20	354.00	Lylles, review of records (,2) Review documents for Trudi Lytte document review; E-mail to Orville McCumber; Review NRS 116 for costs of	AR(
866.001	12/06/2011	RR A	8	200.00	0.40	80.00	copying disputed by Ms. Lylle (1.2) Finalized Memo of Costs and submitted	ARI
866.001	12/07/2011	SAA	Ð	295.00	0.50	147.50	draft of same to Mr. Anderson (.4) Review, revise, and edit Verified	ARI
866.001	12/09/2011	RR A	9	200.00:	0.20	40,00	Memorandum of Costs (.5) Receive and review executed Order of	ARI
866.001	12/09/2011	SÁ A	1	295,00	0,40	118.00	Court (.2) Telephone conference with Orville	ARI
866,001	12/13/2011	SA A	1	295.00	0,50	147.50	McCumber regarding status (.4) Receive, review and analyze correspondence from Beau Starling, counsel for Lytles in appeal and attached Notice of Association of Counsel, Motion and Order Exonerating Bond and attachments, and Memorandum of	ARI

001300

Page

Leach Johnson Song & Gruchow	Detail Transaction File List Leach Johnson Song & Gruchow	
------------------------------	--	--

Ol7	Trans		H Check	Tcode/ Task Code	Stmt# Rafe	Hours to Bill	āmaim*		n
Client Client ID 866,001 R	<u>Date</u> osemere Estate		P Number orty Owners		Kale	10 0(1)	Amount		R
866.001	12/16/2011	RR		9.	200.00	03.0		Appellate Costs Taxable in District Court Receive and review letter from Sterling Ken advising us of Notice of Association of Coursel for exoneraling the appeal bond; Reviewed his verification Memo of Costs, Notice of Association and Ex Parte	AR
866.001	12/16/2011	RR	A	9	200.00	0.30	•	Application (.8) Executed Verified Memo of Costs to be filed with court (.1); Receive, review, and respond to e-mail from Mr. McCumber regarding scheduling pinone conference and past board of directors meeting (.2)	AR
866.001	12/19/2011	RR	Α	9	200.00	0.90	180.00	Held phone conference with Mr. and Ms. McCumber regarding Lytle Order and course of action (.9)	AR
866,001	01/04/2012	RR	P	9	200,00	0.40	00.08	Recolve and review Lytles' Three Day Notice (.2); Contacted Mr. Sullivan to advise Answer would be submitted today (.2)	
866.001	01/05/2012	ार	P	10	200.00	0.40		Researched Wiznet to see if defendant filling in A-09-593497-C (.2); Receive, review, and respond to e-mail from Mr. McCumber regarding motion for Attorney's fees (.2);	
866,001	01/0 <i>5/</i> 2012	SA		9	295,00	0.70		Receive, review, and analyze Lylie Motion for Relief from Judgment to Alter and Amend Judgment for Clarification of Decision and Order for Sanctions for Reconsideration and for Leave to Amend to file Supplemental Complaint (.7)	
866,001	01/06/2012	SA	P	9	295.00	1,50	442.50	Review, revise, and edit Motion to Confirm Arbitration Award and Motion for Attorneys Fees and costs; Finalize same for submission to court (1.5)	
866.001	01/09/2012	RR	P	9	200.00	1.20	240.00	Receive and review Plaintiffs Motion for Relief from Order; Commenced Opposition analysis and briefing (1.2)	
866,001	01/12/2012	SA	Þ	9	295.00	0.20	59.00	Receive, review, and analyze Application for Order Shortening Time on Motion for Reconsideration (.2)	ż
866,001	01/13/2012	RR	P	8	200,00	1.70	340.00	Commenced Omnibus Opposition to Plaintliffs Motion to Clarify and Reconsider (1.7)	
866,001	01/17/2012	RR	P	8	200,00	6.40		Continued Opposition to Plaintiff's Motion filed December 27, 2011, prepared and submitted draft of same to Mr. Anderson (6.4)	
866,001	01/18/2012	SA	P	9	295,00	3,60	1,062.00	Review, revise & edit opposition to Plaintiffs' motion from reflef from Judgment, to alter or amend judgment for clarification for reconsideration for leave to amend or supplement complaint; finalize same for filling and service; conferences with Mr. Reed regarding same and strategy (3,6)	
886.001	01/26/2012	RR	P	9	200.00	0.90 •	180,00	Receive and review Plaintiff's Reply in Support of Plaintiff's Motion for Relief from Judgment (.6); Provided status to Mr. McCumber regarding Motion and upcoming hearings (.3)	
866,001	01/26/2012	SA	P	9	295.00	0.60	177,00	Receive and review the Lytle's reply brief in support of plaintiffs' motion; conference with Mr. Reed regarding same (.6)	
866.001	01/29/2012	RR	Ь	8	200.00	1.10	220.00	Commenced preparation on hearing on Plaintiff's Motion for Reconsideration (1.1)	
100.688	01/30/2012	RR	P	54	200,00	8.10	1,820,00	Prepared for traveled to and attended hearing on Plaintiffs' Motion to Clarify, Reconsideration & Sanctions (3.8); Phone conference with board regarding outcome (.6); Receive and review Plaintiffs Opposition to Our Motion for Attorney's	
866,001	01/30/2012	SA	P	13	295,00	6.00	1,770.00	Fees, commence Reply (3.7) Prepare for, travel to and argue hearing on mollon for reconsideration to clarify, etc. (4.2); receive, review and analyze plaintiffs' opposition to motion to confirm and for award of attorneys' fees (.6); draft framework for reply brief and directions to Mr. Reed regarding same (1.2)	<del></del>

Page:

001301

							•			
	Client	Trans Date	Tmkr	H Check P Number	Tcodel Task Gode	Stmt# Rate	Hours to Bill	Amount		<u>R</u> i
:llent IC	866.001 F 866.001	tosemere Estates 01/31/2012	Propi RR		s Association B	200,00	5.10	-	Continued response to Opposition to Our Motion for Attorney's Fees, provided draft of same to MR, Anderson for review and	- ŧ
	866,001	02/01/2012	RR	Р	9	200.00	4.10	820,00	comment (3.2); Drafted letter to Sullivan and Judge Bare regarding issues related to Sullivan's edits (1.9) Receive and review letter from Attorney Sullivan threatening to file bar complaint (.3); receive and review plaintit's first	1
	866.001	02/01/2012	SA	P	1 .	295.00	0.20	59,00	supplement to plaintiff's opposition, drafted objection and motion to strike (3.8) Receive and review correspondence from Robert Sullivan regarding Bar Complaint; Receive and review Plaintiffs' First Supplement to Plaintiffs' Opposition; Draft for Objective Conference of the Confer	<b></b>
									framework for Objection and Motion to Strike same;	
	866.001	02/02/2012	RR	P	9	200.00	1.90	380,00	Review and edit letter to be issued to Allomey Sullivan; continued drafting of objection to and motion to strike improper first supplement, provided draft of same to Mr. Anderson (1.9)	ŧ
	866.001	02/02/2012	SA	P	1	295.00	3.60	1,062,00	Prepare response to Robert Sullivan correspondence, review and edit same; Review, revise and edit Objection to First Supplement and Motion to Strike;	\$
	866.001	02/03/2012	RR	P	8	200,00	0,60	120,00	Prepared proposed order denying their motion and cover letter to Attorney Sullivan with attached order (.8)	:
	866.001	02/03/2012	SA	P	1	295.00	0.20	59.00	Review, revise and edit proposed Order	(
	866,001	02/06/2012	RR	P	13	200.00	5.00	1,000.00	Denying Motion Prepared for, traveled to and attended hearing on motion for attorney fees, cant set matter regarding attorney fees for	
									evidentiary hearing (3.7); telephone conference with board of directors regarding outcome of hearing and strategy moving forward (.5); prepared order granting in part and denying in part our motion to confirm and motion for attorney fees (.8)	
	866,001	02/06/2012	SA	P	1	295,00	5.00	1,475.00	Prepared for, traveled to and argued hearing on Motion for Attorneys' Fees!Motion to Confirm; Telephone conference with Board pearing hearing outcome and strategy; Directions to Mr. Reed regarding Order	;
	866.001	02/08/2012	RR	P	8	200.00	0.40	00.08	Revise and edit order denying defendant application to continue granting motion for attorney fees (.2); prepared cover letter to send to opposing counsel with attached proposed order (.2)	;
	856,001	02/09/2012	RR	P	9	200,00	0.30	<b>6</b> 0 <b>°</b> 00	Receive and review letter from Attorney Sulliven approving content of order denying his motion for reconsideration, executed order to be filed with court (.3)	;
	866.001	02/15/2012	SA	P	1	295.00	1,20	354.00	Draft framework of Motion for Attorneys'	;
	866,001	02/16/2012	RR	P	8	200.00	2.70	540.00	Fees and begin reviewing billings Commenced drafting of motion for attorney's fees (2.3); receive and review recorders transcript of January 30, 2012	;
	866.001	02/27/2012	SA	Р	1	295,00	3,20	944.00	hearing (.4) Complete Motion for Altorneys' Fees and Complete reviewing billings, finalize same for filing with Court	:
	Şüb	ional for Fees				Billable	448.10	95,514.65		
	866.001	07/28/2010	KG	Α	29	0.500		17.50	Conference Call RR	AR
	866.001	08/06/2010	KG	Α	51	0,200		67.80	Photocopy charges-Black & White	AR
	886.001	08/11/2010	KG		23	6,500			Delivery Charge	AR
	866.001	08/16/2010 08/16/2010	KG KG		61 23	0.200 6.500			Photocopy charges-Black & White Delivery Charge	AR AR
	866,001 866,001	Q8/23/2010	KG		23 53	0.000			Postege	AR
	886.001	08/24/2010	KG	A	51	0,200		41,60	Photocopy charges-Black & White	AR
	866,001	08/25/2010	KG		53				Postage	AR
	100.338	09/03/2010	KG		53 #1	A 200			Postage  Phytograpy charges-Black & Milile 480	AR AB
	100,888 100,888	09/03/2010 09/08/2010		A	51 53	0.200			Photocopy charges-Black & While-480 Postage	AR AR
(F).	upo,uo I			•	***	<del> </del>			The same of the sa	
437.									Tunderschaft	

				Leac	ch Johnson Song	& Gruchow			
	Trans		Check	Tcodel	Stmt#	Hours			
Cilent	Ditte	Tmkr P		Task Code	Rato	to Bill	Amount		R
::   Continue   Contin			y Owners.		0.200		C 40	Dhalanama shawar Di-al- a 165.4- aa	
866,001 886,001	09/08/2010 09/16/2010	KG A KG A		51 23	0.200 6.500			Photocopy charges-Black & White-32 Delivery Charge	AR AR
866.001	09/16/2010	KG A		51	0.200		22.80	Photocopy charges-Black & White -114	AR
866,001	09/22/2010	KG A		53			0.44	Postage	AR
866.001	09/28/2010	KG A KG A		55 53	0.200			Facsimile costs -33 Postage	AR
868.001 866.001	09/29/2010 09/30/2010	KG A		53				Postage	ar ar
866.001	10/05/2010	KG A		23	6,500			Delivery Charge	AR
886.001	10/18/2010	KG A		53				Postage	AR
866.001	11/02/2010	KG A		56 ee	0.200			Scan Copy -12	AR
866.001 886.001	11/02/2010 11/04/2010	KG A KG A		65 51	0,200 0,200			Facsimile costs -33 Photocopy charges-Black & White -324	ar Ar
866,001	11/04/2010	KG A		23	6.500			Delivery Charge	AR
866,001	11/04/2010	KG A		23	6.500			Delivery Charge	AR
866.001	11/05/2010	KG A		51 55	0.200			Photocopy charges-Black & White -728	AR
866.001 866.001	11/16/2010 12/16/2010	KG A KG A		51	0.200 0.200			Facsimile costs -23 Photocopy charges-Black & White - 94	ar Ar
868.001	03/31/2011	KG A		51	0.200			Photocopy charges-Black & While - 10	AR
866.001	03/31/2011	KG A		53			0,61	Postage	AR
866.001	04/05/2011	KG A		53				Postage	AR
866.001	04/05/2011	KG A		51 56	0,200 -0,200			Photocopy charges-Black & White - 1	AR
866.001 866.001	04/05/2011 04/05/2011	KG A		55	0,200			Scan Copy - 2 Facsimile costs - 1	AR AR
866.001	04/18/2011	KG A		53	0,200			Pastage	AR
866.001	04/18/2011	KG A		51	0.200			Photocopy charges-Black & While - 10	AR
866.001	04/18/2011	KG A		55	0.200			Facsimile costs - 10	AR
866.001	04/20/2011	KG A		53 54	0.200			Postage	AR
868.001 866.001	05/11/2011 05/11/2011	"KG A KG A		51 53	0,200			Photocopy charges-Black & White -8 Postage	AR AR
866,001	05/26/2011	KG A		51	0,200			Photocopy charges-Black & White -326	AR
866.001	06/28/2011	KG A		53				Postage	AR
868.001	07/22/2011	KG A		53				Postage	AR
866.001	07/22/2011	KG A		51	0:200			Photocopy charges-Black & White -56	AR
866.001 866.001	09/19/2011	KG A KG A		56 51	0,200 0,200			Scan Copy -386 Pholocopy charges-Black & White -386	AR AR
866.001	09/19/2011	KG A		53	VIZOU			Postage	AR
866.001	09/22/2011	KG A		56	0.200		0.60	Scan Copy -3	AR
866.001	09/22/2011	KG A		51	0,200			Photocopy charges-Black & White-3	AR
866.001	09/22/2011	KG A		53 50				Poslage	AR
866.001 866.001	10/11/2011 10/11/2011	KG A KG A		53 51	0.200			Postage Photocopy charges-Black & White -8	AR AR
866.001	10/11/2011	KG A		56	0.200			Scan Copy -4	AR
866.001	10/18/2011	KG A		53			3.36	Postage	AR
866.001	10/18/2011	KG A		53				Postage	AR
866,001	10/18/2011	KG A KG A		51 51	0.200 0.200		14.40	Photocopy charges-Black & White -72 Photocopy charges-Black & White -16	AR AR
866.001 866.001	10/27/2011 10/27/2011	KG A		58	0.200			Scan Copy -16	AR
886.001	11/03/2011	KG A		56	0,200			Scan Copy -2	AR
866.001	11/04/2011	KG A		53			12.06	Postage	AR
868.001	11/04/2011	KG A		51	0.200	•		Photocopy charges-Black & White -2	AR
886.001	11/28/2011	KG A		51 53	0.200			Photocopy charges-Black & White -144 Postage	AR
866,001 866,001	11/30/2011 01/05/2012	KG A KG P		51	0.200			Pholocopy charges-Black & While -16	AR
866.001	01/06/2012			51	0.200			Photocopy charges-Black & White -46	•
868.001	01/09/2012	KG P		53				Postage	•
866.001	01/09/2012			53	0.000			Poslage	•
866.001 866.001	01/09/2012 01/13/2012			58 63	0.200			Scan Copy -8 Postage	
866,001	01/13/2012			51	0.200			Photocopy charges-Black & White -3	
868,001	01/13/2012			58	0,200			Scan Copy -3	
866.001	01/31/2012	KO P		53			5.04	Postage	
Sara	olal for Expens	<b>E</b>			Bllable	0.00	958.65		
866,001	08/26/2010	KG A		76			9.05	Online legal research, RR	AR
866.001	09/14/2010	KG A		79				Legal Document Solutions 71921	AR
866,001	09/21/2010	KG A		76				Online legal research. RR	AR
866,001	09/21/2010	KG A		76 70				Online legal research, RR Legal Document Solutions 72072 Media	AR AR
866.001	09/22/2010	KG A		79 48				Conversion Services	
866.001 866.001	09/27/2010 11/04/2010	KG A KG A		48 76				Clark County Recorder - Lien Release Online legal research, SA	AR AR
866.001	11/05/2010	KG A		76				Online legal research. RR	AR
866,001	12/16/2010	KG A		76			25.94	Online legal research, RR	AR
856.001	03/31/2011	KO A		79				NV Court Fees	ΑŔ
886.001 866.001	04/04/2011 04/18/2011	KG A KG A		79 48				NV Court Fees Wiznet-Court E-Filing Fee	AR AR
866.001	04/20/2011	KG A		48				Wiznet- Court E-Filing Fee	AR
868.001	04/21/2011	KG A		48				Wiznet-Court E-Filing Fee	AR

Page:

#### Detail Transaction File List Leach Johnson Song & Gruchow

	Trans	ı	H Check	Tcode/	Simt#	Hours			
Client	Date	Tmkr		Task Code	Rate	to BIII	Amount		Rı
lient ID 866.001 Rosemere Estates Property Owners Association									
866,001	05/11/2011	KG /		48				Wiznet-Court E-Filing Fee	ARI
866.001	06/28/2011	KG A		78 76				Online legal research. RR	ARI
866,001	08/30/2011	KG .		76 76				Online legal research, RR Online legal research, RR	AR! AR!
100.888	07/25/2011	KG .	-	76 76				Online legal research, RR	ARI
866.001 866.001	09/16/2011 09/19/2011	KG		48				Wiznet- Court E-Filing Fee	ARI
866.001	09/22/2011	KG		48				Wiznet-Court E-Filing Fee	ARI
866.001	10/11/2011	КО		23	6,500			Delivery Charge Documents Picked up	ARI
000.000			, ,					from Orville McCumber	
866.001	10/11/2011	KG .	Α	48			3.50	Wiznet- Court E-Filing Fee	ARI
866,001	10/19/2011	KG .	A	76			3.63	Online legal research, RR	ARI
866.001	10/31/2011	KG		23	6.500			Delivery Charge Documents to Dept. 32	AR
866,001	11/14/2011	KG .		79	0.505		13.00	Court Parking SLA	AR
808.001	11/22/2011	KG .	A	23	6.500		6.50	Delivery Charge Pick up Documents from	ARI
900 004	4410010044	VO	٨	22	6,500		6.50	Santoro Driggs	A Di
866.001	11/29/2011	KG . KG .		23 23	6.500			Delivery Charge Documents to Dept 32 Delivery Charge Pick up documents from	ARI ARI
866,001	12/01/2011	NG /	^	23	0.500		0.50	Dept 32	NIC.
868,001	12/02/2011	KG .	Α	23	8.500		6.50	Delivery Charge Documents Picked up	ARI
1 00,000	1210222011	110	, ,	20	0117-0		0,00	from Dept. 32	****
866,001	12/06/2011	KG	A	23	6.500		6.50	Delivery Charge Documents picked up	ARI
								from Dept. 32	
866.001	12/09/2011	KG	Α	48				Wiznet- Court E-Filing Fee	ΑR
866,001	12/15/2011	KG	P	48				Wiznel- Court E-Filing Fee	1
886.001	12/15/2011	KG		48				Wiznet-Court E-Filing Fee	1
866,001	01/09/2012	KG		48	0.500		3.50	Wiznet-Court E-Filing Fee	1
866,001	01/23/2012	KG		23	6.500			Delivery Charge Documents to Dept. 32	1
866,001	01/30/2012	KG		79 23	6,500			Court Parking SLA Delivery Charge -Documents to Dept.32	1 1
866,001	02/01/2012 02/08/2012	KG KG		79	0.500			Court Parking SLA	1
866,001 866,001	02/09/2012	KG		23	6,500			Delivery Charge -Documents to District	
1 00,000	0210012012	100	'	40	0,000		2.00	Court	
866.001	02/13/2012	КӨ	P	79			5.00	Court Parking RR	1
866.001	02/13/2012	KG		79				Clark County Treasurer-Copy of Hearing	1
								Transcript	
866.001	02/14/2012	KG	P	23	6.500		6.50	Delivery Charge - Documents to Regional	1
	*****	140	_	20	c 200		0.50	Justice Center	
866.001	02/16/2012	KG	Р	23	6.500		0.00	Delivery Charge -Pick up Documents from Dept, 32	1
								Liopt, oz	
Subtotal for Advances					Billable	0.00	1,163.24		
7-9-									
866,001	10/04/2010		A	0				Client Fund Payment.	AR
866.001	11/10/2010		A 4044	0	99042			Client Fund Payment.	AR
886.001	11/18/2010		A 1014	900	38942		991.10	Payment -Personal Check(Rosemere Estates HOA)	ARı
900 004	12/08/2010		A 1019	900	40280		18,325.23		AR
866.001 866.001	12/10/2010		A 1021	800	40744			Payment	AR
866.001	02/17/2011		A 1032	900	45141		16,338.93		AR
866,001	04/06/2011		A 1046	900	48657			Payment	ΛR
866,001	05/25/2011		A 1056	900	52131			Payment	ARI
868.001	06/21/2011		A 1060	800	53835			Payment	AR
100.688	08/12/2011		A 1068	900	56703			Payment	AR:
866.001	10/18/2011		A 1081	900	63883			Payment	AR.
866,001	11/18/2011		A 1088	900	65627			Payment	AR:
868,001	12/21/2011		A 1094	900	67566 69271			Payment	AR:
886.001	02/01/2012		A 1100	900	03411		5,145,00	Payment	AR·
Subtotal for Rayments					Biliable	0.00	0,00		
Walk and was a state of					Payments		80,784.78		
the state of the state of the state of	TIPELSTON WAS	Cally True or	7.64.00000000000000000000000000000000000	ሰሰሰነ ነው ይህ የመንደም የፖርቲን ማስማ ነው	Warre Sance and State Stock	ekazanzara	***************************************	AN DESTRUCTION OF THE PROPERTY	Sudden's
otal for Client ID	166.0073	<b>一种</b>			Billáble :	448402	97,638,54	Rosemere Estates Property Owners Associ Lyte Trust (NREC 1071)	
S. S	THE SHANNING	272713672	EA 460 XXX XXXXXX	600000000000000000000000000000000000000	Rayments	THE PARTY OF THE P	ANNERS SERVICES	ROADEL CONTRACTOR OF THE STATE	Carried States

Themself MARRANA ALON

### **EXHIBIT Y**

### **EXHIBIT Y**

December 4, 2009

To Whom It May Concern:

We have this date become aware of a situation that concerns us.

There is a proposal for the Rosemere Estates Homeowners Association to grant an accommodation to a specific member, without notice, consultation or approval of the other homeowners.

Specifically: It is proposed that the Lamothes be given until January 2, 2010 to pay the assessments, interest and other expenses and charges that they owe to the Association. These charges currently total \$20,310. On January 2, this amount owed will become \$20,480 (see data attached).

In order to make this accommodation, the Association (the Board), will need to notify Nevada Association Services, Inc. (NAS) of our decision to do so. NAS is currently moving forward, as we contracted them to do, with the process to collect the sums due the Association (see attached letter).

It is our understanding of the Governing Documents that no one individual can legally grant this accommodation.

Additionally, we feel that we cannot, again according to our Governing Documents, grant such an accommodation to a specific member without making all other members aware that such an accommodation is being made, and is available to them also as members of the Association. We feel that to treat a specific member differently than the general membership is to invite scrutiny, criticism, and in this case legal actions. Something we all abhor.

Such an action requires the support of a majority of the Board. And, all things considered, such an action, though legal, should not be done by the Board without consultation with, and approval from, the membership.

Accordingly we have asked the membership to convene at 5 pm this date at our home for the purpose of discussing this proposal, and then to express ourselves in the form of a secret ballot vote to let the Board know the feelings of the membership regarding this proposal.

Sherman Kearl Board Member

Karen Kearl Board Member

## **EXHIBIT Z**

### **EXHIBIT** Z

Association Serves, Inc ĺ

5elt

6224 W. Desert Inn Rd., Suite A Las Vegas, Nevada 89146 Tel: 702.804.8885 / 775.822.8005 Fax: 702.804.8887 / 755.822.8009 www.nae-ino.com

#### Consent and Authorization

Rosemere Estates (the "Association") hereby appoints Nevada Association Services, Inc. ("NAS"), as the Association's agent for the purpose of collecting delinquent assessments, and/or fines, from Association homeowners. NAS is given full power and authority to act on behalf of and in the name of the Association to do all things in which NAS deems appropriate to effect the collection of the delinquency. This process may include, but is not limited to, sending demand letters, recording of a Notice Delinquent Assessment Lien and if necessary proceeding with a non-judicial foreclosure. NAS is hereby granted the authority to speak directly to the delinquent homeowner(s) on behalf of the Association. If a file is cancelled by the Association, or the Association refuses to allow NAS to continue collection efforts NAS may cancel the file with fees and costs the responsibility of the Association.

NAS is being retained on an as-needed basis and NAS makes no representations or warranties regarding the successful result of its collection efforts. NAS has the option of declining to service the delinquency of any file presented by the Association. NAS may, in its own discretion, terminate the servicing of any Association collection file at any time.

The Association represents to NAS (and NAS is relying on such representation) that in referring any matter to NAS for collection of delinquent assessments, fines or other charges, the Association, has complied with all applicable Federal and State rules and regulations, including, but not limited to applicable provisions of the Nevada Revised Statutes, Covenants Conditions and Restrictions (CC&R's), other Association governing documents and the Federal and State Fair Debt Collection Practices Act, if applicable. The Association also permits NAS to charge collection fees and costs as provided under applicable State and Federal law, and the Association's governing documents.

If NAS, its agents, officers or employees are named party to a lawsuit or other legal proceeding involving the Association and/or a homeowner, the Association agrees to indemnify and hold harmless NAS, its agents, officers or employees from any and all claims, losses, judgment, fees, charges and costs, including attorney's fees, incurred by NAS, its agents, officers or employees with respect to such lawsuit or legal proceeding (including defending a lawsuit). In addition to the indemnification described herein, if NAS, its agents, officers or employees, are named as a party to any lawsuit, the Association, at its own expense, will retain the services of legal counsel, satisfactory to NAS, to represent NAS in such proceeding. The fees and costs for such legal representation will be paid directly by the Association to legal counsel, or as otherwise agreed upon by the Association and NAS. This obligation of indemnification shall survive the termination of this Consent and Acknowledgment without time limitation.

The person signing below is a member of the Board of Directors or lawful agent of the Association with full power to bind the Association to the terms hereof.

Data Niama

\_

SECRETARY Title

---

uly 9, 2009

Authorized Signature

NAS000003

### **EXHIBIT AA**

### **EXHIBIT AA**





Nevada Association Services, Inc. 6224 W. Desert Inn Road, Sulte A Las Vegas, NV 89146 Phone (702) 804-8885 Fax (702) 804-8887 Toll Free (888) 627-5544

VIA REGULAR AND CERTIFIED MAIL

August 08, 2009

Allen Lytle 4705 Alladin Lane Las Vegas NV 89102

> Re: Trustees Sale #N49759 1930 Rosemere Court, Las Vegas, NV 89117 Rosemere Estates / Allen Lytle

Dear Mr. Lytle:

As you were previously advised, Nevada Association Services, Inc. (NAS') has been retained by Rosemere Estates (the Association) to collect from you the overdue homeowner's assessments you owe the Association. As of the date the lien was prepared, the total amount due, including collection fees and costs is \$12,500.00 (also called the balance due or debt.) Since you have decided not to reinstate your account, a Notice of Delinquent Assessment Lien was recorded on your property. A copy of the lien is enclosed. The amount stated above does NOT include assessments, late fees, interest, fines, collection fees and costs, and other applicable charges, that have become due since the date the lien was recorded. Those additional amounts must be included when you submit your payment. Therefore, you may wish to contact this office to verify the amount due prior to sending your payment.

Nevada law permits NAS to proceed with the recordation of a Notice of Default and Election to Sell (also called an "NOD") which is the next step in the lien foreclosure process. If you want to resolve this matter before the recordation of the NOD, you must, within 30 days from the date of this letter, pay the balance due by cashier's check or money order payable to NAS. Recording of the NOD will result in additional charges for which you will be responsible. The 30 Day Period referenced in our prior "Initial Letter" still applies. Federal Law grants you 30 Days from the date of receipt of the Initial Letter to dispute the validity of the debt or any portion thereof. Should you fail to dispute, in writing, the validity of the debt or any portion thereof within the 30 Day Period, NAS will assume the debt is valid. If you dispute the debt or any portion thereof in writing, NAS will, to the extent required by law, cease collection efforts until validation of the debt is sent to you.

Sincerely,

Drew Malmquist

Nevada Association Services, Inc.

Malmiguist

encl

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

Receipt/Conformed Copy

Requestor

NORTH AMERICAN TITLE COMPANY 07/20/2009 10:40:06 T20090249744

Book/Instr: 20090720-0001631

Lien

Page Count: 1

Fees: \$14.00

N/C Fee: \$0.00

Debbie Conway Clark County Recorder

#### NOTICE OF DELINQUENT ASSESSMENT LIEN

In accordance with Nevada Revised Statutes and the Association's declaration of Covenants Conditions and Restrictions (CC&Rs), recorded on July 03, 2007, as instrument number 0001934 Book 20070703, of the official records of Clark County, Nevada, the Rosemere Estates has a lien on the following legally described property.

The property against which the lien is imposed is commonly referred to as 1930 Rosemere Court Las Vegas, NV 89117 and more particularly legally described as: Rosemere Court, Plat Book 59, Page 58, Lot 9 in the County of Clark.

The owner(s) of record as reflected on the public record as of today's date is (are): Lytle Trust, John Allen & Trudi Lee Lytle TRS

Mailing address(es):

APN # 163-03-313-009

#N49759

4705 Alladin Lane, Las Vegas, NV 89102

4705 Alladin Lane, Las Vegas, NV 89102

\*Total amount due through today's date is \$12,500.00.

This amount includes late fees, collection fees and interest in the amount of \$2,379.00.

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

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

Dated: July 16, 2009

By: Autumn Fesel, of Nevada Association Services, Inc., as agent for Rosemere Estates.

When Recorded Mail To:

Nevada Association Services, Inc.

TS #N49759

6224 W. Desert Inn Road, Suite A

Las Vegas, NV 89146

(702) 804-8885

(888) 627-5544.

NAS ASSOCIATION SERVICES, INC.

BUUL

Nevada Association Services, Inc. 6224 W. Desert Inn Road, Suite A Las Vegas, NV 89146 Phone (702) 804-8865 Fax (702) 804-8887 Toll Free (888) 627-5544

July 16, 2009 Linda Lamotho 1830 Rosemere Court Las Vegas NV 39117

VIA RECULAR AND CERTIFIED MAIL

2222012145

Re: Trustees Sale #N49760 1830 Rosemere Court, Las Vegas, NV 89117 Rosemere Estates

Dear Ms. Lamothe:

Nevada Association Services (NAS) has been retained by Rosemere Estates (also called the Association) to collect from you'dite overdue homowner's assessment you owe to the Association. As of today's date, records show a balance due on your account of \$12,083.00. Any statements or invoices you receive from your association or its managing agent will not reflect the total amount due.

If you want to resolve this matter before a Notice of Delinquent Assessment Lien is recorded and sent to you pursuant to Novida Ravised Statutus, you must, within 10 days from the date of this letter, pay the bolance due. Your payment must be in the firm of eashier's check or money order, payable to Novada Association Services, and mailed to the address indicated above. Should you decide not to pay within the 10 day period, this office will be entitled to proceed with the preparation and recordation of the Notice of Delinquent Assessment Lien. Should the Notice of Delinquent Assessment Lien be prepared and recorded, the additional cost to you will be \$325.00 plus recording and mailing costs. There will also be a \$30.00 charge to your account to release the Notice of Delinquent Assessment Lien, plus recording costs. These charges may not be all inclusive.

Rederal Law gives you 30 Days from the date you receive this letter (the 30 Day Period) to dispute the validity of the debt or any portion thereof, as outlined above, NAS will assume the debt is valid. If you do contest the validity of this debt or any portion thereof, by notifying NAS in writing to that affect, NAS will, as required by law, obtain and mail to you varification of the debt. And, within the 30 Day Period you request in writing the name and address of your original creditor, if the original creditor is different from the current creditor, the Association, NAS will also furnish you with that information. Federal Law doos not require NAS to wait until the end of the 30 Day Period to record the Notice of Delinquent Assessment Lien. If, however, you notify NAS, in writing, within the 30 Day Period, that begins with the newlpt of this letter, that you dispute the debt or any portion thereof, or that you request the name and address of the original creditor, if the early law is required by law, because collection of the debt or any disputed portion thereof until NAS obtains varification of the debt or the name and address of the original creditor is different from the current creditor, the Association, NAS will, us required by law, because collection of the debt or any disputed portion thereof until NAS obtains varification of the debt or the name and address of the original creditor and a copy of such varification or name of the original creditor is malled to you by NAS.

if you have any questions, please contact an account manager at (702) 804-8885.

Sincersiy.

Megan Alexander

Navada Association Services, Inc.

M. Alexander

"Novada Association Scryices, inc. is a debt collector. Novada Association Services. Inc. is attempting to collect a dabt. Any information obtained will be used for that purpose."

## **EXHIBIT BB**

## **EXHIBIT BB**



Nevada Association Services 6224 W. Desert Inn Road, Suite A Las Vegas, NV 89146 Phone: (702) 804-8885 Fax: (702) 804-8887 Toll Free: (888) 627-5544

December 1, 2009

Trudi Lytle c/o Wolf, Rifkin, Shapiro, Schulan & Rabkin, LLP 3556 E. Russell Road, 2nd Floor Las Vegas NV 89120

> RE: 1930 Rosemere Court Rosemere Estates / Allen Lytle Trustees Sale # N49759

Dear Ms. Lytle:

As you know, your failure to pay your homeowner's association assessments has resulted in a lien being recorded against your property. The Association will soon proceed with a non-judicial foreclosure action, which could result in you losing your property. You will also be responsible to pay the additional foreclosure fees and costs, which could total approximately \$700 in additional charges.

Both this office and your Association urge you to contact Nevada Association Services, Inc. in order to arrange for immediate payment. Should you decide not to remit full payment in the form of cashier's check or money order, to this office, within 10 days of the date of this letter, foreclosure proceedings will commence.

YOU MUST CONTACT THIS OFFICE TO VERIFY THE AMOUNT DUE PRIOR TO SENDING YOUR PAYMENT.

This will be the final correspondence you will receive prior to a Notice of Default being recorded on your property.

Thank you in advance for your immediate payment.

Sincerely,

Debbie Kluska

Nevada Association Services, Inc.

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

**Electronically Filed** 

4/14/2020 4:48 PM Steven D. Grierson CLERK OF THE COURT 1 **JOIN** CHRISTINA H. WANG, ESQ. 2 Nevada Bar No. 9713 FIDELITY NATIONAL LAW GROUP 3 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 4 Tel: (702) 667-3000 Fax: (702) 938-8721 5 Email: christina.wang@fnf.com Attorneys for Counter-Defendants/Cross-Claimants Robert Z. Disman and Yvonne A. Disman 6 7 8 9 DISTRICT COURT 10 **CLARK COUNTY, NEVADA** 11 MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, 12 LINDA LAMOTHE AND JACQUES Dept. No.: XVI LAMOTHE, TRUSTEES OF THE JACQUES 13 & LINDA LAMOTHE LIVING TRUST, 14 Plaintiffs, JOINDER TO REPLY TO OPPOSITION TO PLAINTIFFS' 15 MOTION FOR AN ORDER TO SHOW VS. CAUSE WHY THE LYTLE TRUST 16 TRUDI LEE LYTLE, JOHN ALLEN LYTLE, SHOULD NOT BE HELD IN THE LYTLE TRUST, DOES I through X, and **CONTEMPT FOR VIOLATION OF** 17 ROE CORPORATIONS I through X, **COURT ORDERS** 18 Defendants. 19 Hearing Date: April 22, 2020 AND ALL RELATED MATTERS 20 Hearing Time: 9:00 a.m. 21 Counter-Defendants/Cross-Claimants ROBERT Z. DISMAN and YVONNE A. 22 DISMAN (hereinafter collectively referred to as, the "Dismans"), by and through their attorneys 23 of record, the Fidelity National Law Group, hereby file this Joinder to Reply to Opposition to 24 Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in 25 Contempt for Violation of Court Orders, filed on April 14, 2020. 26 The Dismans hereby join in the arguments raised as set forth in the Reply for those 27 reasons stated therein, the papers and pleadings on file herein, and any oral argument that the 28

Fidelity National Law Group 363 W. Sunset Road, Suite120 Las Vegas, NV 89113

(702) 667-3000

1	Court may entertain at the time of any hearing on	the Motion.
2	DATED this 14 <sup>th</sup> day of April, 2020.	
3		FIDELITY NATIONAL LAW GROUP
4		
5		/s/ Christina H. Wang
6		CHRISTINA H. WANG, ESQ. Nevada Bar No. 9713
7		8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113
8		Las Vegas, Nevada 89113 Attorneys for Counter-Defendants/Cross- Claimants Robert Z. Disman and
9		Yvonne A. Disman
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		

Fidelity National Law Group 8363 W. Sunset Road, Suite120 Las Vegas, NV 89113 (702) 667-3000

2

3

4

5

7

8

10

11

12

13 14

15

16

17

18

19

20

21

2223

24

25

26

27

28

Fidelity National Law Group 8363 W. Sunset Road, Suite120 Las Vegas, NV 89113 (702) 667-3000

#### **CERTIFICATE OF SERVICE**

The undersigned employee of Fidelity National Law Group, hereby certifies that she served a copy of the foregoing JOINDER TO REPLY TO OPPOSITION TO PLAINTIFFS' MOTION FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT ORDERS upon the following parties on the date below entered (unless otherwise noted), at the fax numbers and/or addresses indicated below by: [] (i) placing said copy in an envelope, first class postage prepaid, in the United States Mail at Las Vegas, Nevada, [] (ii) via facsimile, [] (iii) via courier/hand delivery, [] (iv) via overnight mail, [] (v) via electronic delivery (email), and/or [X] (vi) via electronic service through the Court's Electronic File/Service Program.

Richard E. Haskin, Esq.
Timothy P. Elson, Esq.
GIBBS GIDEN LOCHER TURNER
SENET & WITTBRODT LLP
1140 N. Town Center Drive, Suite 300
Las Vegas, Nevada 89144-0596
Attorneys for Defendants/CounterClaimants Trudi Lee Lytle and John
Allen Lytle, Trustees of The Lytle Trust

Kevin B. Christensen, Esq. Wesley J. Smith, Esq. Laura J. Wolff, Esq. CHRISTENSEN JAMES & MARTIN 7440 W. Sahara Avenue Las Vegas, Nevada 89117 Attorneys for September Trust, Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen Daniel T. Foley, Esq.
FOLEY & OAKES, PC
1210 S. Valley View Blvd., Suite 208
Las Vegas, Nevada 89102
Attorneys for Plaintiffs Marjorie B.
Boulden, Trustee of The Marjorie B.
Boulden Trust, amended and restated
dated July 17, 1996; and Linda Lamothe
and Jacques Lamothe, Trustees of the
Jacques and Linda Lamothe Living Trust

Dan R. Waite, Esq.
LEWIS ROCA ROTHGERBER
CHRISTIE LLP
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
Attorneys for Defendants/CounterClaimants Trudi Lee Lytle and John Allen
Lytle, Trustees of The Lytle Trust

**DATED**: <u>04/14/2020</u> /s/ Lace Engelman

An employee of Fidelity National Law Group

**Electronically Filed** 

4/21/2020 9:18 AM Steven D. Grierson

22

23

24

25

26

27

28

CLERK OF THE COURT 1 **EXHS** DAN R. WAITE, ESQ. 2 Nevada Bar No. 4078 DWaite@lrrc.com 3 LEWIS ROCA ROTHGERBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 4 Las Vegas, Nevada 89169 Telephone: 702-949-8200 5 Facsimile: 702-949-8398 Attorneys for Defendants 6 7 DISTRICT COURT 8 **CLARK COUNTY, NEVADA** 9 MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, et 10 Dept. No.: 16 11 Plaintiff, 12 v. **DEFENDANT LYTLE TRUST'S** HEARING EXHIBITS 13 TRUDI LEE LYTLE, et al., 14 Defendants, 15 DATE OF HEARING: APRIL 22, 2020 SEPTEMBER TRUST, DATED MARCH 23, 16 1972, et al., TIME OF HEARING: 9:00 A.M. 17 Plaintiffs, 18 19 TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE 20 TRUST, et al., 21

Given the existing COVID-19 environment and the prohibition of in-court appearances, Defendants Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust, hereby submit the following exhibits it may use at the hearing scheduled in this matter for April 22, 2020, at 9:00 a.m. on Plaintiffs' Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt of Court Orders:

1. **Exhibit "A":** Chart entitled "Judge Williams's Permanent Injunction" [1 page]

111016494.3

Defendants.

2.	Exhibit "B": Select pages from the Lytle Trust's Renewed Application for
Appointment	of Receiver, filed on October 24, 2019, in Case No. A-18-775843-C (assigned to
Judge Kishner	r), Eighth Judicial District Court, Clark County, Nevada. [4 pages]

3. Exhibit "C": Association Financial Accounting (January 2006 – June 5, 2007) [2 pages]

The Lytle Trust requests counsel and the Court to have access to the attached exhibits during the hearing scheduled for April 22, 2020, at 9:00 a.m., as they will facilitate the undersigned's argument.

Dated this 21st day of April, 2020.

#### LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/ Dan R. Waite DAN R. WAITE (SBN 4078) 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 (702) 949-8200 Attorneys for Defendants

## CERTIFICATE OF SERVICE Pursuant to NRCP 5(b), I certify that on this day, I caused a true and correct copy of the

following "DEFENDANT LYTLE TRUST'S HEARING EXHIBITS" to be e-filed and served

4 via the Court's E-Filing System.

Richard Haskin

1

2

3

5

8

9

10

13

14

15

17

18

20

22

23

24

25

6 Gibbs, Giden, Locher, Turner, Senet & Wittbrodt, LLP

1140 N. Town Center Drive

7 Las Vegas, Nevada 89144

Attorneys for Defendants

Kevin B. Christensen

Wesley J. Wolff

Laura J. Wolff

**CHRISTENSEN JAMES & MARTIN** 

11 | 7440 W. Sahara Ave.

Las Vegas, NV 89117

12 | Attorneys for Intervenors September Trust,

Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen

Christina H. Wang

#### FIDELITY NATIONAL LAW GROUP

8363 W. Sunset Road, Suite 120

Las Vegas, NV 89113

16 christina.wang@fnf.com

Attorneys for Robert Z. Disman and Yvonne A.

Disman

Daniel T. Foley

#### 19 Foley & Oakes, PC

1210 S. Valley View Blvd., #208

Las Vegas, NV 89102

21 dan@foleyoakes.com

Attorneys for Marjorie Boulden Trust and

Linda and Jacques Lamothe Trust

Dated this 21st day of April, 2020

/s/ Luz Horvath

An Employee of Lewis Roca Rothgerber Christie LLP

3

26

27

28

111016494.3

### Exhibit A

### Exhibit A

#### **JUDGE WILLIAMS'S MAY 2018 PERMANENT INJUNCTION**

		_
10	IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the	
11	Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from	
12	the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other	
13	judgments obtained against the Association, against the September Property, Zobrist Property,	
14	Sandoval Property or Gegen Property.	
15	}	

<u>Operative Language</u>: "recording and enforcing the Judgments . . . against the September <u>Property</u>, Zobrist <u>Property</u>, Sandoval <u>Property</u> or Gegen <u>Property</u>"

#### **Dispositive Questions:**

- a. In seeking the appointment of a Receiver, did the Lytle Trust record anything?
- b. Does seeking the appointment of a Receiver over the Association constitute enforcing the Lytle Trust's Judgments against the homeowners' properties?

16	IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the	
17	Lytle Trust is permanently enjoined from taking any action in the future directly against the	
18	Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or	
19	Rosemere Litigation III.	

Operative Language: "directly against the Plaintiffs or their properties"

#### **Dispositive Question:**

a. Did the Lytle Trust's request for the appointment of a Receiver to take control of the Association constitute direct action against the homeowners or their properties?

## )1322

### Exhibit B

### Exhibit B

**Electronically Filed** 001323 10/24/2019 1:57 PM Steven D. Grierson CLERK OF THE COURT

**APPL** 

1

2

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

Richard E. Haskin, Esq. Nevada State Bar # 11592

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

3 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144-0596 4 (702) 836-9800

> Attorneys for Plaintiff TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST

#### DISTRICT COURT

#### CLARK COUNTY, NEVADA

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST,

Plaintiff,

v.

ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION; DOES 1 through 20, inclusive; and ROE CORPORATIONS 1 through 80, inclusive,

Defendants.

CASE NO.: A-18-775843-C DEPT.: XXXI

RENEWED APPLICATION FOR APPOINTMENT OF RECEIVER

Date: Time:

[HEARING REQUESTED]

Plaintiff TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST (hereinafter the "Lytle Trust"), hereby apply for an Appointment of a Receiver to preserve Defendant ROSEMERE ESTATES PROPERTY OWNERS' ASSOCIATION (the "Association"), to pay for mandatory maintenance of the common area expenses, and to compel an assessment of the Association members to pay a judgment against the Association.

This Motion is brought pursuant to NRS 32.010, 78.600, 78.650, and 82.471, and is made upon the grounds that the Lytle Trust—which is both (a) a property owner in Rosemere Estates and thus a member of the Association, and (b) a creditor with judgments against the Association exceeding \$1.4 million—seeks the assistance of a Receiver pursuant to:

27

28

///

2259282.2

#### C. Judgments Entered In Favor Of The Lytle Trust And Against The Association

#### 1. Rosemere 1 Litigation (2007-2016)

In 2007, the Lytle Trust filed an NRS 38.310 mandated non-binding arbitration before the NRED, naming the Association as respondent. The Lytle Trust sought a declaration that the Amended CC&Rs were unlawfully adopted, recorded and enforced by the Association against the Lytle Trust.

After the arbitrator found in favor of the Association, the Lytle Trust filed for a trial de novo in this District Court, case number A-09-593497-C, which was assigned to Judge Michelle Leavitt (the "Rosemere 1 Litigation"). The Lytle Trust entirely prevailed in the litigation, and the Court granted the Lytle Trust's summary judgment on July 29, 2013. *Id.*, COL No. 11, Exhibit 5. Indeed, the Court determined that "the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force and effect." *Id.*, COL No. 25.

On May 25, 2016, after hearing the Lytle Trust's motion for attorneys' fees, the Court awarded the Lytle Trust \$297,072.66 in attorneys' fees. Order Awarding Attorneys' Fees in Rosemere 1 Litigation, **Exhibit 6**. On June 17, 2016, the Court awarded the Lytle Trust damages, after a prove-up hearing, in the amount of \$63,566.93. Order Awarding Damages in Rosemere 1 Litigation, **Exhibit 7**. Finally, the Court awarded the Lytle Trust costs in the amount of \$2,561.80. Orders Awarding Costs in Rosemere 1 Litigation, **Exhibit 8**. Thus, the total amount the Association owes the Lytle Trust arising from Rosemere 1 Litigation is \$363,201.39, plus accruing interest.

#### 2. Rosemere 2 Litigation (2010-2017)

On March 16, 2010, the Lytle Trust initiated another NRS 38.310 mandated non-binding arbitration before NRED, naming the Association as respondent (the "Rosemere 2 Litigation"). The purpose of the Rosemere 2 Litigation was to halt non-judicial foreclosure proceedings initiated by the Association against the Lytle Trust pursuant to NRS Chapter 116 and the Amended CC&Rs. See, Complaint in Rosemere 2 Litigation, Exhibit 9. The Lytle Trust also sought an order directing

<sup>&</sup>lt;sup>3</sup> Note, Rosemere 2 Litigation commenced more than six years *before* the Court in Rosemere 1 Litigation ruled that the Amended CC&Rs were invalid. Indeed, for purposes of Rosemere 2 Litigation, the parties stipulated that the Amended CC&Rs were valid and that NRS Chapter 116 fully applied to the Association. <sup>2259282.2</sup>

# 5. The Rosemere 1 and Rosemere 2 Judgments Were Awarded Pursuant To The Amended CC&Rs

The Amended CC&Rs were recorded on July 3, 2007, in the office of the Recorder for Clark County, Nevada. From that date, the Association deemed itself a full-blown unit owners' association, subject to and taking advantage of all rights, privileges and remedies afforded by the entirety of Chapter 116, including the right to assess and initiate Chapter 116 foreclosure proceedings for failure to pay assessments, which is exactly what the Association did to the Lytle Trust. See generally, Order Granting Summary Judgment, Exhibit 5. The Amended CC&Rs adopt Chapter 116 of the Nevada Revised Statutes. Amended CC&Rs, at Article I, Exhibit 1. The Amended CC&Rs define the Association pursuant to the Uniform Common-Interest Ownership Act. Id. at 1.1. The Amended CC&Rs routinely reference Chapter 116 of the Nevada Revised Statutes. See, e.g., id. at 1.13, 1.14, 1.30, 8.1, 10.3 (referring to the lien statutes codified in Chapter 116).

In granting the Lytle Trust's Motion for Attorneys' Fees, the district court in the Rosemere 1 and 2 Litigations cited *Mackintosh v. Cal. Fed. S&L Ass'n*, 113 Nev. 393, 405-406, 935 P.2d 1154, 1162 (1997), and held that the Lytle Trust could recover attorneys' fees under the Amended CC&Rs because that document, while declared *void ab initio* by the district court, was in effect and enforced by the Association against the Lytle Trust at all times during the underlying litigation. *See generally*, Orders Granting Attorneys' Fees, **Exhibits 6, 11**.

In *Mackintosh*, *supra*, the purchasers of real property sued a savings and loan association for rescission of a residential property purchase agreement. *Mackintosh*, 113 Nev. at 396-397, 935 P.2d at 1157. The district court granted summary judgment in favor of the purchasers, finding the purchase agreement was properly rescinded and *void ab initio*. However, the district court denied the purchasers' request for attorney fees because the entire agreement, including the attorneys' fee provision, was "void from its date of inception, just as if the contract had never existed." *Id.* 113 Nev. at 405-406, 935 P.2d at 1162.

The Supreme Court upheld the district court's summary judgment determination that the purchasers had rescinded the purchase agreement. *Id.* However, the Supreme Court held the district court improperly denied the purchasers' request for attorneys' fees. *Id.* Holding that an attorney fee

- Update registration with the ombudsman pursuant to NRS 116.31158. 4.
- Pay the Secretary of State for the State of Nevada all past due and presently due 5. amounts to amend the Association's status from "revoked" status, and if there are insufficient funds within the Association's accounts to pay such fees, issue a special assessment upon all owners within the Association to satisfy any amounts due to Secretary of State.
  - Conduct an election for the Board of Directors for the Association.
- Make any necessary repairs to the common areas, and if there are insufficient funds 7. within the Association's account to pay for such repairs, issue a special assessment upon all owners within the Association to pay for said repairs.
- Issue a special assessment upon all members of the Association to pay the receiver's 8. fees and costs.

#### CONCLUSION IV.

For the foregoing reasons, the Lytle Trust, an Association creditor and member, requests this Court appoint a receiver pursuant to the foregoing authority. The Lytle Trust provides a proposed Order for this Court to sign concurrently with the filing of this Application.

DATED: October 24, 2019

GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

Richard E. Haskin, Esq. Nevada State Bar # 11592

1140 N. Fown Center Drive, Suite 300

Las Vegas, Nevada 89144

Attorneys for Plaintiff

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST

23

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

24

25

26

27

28

2259282.2

## **Exhibit C**

### **Exhibit C**

## ROSEMERE ESTATES HOMEOWNERS ASSOCIATION

#### Financial Account for 2006

Check #	t: Date:	Item:	Inc:	Exp:	Balance:
•		Balance as	of 1 14	5.06	\$2000 \$2
1068	1-15	LV Water	OT Y-T'	\$17.59	
1069	1-15	Sprint [gate telephone]		26.81	2955.42
1070	1-26	Nevada Power [gate & gate lights]			2937.51
1071	2-10	LV Water [entry landscaping]			2908.97
1072	2-20	Sprint			2882.16
1073	2-20	Nevada Power		20.04	
1074	3-1	State Farm [liability insurance]		450.00	
1075	3-1	Sprint		26.81	
1076	3-20	LV Water			2352.07
1077	3-31	Nevada Power			2333.00
1078	4-16	LV Water			2299.49
1079	4-16	Irrigation/landscape maintenance/repair			2114.78
1080	4-16	Sprint			2087.95
1081	4-21	Mesquite Lawn [landscaping]		655.07	
1082	5-1	Nevada Power		18.01	1414.87
1083	5-26	LV Water			1381.36
1084	5-26	Sprint			1327.14
1085	5-26	Nevada Power			1308.83
1086	6-11	LV Water			1267.86
1087	6-20	Nevada Power		17.01	1250.85
1088	6-20	Sprint		26.83	1224.02
1089	7-20	Sprint		26.80	1197.22
1090	7-20	LV Water		40.97	1156.25
1091	7-25	Nevada Power		17.11	1139.14
1092	8-11	LV Water		46.19	1092.95
1093	8-27	Sprint		26.86	1066.09
1094	8-27	Nevada Power		15.36	1050.73
1095	9-20	Nevada Power		15.89	1034.84
1096	9-20	LV Water		43.58	991.26
1097	9-20	Sprint		26.86	964.40
1098	10-10	Innovative Access Control [gate maintenan	.ce]	110.17	
1099	10-10	LV Water		43.58	810.65
1100	10-20	Nevada Power		15.26	795.39
	11-20	Sprint [gate call box repair]		60.83	734.56
	11-23	Sprint		35.01	699.55
		LV Water		45.67	653.88
1104	11-23	Nevada Power		15.26	638.62

Check #:	<u>Date:</u>	Item:	Inc.:	Exp.:	Balance:
4405	10 15	T NY NY		<i>5</i> .06	(21.26
1105	12-15 12-26	LV Water		7.26	631.36
1106		Nevada Power		20.83	610.53
1107	12-26	Sprint		26.80	583.73
1108	1-10-0			25.00	558.73
1109	1-13	LV Water		5.20	553.53
1110	1-25	Nevada Power		21.64	531.89
1111	1-27	Mesquite Lawn [valve-timer repair]		270.00	261.89
1112	1-30	Sprint		26.83	235.06
	1-30	Bank service charge		24.00	211.06
	2-12-0				
093	2-15	Sprint		26.82	184.24
094	2-15	LV Water		6,46	177.78
	2-16	Kearl loan to Association	\$200.00	)	377.78
095	2-16	Ombudsman fee [inc. past due]		216.00	161.78
101	2-20	Nevada Power		19.57	142.19
102	3-1	NV Secretary of State [registration/filing	]	60.00	82.19
103	3-15	Sprint	-	26.82	55.37
104	3-15	LV Water		5.52	49.85
105	3-15	Nevada Power		20.00	29.85
106	4-15	LV Water		7.39	22.46
	4-18	Kearl Annual Assessment	\$500.00		522.46
107	4-18	Santoro et al [attorney fee]		281.47	240.99
108		Nevada Power		16.20	224,79
109	4-18	Embarq [Sprint]		26.89	197.90
110		LV Water		3.92	193.98
111	void	•		0.52	1,50.50
112	5-20	Embarq [Sprint]		26.89	167.09
113		Nevada Power		14.95	152.14
114	6-4	Kearl loan to Association	\$1,300.00		1452.14
115		Santoro et al [attorney fee]	· · · · ·		156.59
	<del>-</del>				10000

A-16-747800-C

Trudi Lee Lytle

Wesley J. Smith, ESQ

### DISTRICT COURT CLARK COUNTY, NEVADA

Other Title to Pro	perty	COURT MINUTES	April 22, 2020		
A-16-747800-C	A-16-747800-C Marjorie B. Boulden Trust, Plaintiff(s) vs. Trudi Lytle, Defendant(s)				
April 22, 2020	09:00 AM All	Pending Motions			
HEARD BY:	Williams, Timothy C.	COURTROOM: RJC Courtroom 03H			
COURT CLERK:	Darling, Christopher				
RECORDER:					
REPORTER:	Tavaglione, Dana J.				
PARTIES PRESI	ENT:				
Christina H. Wai	ng	Attorney for Counter Defendant, Cross Claimant, Other Defendant			
Dan R Waite		Attorney for Counter Claimant, Defenda Trustee	nt,		
Daniel Thomas Foley, ESQ		Attorney for Counter Defendant, Cross Defendant, Plaintiff, Trustee			
John Allen Lytle		Counter Claimant, Defendant, Trustee			
Linda Lamothe		Counter Defendant, Plaintiff, Trustee			
Marjorie B Boulden		Cross Defendant, Plaintiff, Trustee			
Richard Edward I	Haskin Esq	Attorney for Counter Claimant, Defenda Trustee	nt,		

#### **JOURNAL ENTRIES**

**Attorney for Other Plaintiff** 

Counter Claimant, Defendant, Trustee

APPEARANCES CONTINUED: Patricia Lee and Receiver, Kevin Singer, also present telephonically.

PLAINTIFFS' MOTION FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT ORDERS JOINDER TO PLAINTIFFS' MOTION FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT ORDERS JOINDER ON PLAINTIFFS September TRUST ET. AL S MOTION FOR AN ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT ORDERS

All parties present telephonically. Arguments by counsel. Court stated ITS FINDS and ORDERED, Motion for Order to Show Cause GRANTED; will be assessment of \$500.00 per Pltf. Court directed filing of application for fees and costs to be heard on the merits. Court directed Mr. Smith to prepare and circulate findings of fact and conclusions of law; if parties cannot agree on form and content, may submit competing orders.

Prepared by: Christopher Darling

```
1
              IN THE EIGHTH JUDICIAL DISTRICT COURT
2
                       CLARK COUNTY, NEVADA
3
     MARJORIE B. BOULDEN TRUST,
     et al..
4
5
                   Plaintiffs,
                                       CASE NO.
6
                                       A-16-747800-C
             VS.
     TRUDI LYTLE, et al.,
                                       DEPT. NO. 16
                   Defendants.
8
9
              REPORTER'S TRANSCRIPT OF PROCEEDINGS
10
              BEFORE THE HONORABLE TIMOTHY WILLIAMS
11
                   WEDNESDAY, APRIL 22, 2020
12
13
     APPEARANCES:
     (Via teleconference)
14
     For the Plaintiffs:
15
16
                    WESLEY J. SMITH, ESQ.
                    DANIEL T. FOLEY, ESQ.
17
     For the Dismans, Counterdefendant, cross-claimants:
18
                    CHRISTINA H. WANG, ESQ.
19
     For the Defendants:
20
                    DAN WAITE, ESQ.
21
                    RICHARD E. HASKIN, ESQ.
22
     For the court-appointed receiver, Kevin Singer:
23
                    PATRICIA LEE, ESQ.
24
25
     REPORTED BY: DANA J. TAVAGLIONE, RPR, CCR No. 841
```

#### 1 LAS VEGAS, NEVADA, WEDNESDAY, APRIL 22, 2020 \* \* \* \* \* 2 3 THE COURT: I guess we'll go to the last 4 matter, and that's page 7, and that's Marjorie B. 5 Boulden Trust, et al., vs. Trudi Lytle, et al. 6 we'll start with the plaintiffs, and let's 8 go ahead and place our appearances on the record. 9 (Garbled audio.) 10 THE REPORTER: Whoa. 11 THE COURT: Oh, we have some really bad 12 audio right now, gentlemen, but we also -- this is a 13 blended matter as it relates -- I guess there's been some request for appearances by Court Call, and 14 15 we'll get them on the line right now. Hopefully we 16 can get through this and work through it. 17 Would you like me to UNIDENTIFIED SPEAKER: 18 try that again, Your Honor? 19 THE COURT: You know what we'll do, we'll 20 make the Court Call call first, and then we'll go 21 ahead and place our appearances on the record after 22 that. 23 (Pause in the proceedings.) 24 We've called the Boulden Trust THE COURT: 25 matter vs. the Lytle Trust matter, and it's my

```
understanding we have five counsel on line; is that
1
     correct, ma'am?
2
                                     Perfect.
3
              COURT CALL OPERATOR:
                                               We have
     four online. I'll go ahead and bring them in.
4
                                                      They
     were listening to music while we were waiting.
5
                          It's been a long wait.
              THE COURT:
6
              COURT CALL OPERATOR:
                                     It has.
                                              I understand
     that 100 percent. We have Marjorie Boulden, Dan
8
9
     Waite, Linda Lamothe, and Richard Haskin. I'll go
10
     ahead and bring them open now.
              THE COURT: All right. Thank you, ma'am.
11
12
              COURT CALL OPERATOR: And counsels' lines
13
     are all open.
              THE COURT: All right. We've opened up.
14
15
     And for the record, I want everyone to understand we
16
     have two things going on right now. We have parties
17
     appearing by Court Call. Just as important, in the
18
     courtroom, we're using Blue Jeans, and so we're
19
     going to have to take our time and work through
20
     this. Without having live appearances, this has
21
     somewhat slowed down our ability to argue because
22
     we've had difficulty with some of the audio, and
23
     it's caused us to really truly take our time.
24
              And so what we're going to do right now,
25
     and if there's any problems with audio and/or
```

```
hearing, I'll let you know. And just as important,
1
     if you can't hear me or hear the other side, you
2
     have to let us know.
3
              My first question is this: Do we want to
4
     have this matter reported?
5
              (Two counsel speak at same time.)
6
              THE COURT:
                          Okay. Two at a time are going.
8
              okay.
                    And what we'll do then, we'll start
     first with the plaintiffs. Then we'll go to the
9
10
     defense, and that's how we'll handle it as we
     journey through this law and motion calendar.
11
12
              And from the plaintiffs' perspective, does
13
     anyone want to have this matter reported?
14
                         Yes, Your Honor. This is
              MR. SMITH:
15
     Wesley Smith for the plaintiffs. We would like it
16
     reported.
17
              THE COURT: All right. And, Mr. Waite,
18
     it's my understanding you feel the same too; is that
19
     correct, sir?
20
              MR. WAITE: That's correct, Your Honor.
21
              I don't know who just spoke, and it was
22
     hard to hear whoever just spoke.
23
              THE COURT: It's my understanding Mr. Smith
24
     spoke. Is that correct, sir?
25
              MR. SMITH:
                          Yes, sir.
```

24

25

```
Did you hear that, Mr. Waite?
1
              THE COURT:
                           I did.
                                   Is he on the speaker
2
              MR. WAITE:
     phone?
3
4
              THE COURT:
                          Just so everyone understands,
     here's the problem we have, and historically I've
5
     used Court Call, but right now the courts have
6
     opened up Blue Jeans for oral argument, and the
8
     majority of the lawyers are utilizing Blue Jeans, I
     quess because of the cost issue. That's their
9
10
              But it becomes very difficult for the
     parties on one line or the other to hear each other
11
12
     if you're not on the same telephonic line, and
13
     that's the problem we have right now.
14
              So hopefully, sir, you can hear it, and if
15
     not, maybe we might have to shut down and have
16
     everyone on the same line.
                                  But if there's a
17
     problem, Mr. Waite, let us know. Okay. What we're
18
     going to do, we're going to try to make sure --
19
     maybe this might change everything. We're going to
20
     start with the plaintiffs first, and the court
21
     reporter wants to make sure we note everyone's
22
     appearance, for the record.
23
              we'll start with the plaintiffs.
```

MR. SMITH: Wesley Smith, counsel for the

plaintiffs. That's the Sandoval Trust, Zobrist

```
Trust, September Trust, and Dennis and Julie Gegen.
1
              MR. FOLEY: Dan Foley for the plaintiffs,
2
     for Boulden Trust and the Lamothe Trust.
3
              MS. WANG:
                         This is Attorney Christina Wang
4
     on behalf of counterdefendants, cross-claimants
5
     Robert Z. Disman and Yvonne A. Disman.
6
              THE COURT: Has everyone on the plaintiffs'
8
     side set forth their appearances on the record?
              I think so. Okay. Mr. Waite, did you hear
     that, sir?
10
              MR. WAITE: I did, Your Honor. You know
11
12
     what, I found that if I actually hold the phone away
     from me a little bit, instead of right against my
13
     ear, I can hear a little bit better. So hopefully
14
15
     that will persist, and I'll just turn up the volume.
16
                          Okay. Sir, and you can go
              THE COURT:
17
     ahead, for the record.
18
              MR. WAITE: And, again, this is Dan Waite,
19
     for the record, representing the Lytle Trust, the
20
     Defendant Lytle Trust. And I believe
21
     Mr. and Mrs. Lytle are on the phone as well.
22
                         Thank you, sir. Anyone else?
              THE COURT:
              MR. HASKIN: Also, Your Honor, Richard
23
24
     Haskin, appearing on behalf of the Lytle Trust.
25
                          Thank you, sir. Anyone else?
              THE COURT:
```

MS. LEE: Your Honor, this is Patricia Lee, Bar No. 8287. I appreciate your indulgence to allow us to passively participate in today's hearing. I represent Kevin Singer, the court-appointed receiver in the Kishner matter, and I believe Mr. Singer is also on the line. We don't intend to participate actively. We're just observers in this hearing unless Your Honor has any questions or anything like that.

THE COURT: And, ma'am, for the record, I probably won't. But the reason why I permitted your appearance and also making sure that the receiver had an opportunity to sit in, I'm treating this no different than an open courtroom. And historically the courtrooms are always open, and as a result, if we didn't have this unfortunate Covid-19 issue we're grappling with today, you'd have a right to come in and sit in open court and observe.

Unfortunately, the only way you can do that currently is by listening to the telephonic communications and record that is being developed right now. And so, of course, you have a right to listen.

MS. LEE: Yes, Your Honor. And we appreciate the accommodation. Thank you so much.

25

```
THE COURT: Okay. So let's go ahead to the
1
     Plaintiffs' Motion for an Order to Show Cause Why
2
     Lytle Trust Should Not Be Held in Contempt.
3
              And I guess that we're going to get started
4
     with Mr. Smith; is that correct, sir?
5
              MR. SMITH:
                          Yes, sir.
6
                          Okay. You have the floor, and
              THE COURT:
8
     take your time. Take your time.
9
              MR. SMITH:
                         Thank you, Your Honor.
10
     Wesley Smith, counsel for the plaintiff. Again, I
     represent the Sandoval Trust, the Zobrist Trust,
11
12
     September Trust, and Dennis Gegen. Dan Foley and
13
     Christina Wang are also on the line. They represent
14
     other homeowners, and they have filed joinders to my
15
              So they may have some additional argument
16
     that I might not cover. If I'm not speaking clear
17
     enough or slow enough, please just let me know.
18
              The first thing I want to do is make
19
     something very clear. To the extent that the
20
     plaintiffs' motion mentions actions by the receiver,
21
     they're also intending to give context to the
22
     actions and events set in motion by the Lytle Trust.
23
                             I'm sorry. "Their intent."
              THE REPORTER:
24
     Could he repeat that sentence.
```

THE COURT: Would you repeat that, sir.

25

the Lytle Trust only.

```
1
                                  To the extent that the
              MR. SMITH:
                           Sure.
     plaintiffs' motion mentions action by the receiver
2
     that is intended to give context to the actions and
3
     events set in motion by the Lytle Trust, the
4
     plaintiffs maintain their opposition to the
5
     appointing of the receiver, which they have
6
     addressed directly to the receivership court --
8
     that's Judge Kishner's courtroom -- in a separate
     motion, the plaintiffs --
10
                             Which judge?
              THE REPORTER:
                                            I'm sorry.
              THE COURT: After you said "receivership
11
12
     judge," please identify the judge because I think
     you were speeding up and it was becoming more
13
     difficult for the court reporter.
14
15
                              It's enunciation, Your Honor.
              THE REPORTER:
              THE COURT: And enunciate a little clearer
16
17
     for the court reporter.
                               Sir.
18
              MR. SMITH:
                          Sure. That would be Judge
     Kishner, the judge assigned to the receivership
19
20
     action.
              The plaintiff acknowledged that the
21
     receiver is not a party to this case and the
22
     plaintiffs are not seeking sanctions or any action
23
     against the receiver in this matter.
24
     plaintiffs' motion is against the Lytle Trust and
```

23

24

25

```
So, Your Honor, the question presented
1
     today is did the Lytle Trust violate this Court's
2
     orders when it filed an action for appointment of a
3
     receiver for the express purpose of making special
4
     assessments on the homeowners to pay the Rosemere
5
     judgment.
6
                             "Rosner" judgment?
              THE REPORTER:
              MR. SMITH: "Rosemere." Rosemere is
8
9
     spelled R-O-S-E-M-E-R-E.
10
              THE COURT: You may continue.
11
              MR. SMITH: Thank you. And in order to
12
     answer that question, we must first understand that
     the Court's orders are far more than the two
13
14
     Permanent Injunction paragraphs. Those orders
     contain key Findings of Fact and Conclusions of Law
15
16
     that led to and support the Permanent Injunction.
17
     They are an integral and essential part of the
18
     Permanent Injunction and cannot be ignored.
              In other words, the Permanent Injunction
19
20
     language is only two paragraphs out of an 11-page
21
             They cannot be interpreted in isolation.
     order.
     For instance, the Conclusions of Law from the
22
```

May 2018 order include the following Findings of

Fact and Conclusions of Law: That the association

is a limited-purpose association governed solely by

```
NRS 115.1201, subsection (2) and that, as such,

NRS 116.3117 is not applicable to the association

because it was not expressly enumerated in

Section 1201. The Court further found that the

Amended CC&Rs were invalid, had no force and effect,

and are in fact void ab initio.
```

The Court also found that the plaintiffs, my clients, were not parties to that prior litigation and thus were not losing parties in that litigation in that the Rosemere judgments are not against or an obligation of the plaintiffs or a debt owed by the plaintiffs. Recall, Your Honor, that these Conclusions of Law were necessary because the Lytle Trust had argued there were a myriad of highly technical arguments that all of NRS Chapter 116 applied to this association.

THE COURT: And, sir, for the --

MR. SMITH: Yet the Amended CC&Rs --

THE COURT: And, sir, I don't want to cut you off, but I do remember this case. Go ahead, sir.

MR. SMITH: Great, Your Honor. I just want to set the context for where we are today because the Lytle Trust is continuing to make the same arguments to the receivership court that they made to you and which you rejected and entered Permanent

1 Injunction from keeping them from enforcing these
2 judgments against my clients.

Your orders were affirmed by the Supreme Court, and so of course by the very nature of a court order, it cannot and did not address every scenario under the sun. Here these orders did not expressly prohibit the Lytle Trust from applying for appointment of a receiver as that effort had not yet taken place and was not anticipated.

Because of this, the Lytle Trust will argue that it did not technically violate the two Permanent Injunction paragraphs because it is the receiver, not the Lytle Trust, that will make special assessments; and the Lytle Trust did not record anything against the plaintiffs' properties or take direct actions against the plaintiffs' properties. You can see that in the Exhibit A that the Lytle Trust filed yesterday.

But as you look at that exhibit, you will see that the argument looks only at the Permanent Injunction paragraphs in isolation of the rest of your orders. It ignores the other ten pages that led to the Permanent Injunction language. Further, it ignores the fact that the Lytle Trust, without any notice to any property owner or this Court,

sought the appointment of the receiver, did not inform the receivership court about this Court's orders, and the Lytle Trust argued for a special assessment power that directly contradicts this Court's orders.

Despite the Lytle Trust direction, the appointment of a receiver over the association to make special assessments against the plaintiffs' properties to pay the Rosemere judgments necessarily impacts the plaintiffs' property rights. This is exactly what the Permanent Injunction was intended to protect. While the Lytle Trust can argue technicalities, there is no question that seeking a receiver to make assessments on the plaintiffs' properties is exactly the kind of activity that this Court's orders were intended to protect.

what makes the Lytle Trust actions
especially egregious is that they went to this new
Court to obtain a receiver, despite the fact that
there were prior matters where such a request may
have been more appropriate and then failed to
provide complete information to the Court about the
past history. Particularly and most importantly for
Your Honor, the Lytle Trust did not inform the Court
about this litigation, Your Honor's orders, or the

```
Orders of Affirmance.It's strange
```

It's strange how the Lytle Trust is making representations to this new Court about the status of nonpayment of their judgments yet did not even mention the fact that they have already made significant efforts to collect and fail because their efforts were, in fact, illegal as held by this Court. Yet it does make sense, when you see what they were asking the Court to do because this Court's orders would just get in the way of that effort.

The motion and reply explain how the special assessment that the Lytle Trust was advocating is impossible under this Court's orders and the Orders of Affirmance from the Supreme Court. As a limited-purpose association --

THE COURT: Wait, wait. Slow down.

(The record was read.)

THE COURT: "As a limited-purpose association," is that specifically what you said, sir?

MR. SMITH: Yes, sir.

THE COURT: Okay. Continue after that.

MR. SMITH: I'll repeat the last sentence for you. As a limited-purpose association governed under NRS Chapter 116, Section 1201, Subsection (2)

and the provisional CC&Rs, there is no special assessment power granted to the association. The Supreme Court explained that NRS 116.1201 is plain language made clear that any power not expressly granted to a limited-purpose association by the legislature is not available to such association.

Now, in its Orders of Affirmance, the Supreme Court was addressing Subsection 3117 of Chapter 116, which is the lien provision. The same law and analysis apply to NRS 116.3115, which is the special assessment provision. Because that provision was not expressly enumerated, as empowered by the Nevada legislature under Your Honor's orders and as affirmed by the Nevada Supreme Court, that special assessment power does not exist and not cannot be implied to this association.

Now, if you recall, the Amended CC&Rs have a special assessment power, but the Amended CC&Rs were held to be void ab initio, meaning that they are void from the beginning. Yet the Lytle Trust argued to the receivership court that the Amended CC&Rs could be used to make a special assessment on my clients to pay the judgments. Now, I quote directly from that application, quote: "The Amended CC&Rs grant the association authority to assess each

22

23

24

25

```
unit for payment of judgments against the
1
     association."
2
              THE COURT: That's directly in -- that's
3
     contrary to my order.
4
              MR. SMITH: Exactly, Your Honor.
5
              THE COURT: And, more importantly -- I
6
     mean, we can't overlook this -- I remember this case
8
     very well, and it was hotly contested and hotly
     litigated. And I thought as a trial judge, I was
10
     pretty patient. But ultimately it goes up on appeal
11
     to Nevada Supreme Court, and we had an extremely
12
     clear record is my recollection as far as this issue
     is concerned.
13
              And ultimately the Nevada Supreme Court
14
15
     agreed with my analysis as to making a determination
16
     that this was a limited-purpose association.
                                                    Their
17
     roles, duties, and responsibilities were very
18
     limited in this case. This was not a traditional
19
     Chapter 116 homeowners association.
                                          Consequently,
20
     their powers are very much limited.
21
              It's my recollection -- it's been a long
```

It's my recollection -- it's been a long time since I read all the paperwork, the documents, but it was very limited to the front of the association, and I think it was planter boxes, flowers, and those types of things; and we had

```
extensive argument on this issue, and I made a determination that the Amended CC&Rs were void ab initio, and that was my decision in this matter.
```

And so I'm trying to look at my order where I made specific Conclusions of Law. For example, going back to page 7 of my order which, by the way -- and here's what I find fascinating about this: No. 1, whether you agree or disagree with court orders, court orders have to be followed. They just do.

This is a country where we have Rules of Law, and if you disagree with a Court's order, everyone has a right to do one thing, and that's appeal, and I have no problem with appeals. Because what I try to do, each time I hear an issue, I try to give that specific issue the time and preparation that's required for the parties and then make my best decision. All I'm doing is calling balls and strikes.

And so just as important, here we have the scenario where, okay, the parties exercise their rights, and they appeal. Great. That's due process. That's what America is about; right? And then at the end of the day, I'm affirmed. Now what; right? And I don't mind saying that because that's

how I look at this case. And these were complex
issues.

The only concern -- and I call it a "light concern" because of the unique nature of this case -- I just think our Nevada Supreme Court should issue a public decision on this issue because factually the issues of law were so unique. I feel very strongly about that, and the record was so well developed. They should have issued a published decision because I don't think we have many, if any, decisions as it relates to limited-purpose association's actions taken after the association is created, issues regarding Amended CC&Rs. I thought it was a wonderful case factually.

But at the end of the day, I made conclusions as a matter of law in this case. Just as important too, as I look at this order -- and this is the order that was ultimately affirmed by the Nevada Supreme Court that was found back on May 24th, 2018 -- based upon the Findings of Facts, Conclusions of Law, I issued specific orders as to what the parties could and could not do in this case.

And so I'm trying to figure out -- I mean,
I've never seen this before, and I'm coming up on

```
14 years and two days; right? How can a party do indirectly what it couldn't do directly; right? And that's what somebody is going to have to convince me of. Because I've looked at this, and I think the order is pretty clear. And this case was well litigated. Everyone was given an opportunity to present their side and position. It was well briefed, and I had to make some calls in this case.
```

I don't mind saying this either, as far as my determination as to this being a limited-purpose association, it wasn't really a close call for me.

Just as important, my determination that the Amended CC&Rs were void ab initio, that wasn't a difficult call once I dug down a little deep and read Chapter 116 and, more specifically, 116.1201(2) and also the application of NRS 116.3117 and 116.3115 and so on. I mean, I'm just trying to figure out why we're here today, to be candid with everybody.

And, sir, you can continue on. I just wanted to make sure the record is clear on what my thoughts are because I will always tell you what I'm thinking about.

MR. SMITH: Thank you, Your Honor. And that's exactly right, and I won't spend too much more of your time. I just want to address a couple

of the points that I think that the Lytle Trust are going to make based upon the exhibits that they filed yesterday for presentation to you today.

I already talked about Exhibit A. And the second one is Exhibit B, which goes directly to what I was just talking about. That appears to have arguments from their application that they filed with the receivership court. Now, the Lytle Trust is going to use that to tell you that they also informed the Court that the Amended CC&Rs were void ab initio. So we do have, in the application, the Lytle Trust talking on both sides of the issue.

In one sentence, they tell the Court:

"You can use the Amended CC&Rs to make special assessments," and on the other hand, they tell the Court that the Amended CC&Rs are void ab initio.

Now, Your Honor, that -- even if they qualified their statements, it does not change the fact that the Lytle Trust directly argued to the receivership court for use of the Amended CC&Rs to make a special assessment. That is in direct violation of your orders.

The Lytle Trust may argue further that those were typos or errors that should have been deleted prior to filing. At least that is what they

```
argued to Judge Kishner last week. Your Honor, the first -- the quote that I read to you earlier was from a section heading, not a thorough argument or dicta. Even if it were included in error, isn't that an admission that is too little, too late when the receivership court has already appointed a receiver based upon those arguments?
```

It also appears, turning to the Exhibit C that the Lytle Trust filed, that they were arguing that there must be a special assessment power because assessments were previously made by the association to pay the association's legal fees in its disputes with the Lytle Trust over 12 years ago.

Now, as you look at that, you'll see the few highlighted examples. It appears that the prior assessments for legal fees were made when the association was acting under Amended CC&Rs before they were legally determined to be void ab initio. Simply because assessments were made in the past does not mean that the association has the power to make assessments now. The facts and circumstances are much different today than they were in 2006, 2007, or 2008.

THE COURT: Well, actually, sir, I don't want to cut you off. But it was almost akin to a

```
rogue association. I remember the facts of this case quite well, considering I probably haven't looked at it in great detail in, I guess, over two years. It's going to be two years coming up in two days.
```

And, understand, this is the Order Granting Summary Judgment. The hearing in this matter was heard probably -- yeah, I was correct -- I think back in March of 2018, and I guess an ultimate decision was made sometime thereafter. But that would have been at or around the time that there was a significant law and motion practice going on in this case, and there might have -- it's been awhile. But if I remember correctly, there might have been motions for reconsideration and all sorts of significant law and motion practice in this case.

But at the end of the day, I thought this order was pretty clear as it related to the association and its powers and classification in this case because it was a unique case. And ultimately I made by decision, and it appears that the Nevada Supreme Court didn't have much of any problem on that because I was affirmed. It wasn't remanded for any, I don't think, for additional determinations. I just felt it was a pretty clear

case once you dug in and you put in the necessary time, as it relates to the definitions of "limited-purpose associations," the powers and rights and limitations of that type of association versus a traditional Chapter 116 homeowners association.

MR. SMITH: Yes, Your Honor. And thank you. So in conclusion, I just want to say that it is abundantly clear to my clients that the entire purpose of the Lytle Trust applying for receiver was to have that receiver collect money from my clients to pay the Rosemere judgment.

These are the very same judgments that this Court held were not an obligation of the plaintiffs and, in fact, enjoined the Lytle Trust from taking any action to enforce the judgment against the plaintiff. The Lytle Trust technicalities do not change that reality.

If this motion is denied, the result would be that the Lytle Trust would be able to receive payment from the association through special assessments on the plaintiffs' properties. In other words, the plaintiffs' property rights will be infringed, again, and the plaintiffs will be required to pay the Rosemere judgments, which this

```
Court determined was not their obligation or debt.

This was the very purpose for which this case was instituted in the first place.
```

If this motion is denied, everything the plaintiffs have done to protect themselves from the Lytle Trust's overreaching and, in fact, illegal actions will be for nothing, and we simply don't believe that would be the proper result. And respectfully request, based upon that and upon our papers, that this Court grant our motion and hold the Lytle Trust in contempt for violating its orders.

THE COURT: Okay. Thank you, sir.

Ms. Wang or Mr. Foley, anything you want to add? Can you hear me? Did we lose them?

MR. FOLEY: I'm sorry. I had mine on mute.

Dan Foley. Sorry, Christina.

Very briefly, I'm appreciative of the Court having its recollection of this case. But one thing I want to remind the Court of is when you issued your first injunction in this case, which is when I was the sole party, the plaintiff's counsel in the case, you expunged these abstracts of judgment, and actually you ordered the Lytles to record withdrawals or rescissions of those abstracts of

```
judgment; and what they did, at that time, they did record rescissions of those, but they simultaneously then recorded lis pendens against the same properties so that the same cloud on the title would remain in effect.
```

I was forced to bring another motion to expunge those lis pendens because they wouldn't do it voluntarily, and you issued another order expunging those lis pendens. This is the same kind of thing that they've done now is, you know, in their third bite at the apple, their next tactic. And I think their violation here is actually absolutely a direct violation.

In your first injunction in my case, you enjoined them, the Lytles, permanently enjoined them from taking any action in the future against the plaintiffs or their property based on the Rosemere litigation via --

MR. SMITH: Your Honor, Your Honor --

THE COURT: Hold it, hold it. Go ahead.

Mr. Waite, you'll get a chance to do that.

MR. WAITE: Yes. What's that?

THE COURT: You'll get a chance to, without question, put your entire position on the record. I have no problem with that, sir.

MR. WAITE: Well, my objection is they are -- Mr. Foley is trying to expand the scope of this hearing which, pursuant to Mr. Smith's motion, is only about your May 2018 Permanent Injunction. And if you look at the opening papers, it's only about the May 2018 Permanent Injunction, has nothing to do with the 2017 injunction.

And for the record, I object to any attempt to, on the fly, expand this hearing to include that order as well.

THE COURT: Okay. Objection noted, sir.

MR. FOLEY: And I believe the language -- again, this is Dan Foley -- is the same as in the order of 2018, that they're enjoined from taking future action against the plaintiffs for their property based on the Rosemere litigation and the attorneys' fee judgment.

And as Mr. Smith pointed out, in the Motion to Appoint the Receiver that the Lytles filed, they reference the Rosemere litigation; they reference the specific judgment, and they request relief in the form of a receiver to issue a special assessment upon all the owners within the association to satisfy the judgments. So that's a direct violation of Your Honor's injunction which, again, was broad:

```
Any action in the future against the parties and their properties based on the Rosemere litigation and the attorneys fee judgment. That's all I have to add to Mr. Smith's argument.
```

Thank you, Your Honor.

THE COURT: Thank you, sir.

Ms. Wang, anything you want to add, ma'am?

MS. WANG: Yes, Your Honor. Just very briefly. Again, this is Christina Wang on behalf of Robert and Yvonne Disman.

I just want to note, Your Honor, that this case has been going on effectively since 2009, that these series of cases instituted by the Lytle Trust. Your Honor rendered a decision, in the first instance, with respect to Mr. Foley's clients, stating that the Lytle Trust cannot attempt to enforce their judgment collected in the Rosemere-I litigation against the property owners within the Rosemere association.

But from that point on is when the

Lytle Trust has shown a systematic disregard of the

Court's orders, as well as the previous Court's

orders upon which Your Honor based, in part, your

decision in this case. Following Your Honor's

decision, the very first decision regarding the

```
injunction in this case, what did the Lytle Trust do? They amended their pleadings to state: Fine, there is an order stating that we cannot attempt to collect our judgment in the Rosemere-I litigation against the property owners. So now we're going to attempt to collect our judgment obtained in the Rosemere-II litigation against the property owners.
```

So they completely ignored the import of the Court's decision and proceeded down the track of attempting to try to collect on their second judgment. Thereafter, the case was transferred inform Judge Bailus because there was a conflict of interest within this Court that subsequently was resolved. And Judge Bailus, following Your Honor's decision as the law of the case, found no, based upon Your Honor's conclusions, they could not attempt to enforce the judgment that they obtained against the association in the Rosemere-II and also subsequent litigation against the individual property owners and their property.

That is the decision that Judge Bailus made following Your Honor's initial decision as the law of the case. Once again, after that, after that order came out in May of 2018, the Lytle Trust, once again, said: No, we don't like this order. So what

do they do? They go ahead and, in 2018, filed the receiver action in Judge Kishner's chambers; and through that, they have a receiver appointed who is attempting to do right now what all previous orders have said that they are not allowed to do, which is attempting to enforce their judgments against the HOA against the individual property owners, Rosemere.

Regardless of how they try to style all of their different actions and courses of conduct, the one thing they are seeking to do, which Your Honor said they cannot do, is that they are seeking to escort judgments obtained against the HOA against these individual homeowners, and that is the whole point of the appointment of the receiver.

Your Honor's decision, in the first instance, was upheld by the Nevada Supreme Court. Judge Bailus's subsequent decision, based upon Your Honor's initial decision, was also affirmed by the Nevada Supreme Court. So I don't know how many ways the Lytle Trust is going to attempt to thwart the Courts' decisions and orders unless Your Honor shuts them down.

This vendetta against the association has been going on long enough. But the one thing that Your Honor made clear is that they're not allowed to

go after these individual property owners with respect to this vendetta. Currently, the Lytles have over a million dollars worth of judgments that they collected against the HOA.

No matter, again, how they style what they're trying to do or explain in technicalities what they're trying to do, they're trying to collect over a million dollars of assessments against seven or eight individual properties in Rosemere through these assessments that the receiver was appointed to make.

And I want to just bring up one last important point that Your Honor included in your original order, which is that Your Honor has found and agreed with the previous District Court decision in Rosemere-I, that the association -- this is found page 3 of Your Honor's decision, your original decision stating: "The association did not have any powers beyond those of the property owners' committee designation in the original CC&Rs since we too care for the landscaping and other common elements of Rosemere's Estate as set forth in paragraph 21 of the original CC&Rs."

So I do not understand from where the Lytle Trust insists that there's a receiver who has

the power to impose any sort of assessment designed to collect on judgments that they obtained against the HOA when there has been multiple reviews of the specific powers that the supposed HOA and Your Honor found that this HOA has those limited powers given to it under the original CC&Rs and as affirmed by the Nevada Supreme Court.

So in summation, Your Honor, cutting away all of the arguments regarding how they're technically not in violation because the order doesn't say they can't go and institute another action to get a receiver appointed and for the receiver to attempt to collect on these judgments, just because the order doesn't say that they're not in violation of the order, a Court order cannot contemplate every action that a party may attempt to undertake; and especially it cannot look into the future and, in the context of this case, anticipate every single task or tactic that the Lytle Trust may try to employ because they have a lot of those.

But the intent of the order is clear. The basis for the order is clear. The findings in the order are clear. Orders have been affirmed, and the Lytle Trust must be stopped from violating these court orders or, at the end of the day, they will be

```
emboldened to continue on in their actions with
respect to, frankly, harassing these individual
homeowners in perpetuity.
```

Your Honor, I yield the floor. Thank you.

THE COURT: Thank you, ma'am.

All right. Mr. Waite, sir.

MR. WAITE: Thank you, Your Honor.

Again, Dan Waite for the Lytle Trust. I have some prepared remarks. But I want to address, first of all, some of the things that have been said by my colleague counsel because there's an important, a very important point that is being overlooked here, and that is that with all the parties that are in front of you, there is an entity that is not in front of you, and that is the association.

This lawsuit and the appeal that arose from this lawsuit regarded one thing, and that was the relationship between the Lytle Trust and these homeowners and what the Lytle Trust could or could not do, under NRS 116, to enforce its judgments directly against these homeowners even though these homeowners were not a party to the actions that gave rise to the judgment.

THE COURT: Now, Mr. Waite, I don't want to

```
cut you off. But where does it say in my order

"directly"? Because I'm looking here, and this is
on page 10 of my order, and this starts out at
line 10, which provides as following, quote: "It is
hereby further ordered, adjudged, and decreed that
the Lytle Trust is permanently enjoined from
recording and enforcing judgments obtained from the
Rosemere litigation I, Rosemere litigation II, and
Rosemere litigation III, or any other judgments
obtained against the association, against the
September property, Zobrist property, Sandoval
property, or Gegen property."
```

I mean, to me, that appears to be fairly clear that they're precluded from doing anything as it relates to enforcing and recording those judgments.

MR. WAITE: Well, Your Honor, there's another paragraph. You ask "Where does it say directly?" Look at the next paragraph, which is the second paragraph of your Permanent Injunction. The first paragraph is very specific, Your Honor. The first paragraph addresses what the Lytle Trust cannot do as it relates to recording or enforcing their judgment against the properties.

THE COURT: Okay. I don't want to cut you

```
off, Mr. Waite, because I really respect you.
1
     understand, that's just another provision contained
2
     in the order. Yes, they can't do that. But, in
3
     addition, they can't -- they're permanently enjoined
4
     from recording or enforcing judgments obtained as a
5
     result of the Rosemere litigation, and so they're
6
     not mutually inclusive; they're in addition to.
              MR. WAITE: Well, if Your Honor is
8
9
     saying -- and I don't believe so, and I certainly
10
     hope not -- but if Your Honor is saying that the
     Lytle Trust received three judgments, which are
11
```

million-eight, including post-judgment interest, if Your Honor is saying that the Lytle Trust have absolutely no judgment creditor rights to try to collect that, those judgments in any way, shape, or form, then perhaps we violated Your Honor's order.

valid, are final, and today amount to about a

But I would --

THE COURT: And, Mr. Waite, I don't want to cut you off because I do -- I've known you for a long time. I really respect you, and you do a great job. But isn't that what my order says as it relates to --

MR. WAITE: No.

THE COURT: When it says "is permanently

```
enjoined from recording and enforcing judgments."
```

MR. WAITE: And it goes on. It goes on, Your Honor. It has to be read not syllable by syllable. It has to be read in context. "Enjoined from recording or enforcing the judgments," what, "obtained in the litigation or any other judgments against the association," and here's what they can't do: "They can't record or enforce those judgments against the September property, Zobrist property, Sandoval property, or Gegen property."

Your Honor, you understand what you intended. I'm telling you what it reads. And the way that it reads, to me, it is enjoining enforcing or recording those judgments against those properties. If that paragraph, Your Honor, were as broad as you're saying that it is and certainly as the plaintiffs now want it to be read, there would be no purpose whatsoever for the next paragraph.

The next paragraph -- the next paragraph would be completely redundant and unnecessary. But the first paragraph, Your Honor, is fairly limited. Remember the context of this action. We recorded one of our three judgments, and the homeowners wanted to expunge that judgment, and they wanted to ensure that the other two judgments were never

```
recorded against their properties, like the first one was. That's what's addressed in the first paragraph of this Permanent Injunction. The second paragraph expands upon that.
```

THE COURT: And, Mr. Waite, I don't want to cut you off, sir. I don't. But I think that's one of the reasons why -- and you can correct me if I'm wrong or not -- but this is how I interpreted it, I guess is the way to say it. That's one of the reasons why Mr. Waite (sic) wanted to point out the history of this case because when I made one of my initial decisions as it related to the abstract of judgments in this case that were recorded, the trust went out and filed lis pendens; right?

And that's what they did after I issued -and so you would say, you would think that if I
said, "Look, those abstracts of judgments are not
viable. That was an improper recording. I made a
determination as far as those are concerned," you
would think you wouldn't go out and file a
lis pendens; right? But they did, you know.

And I understand, I don't think you were involved in the case at that point. But I sat back, and I thought to myself, I remember when that hearing occurred, and I'm glad Mr. Foley brought it

```
up. I was saying to myself: Why would you go out and file a lis pendens in light of the law and motion practice and decisionmaking that has occurred?
```

And so it seems to me if you look at the language, the reason why the language was broad as it relates to "permanently enjoined from recording and enforcing judgments," that's pretty clear to me that that stands for the proposition no further action as it relates to judgments obtained in the Rosemere litigation I, Rosemere litigation II, and Rosemere litigation III or any other judgments obtained against the association.

And what's fascinating about it too is this: We can't look at it just limited to that order and that specific provision because I made factual determinations as it relates to -- for example, I made a determination as it relates to Conclusions of Law on page 7, paragraph 2, that this was a limited-purpose association which, to me, I remember when this was being briefed, I thought it was pretty clear on that.

And, further, it stands for the proposition that Chapter 116, in a traditional sense as it relates to homeowners associations, is not

```
1 | applicable to this limited-purpose association.
```

MR. WAITE: Your Honor, we are not disputing that the association is a limited-purpose association. We are not advocating for the application of 116.3117.

But, again, what I think is being overlooked here is this action, this action regarded the relationship between the Lytle Trust and the homeowners. They recorded, they thought -- and you're right, I wasn't involved; I've only been involved for the last couple months, not the last couple of years -- but the Lytle Trust believed that NRS 116.3117 allowed them a statutory vehicle to bypass, to leapfrog over the association judgment debtor and to record their judgment, their judgment liens, directly against the homeowner properties. You said no, and the Supreme Court agreed with you. They affirmed that.

But this action has only to do with what the Lytle Trust can't do as it relates to the homeowners. Your Honor, the association is not here as the Lytle Trust relationship as a judgment creditor vis-a-vis the association as a judgment debtor is not before you, never has been before you.

And I'll ask it again, and I'll ask it

maybe not as a rhetorical question. Pending the answer, quite honestly, I may have nothing else to say. I may have nothing that I know of to say. But did you intend by your Permanent Injunction here to strip the Lytle Trust of all of its judgment creditor rights against the judgment debtor association?

THE COURT: Well, the association wasn't a party, but the bottom line is this: I stripped the Lytle Trust of their ability and right to enforce those judgments vis-a-vis the homeowners in this case. For example, they couldn't do -- wait. Let me finish.

For example, they couldn't go out and hire a lawyer to specifically enforce those judgments. They couldn't hire a collection agency. I would think filing a motion seeking to appoint a receiver because the association apparently is, from what I can tell, insolvent -- just as important too, and I don't mind telling you this, I sit back, and I pondered this question when I was reviewing the points and authorities. You know, we have a receiver, and the receiver takes over.

And, understand, this is business court.

I've been doing this now for about two-and-a-half

years, and I understand the role of a receiver. It seems to me -- and I realize the receiver is not arguing this matter today, and that's another day. That's Judge Kishner's issue that she has to deal with. So I'm not. But I was sitting down saying to myself rhetorically: Okay. Receivers are -- and I get their importance.

But, you know, when it comes to Chapter 116 and the like, it appears to me -- and I haven't seen a receivership, to be candid with everyone, happen very much, if ever, as it relates to a homeowners association. But remember this, the HOA does have certain duties and responsibilities as it relates to the unit owners that are clearly defined under Chapter 116. I understand it has to use the Best Judgment Rule. I understand it has fiduciary-like responsibilities too.

And so I pondered to myself, what should a receiver do under the circumstances of this case when, if they've been given a copy of a court order that stands for the proposition that, you know what, the Court has ruled and been affirmed by the Nevada Supreme Court as it relates to its order, and the Court has been affirmed specifically as it relates to one important section, quote: "That the Lytle

```
Trust" -- excuse me -- "is permanently enjoined from recording or enforcing judgments obtained as a result of these pieces of litigation." Right? And that's a different issue.
```

MR. WAITE: Your Honor, Your Honor, there is no circumstance -- there is no circumstance under this receivership where the Lytle Trust focused -- if I could focus you on what you just read. There is no circumstance under this receivership where the Lytle Trust will be recording anything against these homeowners' properties.

And with all due respect, Your Honor, there is a significant difference between a judgment creditor hiring an attorney, who is their agent, or hiring a collection agency, who is their agent, to do of course -- of course, their agent can't do what the principal is precluded from doing him or herself.

But in the case of a receiver, Your

Honor -- and this is the point we tried to make in
our opposition that the plaintiffs fatally
misunderstand; and, Your Honor, I fear that it's
being lost on you as well -- that the receiver is
not, is not, as a matter of law, is not the agent of
the Lytle Trust. Someone has to go and to procure

25

```
and ask for a receiver -- in this case, it's the
1
     Lytle Trust -- but that doesn't render the receiver
2
3
     the agent of the procuring party.
              Once appointed, the receiver becomes an
4
     officer the Court, answers to the Court, is an agent
5
     of the Court, and in this instance, was appointed to
6
     take control of and act on behalf of the association.
8
     Therefore, everything that -- everything
     post-appointment that the receiver does is not
10
     actioned by the Lytle Trust. It is actioned by the
     association.
11
12
                          Okay.
                                  I get that.
              THE COURT:
                                               Wait a
13
              I don't want to cut you off, Mr. Waite.
                                                        Ι
14
     understand that. But I think you're overlooking my
15
     point because, in essence, this isn't a corporation.
16
     This is a homeowners association. It's a limited
17
     purpose.
18
              MR. WAITE:
                          It is a corporation, Your Honor.
19
              THE COURT:
                           Pardon?
20
              MR. WAITE:
                          It is a corporation.
                                                 It's an
21
     NRS 82 corporation.
22
              THE COURT: But it has different duties and
23
     responsibilities. I don't think Chapter 116
24
     specifically applies to our run-of-the-mill Nevada
```

corporations because there's different duties and

```
responsibilities that they have to the unit owners.
We can all agree on that.
```

But my point is this: It seems to me that, under the facts of this case, a receiver would look at this order and say, "Look, Judge, I've been appointed as a receiver in this matter, but I have grave concerns in this regard: I have an order that's been issued by a trial judge back on May 24th of 2018 that specifically stands for the proposition, Judge Kishner, that this trust is permanently enjoined from recording or enforcing judgments obtained as a result of this litigation"; right?

That's a different animal than a traditional receivership and creditors and the like. This is a totally different animal. It just is because there's been litigation here. And just as important too, we have specific findings by a trial court that says, look, these -- and let me find it right here, and it's really clear as it relates to the impact in this case, and it was appealed.

For example, on page 7, line 25, paragraph 4, under the Conclusions of Law: "As a result of the Rosemere litigation I, the Amended CC&Rs are judicially declared to be improperly adopted and recorded. The Amended CC&Rs are invalid

```
and have no force and effect and were declared
1
     void ab initio." Right? And that's in this order.
2
              And so I'm trying to figure out how --
3
              MR. WAITE:
4
                          Yes.
              THE COURT: -- HOA, in light of this
5
     Court's decision being affirmed by the Supreme Court
6
     could -- and the receiver for an HOA that's not a
8
     traditional HOA but a very limited and purposed
     homeowners association can sit there and owing a
     duty and responsibility to the unit owners, i.e.,
10
     members, say, "Look, I think I'm going to enforce
11
12
     this one-point-something-million-dollar judgment
     against the owners," I don't understand. I really
13
             It just doesn't make sense to me.
14
     don't.
15
              But go ahead, sir.
16
              MR. WAITE: Your Honor, I don't know.
17
     don't know where, what more to say. I'm clearly not
18
     making my point or you're not buying it.
19
              I think, Your Honor, quite candidly, you're
20
     looking at the first paragraph of your Permanent
21
     Injunction, and you're putting a period where there
22
     is no period. You're looking at it and saying that
23
     "I restricted the Lytle Trust from recording or
24
     enforcing their judgment against these homeowners,
     period, end of story."
25
```

And we're saying, even if that were the case, Your Honor, going and getting a receiver to take control of the association is not actions against the homeowners. It's actions against the association, our judgment debtor. It is Horn Book law that a judgment creditor has a right to seek a receiver over a judgment debtor not paying, and that's what we did. These homeowners weren't even parties to that receiver action. But there, the party is the association. The association is not a party here.

The issue regarding whether the receiver was properly vested with the powers that Judge Kishner's order appointing a receiver, whether those were proper or whether they were beyond the powers contemplated by NRS 116, the provisions that are applicable to limited-purpose associations or beyond those that are in the original CC&Rs -- you see, Your Honor, one of the things, that issue is before Judge Kishner. She's got it under advisement right now.

But just part of the problem of addressing this issue here is you're not getting the benefit of the arguments that are made there. For example, just as a single example, Your Honor, we

```
argued to Judge Kishner that because this association,
whether it's a limited-purpose association or
otherwise, and it is a limited purpose association.

it is a nonprofit corporation. That is the
corporate vehicle that this association chose to
operate under, under an NRS 82 nonprofit
corporation.
```

And we contend that, as a nonprofit corporation, it is subject to all of the obligations imposed by NRS 82 and is vested with all of the powers granted by NRS 82 to nonprofit corporations. And, for example, NRS 82.131, sub (5) grants to every nonprofit corporation the power to levy assessments, dues, and so forth. And so I can't emphasize it enough, Your Honor, the action by the Lytle Trust in seeking the appointment of a receiver over the association was an attempt to enforce their judgment against the association.

Now, what the association -- or in this case, the receiver acting in the capacity of the association -- does to not commit -- the receiver isn't our agent to collect our judgment. The receiver is the agent of the association to pay the judgment, and what the receiver does to pay the judgment -- hypothetically, Your Honor,

```
hypothetically, this is a strange hypothetical, but frequently in strange or extreme hypotheticals, it helps to make a point. If, for example, the receiver went in and got control of the books and records of the association and discovered, lo and behold, $1.8 million in assets, liquid assets that everybody forgot about and was able to satisfy the Lytle Trust judgments with those assets, that would be a satisfaction of our judgments without any assessment whatsoever against the homeowners.
```

So, clearly, simply getting the appointment of a receiver isn't and can't constitute action -- let me rephrase it. Getting a receiver over the association isn't action against the homeowners. It's clearly not direct action against the homeowners. And, Your Honor, I would suggest it's not even indirect action.

THE COURT: Isn't it a conduit to get to the homeowners in this case and in direct violation of my order? Because it's really clear they should take no action. Because at the end of the day --

MR. WAITE: Can I give you a hypothetical?

Can I give you an example, Your Honor. Actually,

this was part of my prepared argument. I'd like to

give you a hypothetical to consider.

```
1
              THE COURT:
                           Absolutely.
              MR. WAITE:
                           If I could.
2
3
              THE COURT:
                           Mr. Waite, you know how I work.
     Of course you can make a hypothetical.
4
                                              You can.
     Try to convince me.
5
                           I'm trying, Your Honor.
              MR. WAITE:
6
              So what I would like you to do is to
8
     consider two similar but slightly different
9
     hypotheticals. And in the hypothetical, I have
10
     three judgments against XYZ Corporation.
     judgments, however, are not against XYZ shareholders
11
12
     or XYZ's customers. In fact, neither the
13
     shareholders nor the customers were parties to the
14
     lawsuits giving rise to my judgments against XYZ.
15
              And in the first hypothetical, I record one
16
     of my three judgments against the shareholders'
17
     homes; and in the second hypothetical, I similarly
18
     record one of my judgments against the customers'
19
             The shareholders and the customers sue me.
20
     But they don't include XYZ Corporation as a party.
21
     After all, their beef is with me as the judgment
22
     creditor, not the judgment debtor, XYZ Corporation.
23
     They claim in the lawsuit that I improperly
24
     leapfrogged over the judgment debtor, and I'm trying
25
     to enforce judgment directly against them.
```

want the judgment expunged from their home and they want to ensure -- they want that injunction to make sure that, in the future, I don't record any of my other two judgments against their home.

Now, in those hypotheticals, the shareholders and the customers prevail. My lien is expunged, and a Permanent Injunction is entered against me, precluding me from enforcing any of my judgments against the shareholders or the customers. Continuing the hypothetical, Your Honor, as a judgment creditor, with a judgment debtor who's not paying, I seek and obtain the appointment of a receiver over XYZ Corporation. The receiver takes over the company, and in the first hypothetical, the receiver uses the power vested in her to make a capital call to all shareholders to pay the judgment.

And in the second hypothetical, the receiver uses the power vested in him to raise the price of the products that XYZ sells to its customers in order to satisfy the judgment and thereby relieve XYZ of its judgment liability. Your Honor, under these hypotheticals which, of course, are very similar to the situation we have here, I don't believe anyone would credibly claim

that I violated a Permanent Injunction simply by
exercising my judgment creditor right to seek
appointment of a receiver over XYZ.

XYZ Corp, which of course is the association here, wasn't a party to the Permanent Injunction actions. Further, the Permanent Injunction did not strip me of my valid judgment creditor rights against XYZ, my judgment debtor, including it didn't strip me of my right to seek a receiver over XYZ.

In order to hold me in contempt, the shareholders and customers in my hypothetical are going to have to overcome two insurmountable hurdles: First they're going to have to demonstrate, by clear and convincing evidence, that the receiver's actions then affected them, the capital call and the price increase, was actioned by me. That, of course, fails as a matter of law because the receiver is not my agent. As I've already mentioned, the receiver is the agent and officer of the court.

Second, they're going to have to convince the Court that, despite the plain language of the Permanent Injection that only affected what I couldn't do, vis-a-vis, the shareholders and

customers, that the Permanent Injunction is expanded beyond its express terms to also affect and strip me of my judgment creditor rights against the nonparty corporation. And that's what we have here, Your Honor, I believe.

And when we look at the language of the order where I'm saying that you put a period after "obtained against the association" in the first paragraph, I'm pointing out that the words that follow give meaning and affect that entire paragraph against what can't anyone -- what can't the Lytle Trust do. They cannot record or enforce their judgments obtained anywhere against the judgments they obtained against the association.

They can't enforce or record those against the September property, the Zobrist property, the Sandoval property, or the Gegen property. So in seeking the appointment of a receiver, did the Lytle Trust record anything? No. There's no allegation of that. Does seeking the appointment of a receiver over the association constitute enforcing the Lytle Trust judgment against the homeowners' properties? Also no. The homeowners haven't even claimed otherwise.

Going to the second paragraph where that

```
"directly" word is used, did the Lytle Trust request
for the appointment of a receiver over the
association constitute direct actions against the
homeowners or their properties? No.
```

Your Honor, the issue here is not whether the Lytle Trust efforts to collect its judgment may somehow indirectly affect the homeowners. Unlike my hypotheticals, the association doesn't manufacture widgets to generate revenues. The association's only source of revenue is from the homeowners in the form of dues and assessments. Thus, Your Honor, collecting the judgments will very likely affect the homeowners, including the Lytle Trust, who is a homeowner.

For example, if the judgment was not \$1.8 million but \$1,800, let's just say, and let's also say that the association's entrance gate needed an \$1,800 repair. The association might assess each of the nine homeowners \$200 to pay for the gate repair. And when the homeowners paid that \$200 gate repair assessment and that money came into the association's bank account, then a judgment creditor could -- the Lytle Trust could execute on the account to satisfy \$1,800 judgment.

And in that event, Your Honor, the

25

```
1
     association would go back to the homeowners and say:
     "Good news, bad news. The good news is that we
2
     don't owe that $1,800 judgment anymore.
3
     news is is that everyone has to pitch in another
4
     $200 because the gates still needs repaired."
5
              Again, the issue is not whether the Lytle
6
     Trust collection efforts against the association may
8
     have some indirect impact by the association on the
9
     homeowners. The only way to guarantee there is
     never any impact on the homeowners is to completely
10
     strip the Lytle Trust of all of its judgment
11
12
     creditor rights and essentially void their
13
     judgments.
              Your Honor, in closing, unless you have
14
15
     other questions, as you know, the standard to hold
16
     someone in contempt is very high. The plaintiffs
17
     here bear the burden of showing, by clear and
18
     convincing evidence, that the Lytle Trust violated a
19
     specific and definite court order. Pause there for
20
     a moment.
                I heard opposing counsel made their
     arguments and even concessions about how they didn't
21
22
     technically violate it, and but --
23
              THE REPORTER:
                              I'm sorry.
24
                     (The record was read.)
```

Wait, wait. Slow down.

THE COURT:

```
1 Mr. Waite, slow down. You said "technically violate 2 it," the arguments by the other side.
```

MR. WAITE: I'm sorry. I'm sorry. I'll slow down. What I said, Your Honor, is that I heard opposing counsel argue and ask you to concede that the Lytle Trust action, in seeking the appointment of a receiver, wasn't a technical violation of this Court's orders but it violated the intent of the Court's order.

But the standard, Your Honor, the high standard for holding someone in contempt of a court order is they have to be in violation, by clear and convincing evidence, of having violated a clear -- I'm sorry -- the phrase is "specific and direct order." So, you know, you have to go off of the language in the order if we're going to hold someone in contempt.

what they want you to do is go beyond the express terms of the Permanent Injunction, and they want you to essentially rule as having completely stripped the Lytle Trust of its judgment creditor rights. Your Honor, I just don't believe that's what Your Honor did. And if that is what you did and what you intended, to strip them all of their judgment creditor rights against the association, I

would ask you to please clarify the record for here and now.

The Lytle Trust respects this Court's orders, all of them; and as set forth in the papers and the arguments here, they did not violate the terms of the Permanent Injunction. I'll say it again. I don't believe Your Honor would have completely stripped the Lytle Trust of all of their judgment creditor rights against the association and voided their \$1.8 million judgment. But if that's what you did, please clarify.

That's all, Your Honor, unless you have other questions.

THE COURT: Well, here's my question, and I keep coming back to page 10 of my order. And, to me, it appears to be fairly clear as to specifically what I ordered, adjudged, and decreed. And the reason why I think that's important is on two levels. No. 1, I'm going to read to you the plain language of my order. And just as important too, we have to remember the context of this order because this order was appealed to the Nevada Supreme Court and affirmed.

And so this is the very plain language, and this is what I said. It starts at line 10, quote:

14

15

16

19

20

21

22

23

24

25

```
"It is hereby further ordered, adjudged, and decreed
1
     that the Lytle Trust is permanently enjoined from
2
     recording and enforcing the judgments obtained from
3
     the Rosemere litigation I, Rosemere litigation II,
4
     and Rosemere litigation III, or any other judgments
5
     obtained against the association, against the
6
     September property, Zobrist property, Sandoval
     property, or Gegen property," period, end of quote.
8
              The reason why I think it's important to
10
     point out, specifically, if you read the order, I
     addressed any other judgments obtained against the
11
12
     association in my order. Seems to me to be pretty
13
     clear that it was contemplated the way I read that
```

MR. WAITE: Would you like me to respond,
Your Honor?

and the way I signed off on it. Do I even need to

interpret that specific paragraph because it says

THE COURT: Yes.

"the association"; right?

MR. WAITE: Yes. Sorry. You know, I apologize. Since we're not in court, I can't see visual cues, and it's hard to tell when someone is asking a rhetorical question and actually wanting a response.

THE COURT: Yes.

MR. WAITE: Your Honor, there's only three judgments against the Lytle -- excuse me -- that the Lytle Trust has. This or any other judgments against the association, they're all against the association. All of them are against the association.

And, again, if that paragraph, if that first paragraph that the Permanent Injunction that you just read is all-encompassing, there would be no purpose for the second paragraph. I really believe Your Honor -- and this is not just being an oral advocate for my client -- I believe that looking at the way that this paragraph is structured, it has to be interpreted as that you have to look at it in terms of the last place against the September property, it that can't record or enforce the judgments obtained in any of these three litigations or any other judgments obtained against the association.

what can't they do with those judgments that they obtained in these three litigations or any other that they might possibly get against the association? They can't record or enforce those judgments, any of them, against the September property, Zobrist property, Sandoval property, or

```
Gegen property. And that, Your Honor, of course they go to court to seek the appointment of a receiver over the association wasn't action against their property. They haven't even argued that, Your Honor. They haven't argued that going to court and asking for an appointment of a receiver was somehow action against their property.
```

And, really, where I think that the real find is, Your Honor, is in the second paragraph. That is a more -- is a broader, all-encompassing that the Lytle Trust essentially can't do anything. Again, this is an action -- this is an action that only addresses the relationship between the Lytle Trust and the receivers, not the Lytle Trust and the association, and so you can't do anything.

You leapfrogged over the association in your judgment debtor before. You can't do that anymore. Don't do that again. You are permanently enjoined from bypassing the association and going directly against these homeowners. Well, Your Honor, that's exactly -- we took our cue, if you will. We didn't bypass the association. We went to the Court, and we asked the Court to appoint a receiver over the association. We didn't even involve the homeowners. They weren't even a party.

```
1
              And so, anyway, that's my response,
     Your Honor, to those comments.
2
3
              THE COURT:
                          Okay. What we're going to do,
     just real quick, we're going to take a quick five
4
     minute recess, and we'll come right back. I'm going
5
     to give the moving party an opportunity to respond.
6
     It shouldn't take very long.
8
                   (Pause in the proceedings.)
9
              THE COURT:
                          Okay. We're back live, and
     we'll go back to the moving party.
10
              You can sum it up.
11
12
              MR. SMITH: Yes, Your Honor.
                                             This is
     wesley Smith, counsel for the plaintiff.
13
                                                I iust
     wanted to address a couple of points. I don't want
14
15
     to take too much of your time.
16
              Counsel for the Lytle Trust said that this
17
     is not -- or the appointment of the receiver is not
18
     an action against the property of the homeowners.
19
     That is entirely not correct because, by the very
20
     nature saying that you are appointing a receiver to
21
     take over the association, that affects the property
22
     rights of the homeowners. Their properties lie
23
     within where this association governs within this
24
     community.
              And, further, to what they're advocating
25
```

that the receiver do to make special assessments, that would be affecting the property rights of these homeowners. If they did not own property within the Rosemere Estates community, there would be no effect on them by an assessment. So by the very nature of what they're trying to do, it does affect their property rights. And they admitted to you that they filed that receivership case without giving any notice to the property owners. They didn't have an opportunity to speak up about those property rights.

So, Your Honor, it's the same thing. They also mentioned that the receiver doesn't have to make special assessments in order to review its duties, that it could also go and take out financing to pay these judgments. Well, Your Honor, that's just a roundabout way of making special assessments because how would the association pay back a loan to pay these judgments without making special assessments on these property owners? It just can't be done.

They also said that NRS 82, which is the charitable corporations provision in the NRS, that that allows them to record or to take action against the property owners to make special assessments.

But NRS 82, Section 121, states that a corporation

```
that is organized under that chapter can only exercise the powers under that chapter when not inconsistent with the purposes and objects for which the corporation is organized.
```

Further, in their opposition, the Lytle

Trust works extensively from the Restatement of

Servitudes. And when you look at that, it says that
associations that are incorporated are entitled to
exercise powers granted under the applicable
corporation statutes -- in this case, that would be

NRS 82 -- quote, "unless they conflict with the law
of common interest communities."

Regarding we've already said multiple times that NRS 116.1201 governs this association. That is the law of common interest communities which is at play here, and it does not give this association the powers that they are trying to have this receiver do.

Your Honor, as a final thing, they talk about how -- they've asked the question if your order takes away all creditor rights for the Lytle Trust --

(The record was read.)

MR. SMITH: Yes. "Creditor rights." So the Lytle Trust asked the Court whether or not its orders took away all of the Lytle Trust creditor

```
rights as it relates to the Rosemere judgments. I don't believe that it went that far, Your Honor. It did not take away all creditor rights. They still have the option to go and use garnishment, encashment, all of the -- and execution, all of the rights that are given to them under NRS to be able to collect on the judgment. In fact, I believe they have already made garnishment on the bank account of the association.
```

what they are upset about is that the association did not have enough money to pay their entire judgment. Your Honor, that's a problem that we always run into when we get judgments against corporations that simply don't have enough funds to satisfy the judgments that are against them. It does not mean that you took away their creditor rights and certainly does not mean that they don't have a remedy at law.

Your Honor, we respectfully ask that you grant the motion, that you assess sanctions against them, that you award our attorneys fees and costs for having to come here and argue about this, something that we already argued about before.

Thank you, Your Honor.

THE COURT: Thank you, sir.

```
Mr. Wang or Mr. Foley.
```

MR. FOLEY: Dan Foley, Your Honor. Nothing further.

MS. WANG: Your Honor, this is Christina Wang. I just want to close by saying that they didn't answer your question which Your Honor posed at the beginning of this hearing, which is how can they seek to do indirectly what the Court said they couldn't do directly? And that is exactly the route that they are trying to employ by doing what they're doing right now with respect to the receiver action.

Mr. Waite has spent a great deal of time trying to create separation between the receiver and the Lytle Trust. But I hope Your Honor recognizes that it was the Lytle Trust that filed the receiver action. It is the Lytle Trust that's bringing the receiver's responsibility, one of which is to go and collect on these judgments against the HOA from the individual property owners. It is the Lytle Trust judgment that the receiver is attempting to collect by sending out letters to all of the homeowners saying, "Let's meet so we can discuss how we are going to repay these judgments."

At the end of the day, again, they cannot seek to do indirectly what the Court said that they

could not do directly. They are in violation of this Court's orders, which the Court has spent years reviewing and developing the record, and the record is clear.

And we submit, Your Honor, they are in violation of the court order that they have shown a history of violating the Court's orders and that it is incumbent upon this Court to shut them down at this point and say "no more" and that counsel on the plaintiff's side, my client's side, are entitled to recovery of their attorneys' fees and costs in dealing with this issue.

In addition, we request that the Court make a specific ruling that the receiver action that the Lytles filed is in direct conflict with the judgments and the orders of this Court.

Thank you so much.

THE COURT: All right. This is what I'm going to do, and we've had a rigorous discussion. We have a pretty clear record. I understand the history of this case and grappled with it for quite awhile. There is an appellate history to this case, and so when it comes to Plaintiff's Motion for an Order to Show Cause why the Lytle Trust Should Not Be Held in Civil Contempt Or Violation of this

Court's order, I'm going to grant the motion.

And there's a reason for it because this case has a history, and Mr. Foley pointed out to me one issue that I thought was fairly significant at the time, and that's when the abstracts judgment were expunged, the Lytle Trust went out and recorded lis pendens. It was obvious to me that, based upon the history of this case, that that wasn't the appropriate thing to do. And it's my recollection I expunged the lis pendens also.

I think it's important to point out too that when you read an order, it's not really a question of statutory interpretation. Each paragraph of the order has and should be given its plain meaning. And it's important to point out too that this Court made specific factual determinations in its May 24th, 2018, order.

And just as important too, I made

Conclusions of Law. They start out on page 7 of the

order and continue to page 8. And more specifically,

as a result of the Findings of Fact and Conclusions

of Law, there were specific orders which aren't

mutually exclusive. Each issue I ordered should be

given its meaning, and they're not in conflict.

Certain paragraphs are expansive. Some are

```
narrower. But, ultimately, if you look at page 10,
line 10, and this order was appealed, it provides,
quote:
```

"It is hereby further ordered, adjudged, and decreed that the Lytle Trust is permanently enjoined from recording and enforcing the judgments obtained from the Rosemere litigation I, Rosemere litigation II, and Rosemere litigation III, or any other judgments obtained against the association, against the September property, Zobrist property, Sandoval property, or Gegen property."

Just as important, it appears to me that there's not just direct, but there's also indirect violation of this Court's order. There will be assessment of \$500 per plaintiff. And just as important too, file your application for fees and costs. I'll consider that and hear that on the merits, and that will be my decision.

Mr. Smith, I want you to prepare Findings of Facts, Conclusions of Law, and then once that's prepared, before you submit it, makes sure Mr. Waite gets a copy; and if you can't agree on the contents, you can submit competing orders.

Everyone, enjoy your day.

MR. WAITE: Thank you, Your Honor.

```
THE COURT: Stay safe out there.
 1
 2
               MS. WANG:
                           Thank you, Your Honor.
                            Thank you, Your Honor.
 3
               Mr. WAITE:
 4
             (The proceedings concluded at 1:00 p.m.)
 5
 6
                                -000-
 7
 8
 9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
```

#### 1 CERTIFICATE OF REPORTER 2 STATE OF NEVADA 3 )ss: COUNTY OF CLARK 4 I, Dana J. Tavaglione, a duly commissioned 5 and licensed Court Reporter, Clark County, State of 6 Nevada, do hereby certify: That I reported the 8 proceedings had in the above-entitled matter at the place and date indicated. 9 10 That I thereafter transcribed my said 11 shorthand notes into typewriting and that the 12 typewritten transcript of said proceedings is a 13 complete, true and accurate transcription of said shorthand notes. 14 15 IN WITNESS HEREOF, I have hereunto set my 16 hand, in my office, in the County of Clark, State of 17 Nevada, this 28th day of April 2020. 18 19 20 /s/Dana J. Tavaglione 21 DANA J. TAVAGLIONE, RPR, CCR NO. 841 22 23 24 25

Page 1 of 3

Case Number: A-16-747800-C

&

OAKES

111225714.1

001399

001399

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

Plaintiffs Marjorie B. Boulden, Trustee Of The Marjorie B. Boulden Trust (the "Boulden Trust"), Linda Lamothe And Jacques Lamothe, Trustees Of The Jacques & Linda Lamothe Living Trust ("Lamothe Trust") by and through their attorneys Foley & Oakes, PC, having entered into a settlement agreement with the Lytle Trust with respect to, among other things, resolving the Lytle Trust's Appeal of this Court's Order granting the Boulden Trust's and Lamothe Trust's Attorneys' Fees and Costs, hereby provide Notice to the Court and all interested parties that they hereby withdraw their Joinder filed in this case on March 5, 2020, and accordingly waive all relief orally awarded by the Court associated with their Joinder.

Dated this 14<sup>th</sup> day of May 2020.

FOLEY & OAKES, PC

By: /s/ Daniel T. Foley Daniel T. Foley, Esq. 1210 So. Valley View Blvd., Suite # 208 Las Vegas, NV 89102 (702) 384-2070 Attorneys for the Boulden and Lamothe Plaintiffs.

FOLEY<sub>28</sub> OAKES

Page 2 of 3

111225714.1

**CERTIFICATE OF SERVICE** 

Pursuant to N.R.C.P. Rule 5(b), I certify that I am an employee of Foley & Oakes, PC and that on this 14<sup>th</sup> day of May 2020, I caused this document to be served pursuant to NEFCR 9, upon all registered parties via the Court's electronic filing system.

I declare that under penalty of perjury under the laws of the State of Nevada that the above is true and correct. I further declare that I am employed in the office of a member of the bar of this court at whose direction this service was made.

/s/ Liz Gould An employee of Foley & Oakes PC

 $\mathbf{FOLEY}_{28}^{27}$  & OAKES

Page 3 of 3

**Electronically Filed** 

111265949.1

5/19/2020 12:08 PM Steven D. Grierson **CLERK OF THE COURT** 1 **OBJ** DAN R. WAITE, ESQ. 2 Nevada Bar No. 4078 DWaite@lrrc.com 3 LEWIS ROCA ROTHGERBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 4 Las Vegas, Nevada 89169 Telephone: 702-949-8200 5 Facsimile: 702-949-8398 Attorneys for Defendants 6 7 DISTRICT COURT 8 **CLARK COUNTY, NEVADA** 9 MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C 10 THE MARJORIE B. BOULDEN TRUST, Dept. No.: XVI LINDA LAMOTHE AND JACQUES 11 LAMOTHE, TRUSTEES OF THE JACQUES & LINDA LAMOTHE LIVING **DEFENDANT'S (1) OBJECTION TO** 12 TRUST, PLAINTIFFS' PROPOSED ORDER, AND (2) COMPETING ORDER 13 Plaintiffs. 14 VS. Date: April 22, 2020 15 TRUDI LEE LYTLE, JOHN ALLEN Time: 9:00 a.m. LYTLE, THE LYTLE TRUST, DOES I 16 through X, and ROE CORPORATIONS I through X, 17 Defendants. 18 19 SEPTEMBER TRUST, DATED MARCH 23, Case No.: A-17-765372-C 1972; GERRY R. ZOBRIST AND JOLIN G. Dept. No.: XVI 20 ZOBRIST, AS TRUSTEES OF THE GERRY R. ZOBRIST AND JOLIN G. ZOBRIST CONSOLIDATED 21 FAMILY TRUST; RAYNALDO G. SANDOVAL AND JULIE MARIE 22 SANDOVAL GEGEN, AS TRUSTEES OF THE RAYNALDO G. AND EVELYN A. 23 SANDOVAL JOINT LIVING AND 24 25 26 27 28

Case Number: A-16-747800-C

as Vegas, NV 89169-5996

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

Plaintiffs,

VS.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

Defendants.

Defendant Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust"), hereby file its objection to Plaintiffs' proposed Order Granting Plaintiffs' Motion for Order to Show Cause Why the Lyle Trust Should Not be Held in Contempt for Violation of Court Orders, and the Lytle Trust hereby also submits its proposed competing order.

I.

### **OBJECTIONS TO PLAINTIFFS' PROPOSED FINDINGS OF FACT** Objection to Plaintiffs' Proposed Finding No. 4

- Proposed by Plaintiffs: "The Court ordered the Lytle Trust to expunge the A. Abstracts of Judgment that it had recorded against properties owned by the Boulden Trust and Lamothe Trust. The Lytle Trust released the Abstracts of Judgment, but immediately recorded two *lis pendens* against the Boulden Trust and Lamothe Trust properties. Thereafter, the Lytle Trust refused to voluntarily expunge the *lis pendens* and the Boulden Trust and Lamothe Trust were forced to file a Motion to Expunge *Lis Pendens*. This Court summarily granted the Motion on June 23, 2017 and the *lis pendens* were ordered stricken, but the Lytle Trust was not held in contempt."
- В. Proposed by Lytle Trust (redlined against Proposed by Plaintiffs): "The Court ordered the Lytle Trust to expunge the Abstracts of Judgment that it had recorded against properties owned by the Boulden Trust and Lamothe Trust. The Lytle Trust released the Abstracts of Judgment, but immediately recorded two lis pendens against the Boulden

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1

C. Basis of Lytle Trust's Objection: The Lytle Trust proposes this Finding be eliminated in its entirety. The notices of lis pendens recorded in May 2017 against the properties previously owned by the Lamothe Trust and Boulden Trust were not mentioned in Plaintiffs' Motion, the Opposition, the Reply, or either of the Joinders. This issue was improperly raised for the first time at the hearing where the undersigned counsel for the Lytle Trust, who was not counsel for the Lytle Trust until recently, did not have an opportunity to adequately respond. See e.g., Maronyan v. Mercedes Benz Financial Services USA, LLC, 2018 WL 1737621, at \*4 (C.D. Cal. 2018) ("...Caley presented this argument in one [of] its briefing and only for the first time at oral argument, giving Plaintiffs no meaningful opportunity to consider and respond to it. Courts ordinarily disregard arguments so untimely and unfairly raised."). The prior recordation of the notices of *lis pendens* should play no role here because (1) as mentioned above, such was raised for the first time at the hearing, and (2) such was already the subject of a Motion to Hold Defendants and/or Their Counsel in Contempt of Court and this Court expressly found, as Finding of Fact No. 16 in its June 23, 2017 Order regarding that prior contempt motion, that "[t]he Lytles and their counsel by recording the Lamothe Lis Pendens and the Boulden Lis Pendens were not in contempt of Court." (Emphases added). Indeed, the previous contempt motion regarding the recordation of the notices of lis pendens was apparently not even a close call. More specifically, during the June 1, 2017 hearing on the prior contempt motion, "Mr. Haskin [counsel for the Lytle Trust] began to argue the contempt issue; however, the Court stated it would not hold Defts in contempt . . . ." (Minute Order 6/1/17). It is neither proper nor rational to support a finding of contempt on an old finding of no-contempt. Furthermore, conduct that occurred more than a year

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

before this Court entered its May 2018 permanent injunction order is not relevant to whether the Lytle Trust violated the May 2018 permanent injunction, which is the only order this Court found the Lytle Trust violated. Finally, although Plaintiffs' proposed Finding No. 4 includes a reference at the end that "the Lytle Trust was not held in contempt," such is an after-thought—i.e., during the hearing, the Court was reminded about the prior *lis pendens* matter but was not reminded that such was the subject of a prior contempt motion and that the Court denied that motion. Again, the undersigned, being new to this case, was not in a position to remind the Court of this mitigating history (and, given the requirement of telephonic hearings, it was not technologically possible for Mr. Haskin to privately consult with me during the hearing). Clearly, the Court was swayed by the *lis pendens* matter. An after-the-fact recitation here in Finding 4 that a prior contempt motion was filed and denied does not remedy the harm done by Plaintiffs—they raised the matter for the first time, not in a reply brief, which is patently improper, but worse during oral argument and did so without reminding the Court that Plaintiffs alleged such was a contempt but the Court found otherwise. This Finding should be eliminated.

#### Objection to Plaintiffs' Proposed Finding No. 16:

- A. **Proposed by Plaintiffs:** "The Lytle Trust did not inform the Receivership Court about this Case, the July 2017 Order, May 2018 Order, or the Orders of Affirmance. The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust regarding enforcement of the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, the Dismans, or their properties."
- В. Proposed by the Lytle Trust (redlined against Proposed by Plaintiffs): The Lytle Trust did not inform the Receivership Court about this Case, the July 2017 Order, May 2018 Order, or the Orders of Affirmance. The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust prohibiting enforcement of the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, the Dismans, or their properties."

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

C. Basis of Lytle Trust's Objection: The language that the Lytle Trust suggests should be deleted from Finding No. 16 is not a finding, it is a conclusion or characterization regarding the permanent injunction that is better suited for the Conclusion of Law section. Further, this Finding references the "permanent injunctions" (plural) and yet attempts to characterize both of them, which are not identical, with a single phrase. Additionally, the Conclusion of Law section separately provides an interpretation of the permanent injunction language found in the May 2018 Order, the only permanent injunction which was the subject of the Contempt Motion and the only one this Court found had been violated by the Lytle Trust, as demonstrated by the parties' alignment on these points in the two competing orders. Thus, including the characterization here proposed by the Plaintiffs creates, at best, duplication and, at worst, ambiguity and potential conflict. The Court's Conclusions of Law should stand regarding the meaning of the permanent injunction language. Finally, it is axiomatic that the permanent injunction prohibits what it prohibits—there is no need to re-characterize it here.

II.

#### OBJECTIONS TO PLAINTIFFS PROPOSED CONCLUSIONS OF LAW

#### Objection to Plaintiffs' Proposed Conclusion of Law No. 1:

Proposed by Plaintiffs: "This case has a history, such as the filing of the lis Α. pendens against the Boulden Trust and Lamothe Trust properties after the Court had ordered the expungement of the Abstracts of Judgment and continued enforcement of the Abstracts of Judgment against the September Trust, Zobrist Trust, Sandoval Trust, and Gegens' properties after entry of the July 2017 Order, that demonstrates that the Lytle Trust does not respect this Court's Orders."

B. Proposed by the Lytle Trust (redlined against Proposed by Plaintiffs): "This case has a history, such as the filing of the lis pendens against the Boulden Trust and Lamothe Trust properties after the Court had ordered the expungement of the Abstracts of Judgment and continued enforcement of the Abstracts of Judgment against the September

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

C. **Basis of Lytle Trust's Objection:** The Lytle Trust proposes this Conclusion be eliminated. See Basis of Lytle Trust's Objection to Finding No. 4, supra, incorporated herein by this reference. More particularly, the Boulden Trust and Lamothe Trust, who are not movants here, previously filed a motion to hold the Lytle Trust in contempt for recording notices of lis pendens against their properties. However, this Court denied that motion and expressly found the Lytle Trust did not act in contempt of any court order. (See Order (filed 6/23/17) at Conclusion No. 16: "The Lytles and their counsel by recording the Lamothe Lis Pendens and the Boulden Lis Pendens were not in contempt of Court."). Yet, recording those *lis pendens* is the only thing Plaintiffs identify to support their proposed Conclusion No. 1 that the "Lytle Trust does not respect this Court's Orders." A prior finding of no-contempt does not and cannot support a Conclusion that that same party does not respect court orders. Finally, a review of the transcript reveals (at page 65) that Judge Williams stated that "this case has a history" and immediately thereafter referenced the *lis pendens* matter. (Transcript at 65:2-8). However, the Court did not conclude (as the proposed Conclusion No. 1 states) that such demonstrates the Lytle Trust does not respect this Court's Orders. What the Court said was: "It was obvious to me that, based upon the history of this case, that that [i.e., recording the *lis pendens*] wasn't the appropriate thing to do." (Id. at 65:7-10). However, concluding that a party's actions were not appropriate is vastly different from and is not tantamount to a conclusion that that party has a history of disrespecting this Court's Order. Plaintiffs' proposed Conclusion No. 1 should be eliminated.

27 ////

28 ////

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

**Proposed by Plaintiffs:** "The May 2018 Order's permanent injunction clearly A. precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties."

- В. Proposed by the Lytle Trust (redlined against Proposed by Plaintiffs): "The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties."
- C. Basis of Lytle Trust's Objection: The disagreement regarding this Conclusion (and the next Conclusion No. 11) centers on the difference between what the Court repeatedly and expressly stated during the contempt hearing and, with one exception, what Plaintiffs believe the Court meant to say. Candidly, the Lytle Trust only wants (1) the record to be clear in case it decides to appeal the pending contempt Order, and (2) to know how this Court interprets the permanent injunction so it can be guided in the future to avoid additional contempt rulings. To that end, the Lytle Trust is contemporaneously filing herewith its Motion For Clarification ("Motion"). The Lytle Trust requests the Court resolve the present disagreement regarding this Order and that Motion at the same time. The arguments and authorities raised in the Motion are incorporated by this reference as if fully set forth herein. Finally, any reference here to the Dismans is incorrect and must be eliminated because the May 2018 Order had nothing to do with the Dismans or their property—i.e., the May 2018 permanent injunction expressly applied in favor of only "the September Property, Zobrist Property, Sandoval Property or Gegen Property" and, more generally, the "Plaintiffs," which was defined in the May 2018 Order to be only the "September Trust," "Zobrist Trust," "Sandoval Trust," and "Dennis & Julie Gegen." The Dismans are not included within the scope of the May 2018 Order. Therefore, at a minimum, any reference to the Dismans in this Conclusion must be removed.

////

28 ////

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

**A. Proposed by Plaintiffs:** "Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form."

- B. Proposed by the Lytle Trust (redlined against Proposed by Plaintiffs): "Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form."
- C. Basis of Lytle Trust's Objection: This Conclusion as proposed by the Lytle Trust (i.e., without "from the Plaintiffs or Dismans") comes directly from the transcript of the hearing. More specifically, the undersigned stated "if Your Honor is saying that the Lytle Trust have absolutely no judgment creditor rights to try to collect that, those judgments in any way, shape, or form, then perhaps we violated Your Honor's order. But I would—," at that point the Court interrupted and said "But isn't that what my order says as it relates to . . . [w]hen it says 'is permanently enjoined from recording and enforcing judgments." (Transcript at 34:13-35:1). Again, as with Conclusion No. 10, the disagreement regarding this Conclusion No. 11 centers on the difference between what the Court repeatedly and expressly stated during the contempt hearing and, with one exception, what Plaintiffs believe the Court meant to say. By virtue of this Objection and the contemporaneously filed Motion, the Court can certainly clarify whether it meant what it repeatedly said or whether it meant to include a limitation that was mentioned once during the hearing. Again, the Lytle Trust only wants (1) the record to be clear in case it decides to appeal the pending contempt Order, and (2) to know how this Court interprets the permanent injunction so it can be guided in the future to avoid additional contempt rulings. Accordingly, the Lytle Trust requests the Court resolve the present disagreement regarding this Order and that Motion at the same time. The arguments and authorities raised in the Motion are incorporated by this reference as if fully set forth herein.

////

28 ////

PROPOSED A

#### PROPOSED COMPETING ORDER

III.

Based on the foregoing, the Lytle Trust submits its competing Order attached hereto as Exhibit "A," which is identical to Plaintiffs' proposed Order except to the extent set forth above.

DATED this 19<sup>th</sup> day of May, 2020.

#### LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: <u>/s/ Dan R. Waite</u>
DAN R. WAITE (SBN 4078)
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
(702) 949-8200
Attorneys for Defendant Lytle Trust

#### **CERTIFICATE OF SERVICE**

Pursuant to NRCP 5(b), I certify that on this day, I caused a true and correct copy of the

following "DEFENDANT'S (1) OBJECTION TO PLAINTIFFS' PROPOSED ORDER, AND

(2) COMPETING ORDER" to be e-filed and served via the Court's E-Filing System.

5 Richard Haskin

1

2

3

4

7

8

9

11

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

6 GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP

1140 N. Town Center Drive

Las Vegas, Nevada 89144

Attorneys for Defendants

Kevin B. Christensen

Wesley J. Smith

10 Laura J. Wolff

**CHRISTENSEN JAMES & MARTIN** 

7440 W. Sahara Ave.

Las Vegas, NV 89117

Attorneys for Intervenors September Trust,

Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen

Christina H. Wang

FIDELITY NATIONAL LAW GROUP

8363 W. Sunset Road, Suite 120

Las Vegas, NV 89113

christina.wang@fnf.com

Attorneys for Robert Z. Disman and Yvonne A. Disman

Dated this 19th day of May, 2020

/s/ Luz Horvath

An Employee of Lewis Roca Rothgerber Christie LLP

## Exhibit A

## Exhibit A

1 2 3 4	ORDR DAN R. WAITE, ESQ. Nevada Bar No. 4078 DWaite@lrrc.com LEWIS ROCA ROTHGERBER CHRISTIE I 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169	LLP
5	Telephone: 702-949-8200 Facsimile: 702-949-8398	
6	Attorneys for Defendants	
7	DICTRIC	TT COURT
8		CT COURT NTY, NEVADA
9	OLIMIN COC	111111111111111111111111111111111111111
10	MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST,	Case No.: A-16-747800-C Dept. No.: XVI
11	LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE	-
12	JACQUES & LINDA LAMOTHE LIVING TRUST,	ORDER GRANTING PLAINTIFFS' MOTION FOR ORDER TO SHOW CAUSE WHY THE LYTLE TRUST
13	Plaintiffs,	SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF
14	VS.	COURT ORDERS
15	TRUDI LEE LYTLE, JOHN ALLEN	
16	LYTLE, THE LYTLE TRUST, DOES I through X, and ROE CORPORATIONS I through X,	Date: April 22, 2020 Time: 9:00 a.m.
17	Defendants.	
18		
19	SEPTEMBER TRUST, DATED MARCH 23, 1972; GERRY R. ZOBRIST AND JOLIN G.	Case No.: A-17-765372-C Dept. No.: XVI
20	ZOBRIST, AS TRUSTEES OF THE GERRY R. ZOBRIST AND JOLIN G. ZOBRIST	CONSOLIDATED
21	FAMILY TRUST; RAYNALDO G. SANDOVAL AND JULIE MARIE	
22	SANDOVAL GEGEN, AS TRUSTEES OF THE RAYNALDO G. AND EVELYN A.	
23	SANDOVAL JOINT LIVING AND	
24		<b>'</b>
25		
26		
27		
28		
J		

111264889.1

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

Defendants.

Presently before the Court is Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Motion") filed by the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively the "Plaintiffs"), the Joinders filed by Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") and Robert Z. Disman and Yvonne A. Disman (the "Dismans"), and the Opposition and Reply thereto, which came on for hearing on April 22, 2020 at 9:00 a.m. in Department XVI of the Eighth Judicial District Court, Clark County, Nevada.

Wesley J. Smith, Esq. of Christensen James & Martin, Chtd. appeared on behalf of the Plaintiffs. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of the Boulden Trust and Lamothe Trust. Christina H. Wang, Esq. of Fidelity National Law Group appeared on behalf of the Dismans. Dan R. Waite, Esq. of Lewis Roca Rothgerber Christie LLP and Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust"). Patricia Lee, Esq. of

Hutchison & Steffen was present on behalf of Kevin Singer, court appointed Receiver over the

The Court having considered the Motion, Joinders, Opposition, and Reply, together with the Exhibits thereto, having heard the arguments of counsel, and with good cause appearing therefore, the Court hereby grants the Motion and Joinders and enters the following Findings of Fact, Conclusions of Law, and Order:

## **FINDINGS OF FACT**

- 1. On April 26, 2017, this Court entered its Findings of Fact, Conclusions of Law, and Order Granting the Boulden Trust and Lamothe Trust's Motion for Partial Summary Judgment ("April 2017 Order") against the Lytle Trust. On the Lytle Trust's Motion for Reconsideration or, in the alternative, Motion to Alter or Amend Judgment, on July 27, 2017, this Court entered its Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law ("July 2017 Order") in favor of the Boulden Trust and the Lamothe Trust on their Motion for Partial Summary Judgment. The July 2017 Order is hereby incorporated by reference.
- 2. In the July 2017 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117 is not applicable to the Association; as a result of the Rosemere Litigation I (referred to in the July 2017 Order as the Rosemere LPA Litigation) between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared *void ab initio*; the Boulden Trust and Lamothe Trust were not parties to the Rosemere Litigation I; the Boulden Trust and Lamothe Trust were not "losing parties" in the Rosemere Litigation I per Section 25 of the Original CC&Rs; the Final Judgment in the Rosemere Litigation I against the Association in favor of the Lytle Trust is not against, and is not an obligation of, the Boulden Trust and Lamothe Trust;

<sup>&</sup>lt;sup>1</sup> The April 2017 Order included an order that the Lytle Trust had slandered title. The Court subsequently determined that it had not made findings of fact or conclusions of law on this issue and amended accordingly by entering the July 2017 Order without any order on the slander of title claim. The slander of title claim was later dismissed by stipulation between the parties. *See* Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice filed on January 14, 2019.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

The July 2017 Order also included the following permanent injunction at page 7: 3.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from recording and enforcing the Final Judgment from the Rosemere LPA Litigation or any abstracts related thereto against the Boulden Property or the Lamothe Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from taking any action in the future against the Plaintiffs or their properties based upon the Rosemere LPA Litigation.

- The Lytle Trust appealed the July 2017 Order and the Nevada Supreme Court issued an Order of Affirmance on December 4, 2018 in Case No. 73039, Trudi Lee Lytle v. Marjorie B. Boulden ("First Order of Affirmance").<sup>2</sup>
- 5. After entry of the July 2017 Order, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens, which also own property within the Rosemere Subdivision, approached the Lytle Trust and requested that it release the Abstracts of Judgment recorded against their properties as well. After the Lytle Trust refused to release the Abstracts of Judgment as to their properties, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens filed a Complaint against the Lytle Trust in Case No. A-17-765372-C, which was consolidated with this Case (Case No. A-16-747900-C) on February 21, 2018.
- 6. On May 24, 2018, this Court entered its Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment ("May 2018 Order") in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens and against the Lytle Trust. The May 2018 Order is hereby incorporated by reference.
- 7. In the May 2018 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117, the statute upon which the Lytle Trust relied to record the Abstracts of Judgment,

<sup>&</sup>lt;sup>2</sup> The Boulden Trust sold its property to the Dismans on August 4, 2017. This Court subsequently held, in an Order entered on or about December 26, 2018, that the July 2017 Order likewise applied to the Rosemere Litigation II Judgment, which the Lytle Trust sought to enforce against the Lamothe Trust and the Dismans' and their properties after entry of the July 2017 Order.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

is not applicable to the Association; as a result of the Rosemere Litigation I between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared void ab initio; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not parties to the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not "losing parties" in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III per Section 25 of the Original CC&Rs; the Judgments issued in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III (collectively the "Rosemere Judgments") against the Association in favor of the Lytle Trust are not against, and are not an obligation of, the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust; and the Rosemere Judgments against the Association are not an obligation or debt owed by the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust.

8. The May 2018 Order, at page 10, lines 10-19, contained the following permanent injunction:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

- 9. On June 19, 2018, the Lytle Trust appealed the May 2018 Order to the Nevada Supreme Court, Case No. 76198, Trudi Lee Lytle v. September Trust, Dated March 23, 1972. This appeal was consolidated with the Lytle Trust's subsequent appeal of an award of attorney's fees and costs in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens under NRS 18.010(2)(b), Case No. 77007. The Supreme Court entered its Order of Affirmance affirming the May 2018 Order and subsequent fees order on March 2, 2020 ("Second Order of Affirmance").
- 10. On June 8, 2018, the Lytle Trust filed a new action, Case No. A-18-775843-C, Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association ("Receivership Action"),

asserting claims against the Association for (a) Declaratory Judgment, and (b) Breach of Contract/Easement Agreement. The prayer for relief in the Receivership Action sought:

- a. an Order declaring that the Association must continue to operate as required by the CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada law.
- specific performance requiring the Association to comply with the CC&Rs,
   as well as other Nevada law, with respect to the Association's maintenance and day-to-day
   activities;
- c. injunctive relief preventing the Association from violating the terms of the CC&RS, as well as other Nevada law, moving forward;
- d. appointment of a receiver to handle the maintenance obligations and day-today activities, including the financial activities regarding assessments and creditors, until a duly constituted board may be instituted and power transitioned thereto; and
- e. reasonable attorneys' fees, costs of suit and litigation, and such other and further relief as the Court deems just and proper
- 11. The Complaint in the Receivership Action alleges that the Association is not functioning, that the common elements of the community are not being maintained, and that "the Association has not paid known creditors of the Association, which includes, but is not limited to, the annual dues to the Nevada Secretary of State or the Nevada Department of Real Estate or the Lytles, which hold multiple judgments against the Association." Complaint at ¶ 21.
- 12. In a Renewed Application for Appointment of Receiver filed by the Lytle Trust on October 24, 2019 ("Application") in the Receivership Action, the Lytle Trust asserts that one

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

reason for a Receiver over the Association was due to the Association's refusal to pay the Rosemere Judgments, including its refusal to assess Association members, including the Plaintiffs, so the Association could pay the Rosemere Judgments. Application at 3:2-4, 5:17-18 ("Additional grounds exist because the Association is refusing to pay and refusing to assess Association members related to various monetary judgments awarded to the Lytles against the Association"), 13:19-28 ("A receiver may be appointed...[a]fter judgment, to carry the judgment into effect" (quoting NRS 32.010(3))), 14:1-2, 16-28 ("the Lytle Trust obtained judgments against the Association and a Receiver is needed to carry those judgments into effect"), 15:20-25 ("the Association has a duty...to pays its debts, including the Judgments obtained by the Lytle Trust"), 16:17-22 ("the Association is without any governing body to assess the homeowners and pay the judgments").

- The Lytle Trust disclosed to the judge in the Receivership Action (the 13. "Receivership Court") that the Amended CC&Rs had been judicially declared void ab initio and of no force or effect. Id. at 8:11-12 (the District "Court determined that the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force or effect"); 8 at n.3 ("Note, Rosemere 2 Litigation commenced more than six years before the Court in Rosemere 1 Litigation ruled that the Amended CC&Rs were invalid.") (emphasis in original); 9:13-17 ("In granting the Lytle Trust's Motion for Attorneys' Fees, the district court in the Rosemere 1 and Rosemere 2 Litigations . . . held that the Lytle Trust could recover attorneys' fees under the Amended CC&Rs because that document, while declared void ab initio by the district court, was in effect and enforced by the Association against the Lytle Trust at all times during the underlying litigation.").
- 14. However, The Lytle Trust further argued in the Application that the Amended CC&Rs provide authority for a receiver to make special assessments on the Plaintiffs' and other owners' properties to collect funds to pay the Rosemere Judgments. Id. at 11:4-28, 13:1-17, 17:1-9. The Lytle Trust's Application included a section heading in its Statement of Fact section titled "The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association." Id. at 11:4-5. The Lytle Trust also represented that "the

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

- The Lytle Trust did not inform the Receivership Court about this Case, the July 15. 2017 Order, May 2018 Order, or the Orders of Affirmance.<sup>3</sup> The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust.
- 16. On December 18, 2019, based on the Lytle Trust's Application, the Receivership Court entered an Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver"). The Order Appointing Receiver, drafted by the Lytle Trust, directs the Receiver to "[i]ssue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." Order Appointing Receiver at 2:19-20. It further empowers the Receiver with "the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said member's ownership interest in the property." *Id.* at 6:4-7.
- On or around January 22, 2020, the Plaintiffs and the Dismans<sup>4</sup> each received a 17. letter from Kevin Singer of Receivership Specialists regarding the appointment of Mr. Singer as the Receiver in the Receivership Action ("Receiver Letter"). In the Receiver Letter, Mr. Singer states that "[t]he appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff").... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.... We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments."

28

<sup>3</sup> The Court notes that the Second Order of Affirmance was issued after entry of the Order Appointing Receiver and

<sup>25</sup> 

<sup>26</sup> 

<sup>27</sup> 

the Lytle Trust could not have informed the Receivership Court of it prior to entry of the Order Appointing Receiver. <sup>4</sup> At the time, the Boulden Trust and Lamothe Trust no longer held title to any property within the Rosemere Subdivision, having sold their properties on August 4, 2017, and May 1, 2019, respectively.

as Vegas, NV 89169-5996

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- 18. On January 29, 2020, counsel for Plaintiffs sent a letter to the Receiver, with a copy to counsel for the Lytle Trust, notifying the Receiver that the Orders and Permanent Injunctions issued in this Case prevent further effort to collect the Rosemere Judgments from the Plaintiffs or other property owners. The Plaintiffs expressed their belief this effort to assess the property owners to pay the Rosemere Judgments violated this Court's Orders and demanded that the Receiver cease and desist.
- 19. On March 4, 2020, the Plaintiffs filed the instant Motion informing the Court about the Lytle Trust's actions and seeking sanctions for violation of this Court's May 2018 Order. The Boulden Trust and Lamothe Trust filed a Joinder to the Motion on March 5, 2020.5 The Dismans filed a Joinder to the Motion on March 6, 2020.
  - 20. The Association has never been a party to this Case.

# **CONCLUSIONS OF LAW**

- 1. This Court has inherent power to enforce its decrees, orders and judgments. A party is required to adhere to court orders, even disagreeable or erroneous orders, until terminated or overturned.
  - 2. The proper course of action if a party disagrees with a Court order is to appeal.
  - 3. The May 2018 Order must be obeyed by the Lytle Trust.
- 4. Each paragraph, each finding of fact, and each conclusion of law in the May 2018 Order must be given its plain meaning, and each paragraph of that Order's permanent injunction must be obeyed by the Lytle Trust.
- 5. As a result of the Findings of Fact and Conclusions of Law in the May 2018 Order, there were specific orders which are not mutually exclusive. Each issue ordered by the Court should be given its meaning, and they are not in conflict.
- 6. The Court's factual determinations and conclusions of law culminated with the permanent injunction language starting at Page 10, Line 10 of the May 2018 Order, which stated:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained

<sup>&</sup>lt;sup>5</sup> After the hearing on the Motion but prior to entry of this Order, the Boulden Trust and the Lamothe Trust withdrew their Joinders pursuant to a settlement with the Lytle Trust. Therefore, the Boulden Trust and Lamothe Trust are no longer considered movants for purposes of the relief granted herein.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

- 7. These paragraphs are not mutually exclusive and each must be obeyed by the Lytle Trust.
- 8. The Findings of Fact, Conclusions of Law, and Orders contained in the May 2018 Order, including the permanent injunctions, are clear, specific and unambiguous as to what the parties could and could not do in this case. Further, the terms of the permanent injunction are specific and definite so that the Lytle Trust could readily know exactly what duties or obligations were imposed on it.
- 9. The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments.
- 10. Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments in any way, shape, or form.
- The Plaintiffs have demonstrated by clear and convincing evidence that the Lytle 11. Trust violated the clear and specific terms of the permanent injunction found in the May 2018 Order when it initiated an action against the Association that included a prayer for appointment of a receiver, applied for appointment of a receiver, and argued that the Association, through the Receiver, could make special assessments on the Plaintiffs' and other property owners for the purpose of paying the Rosemere Judgments, all while failing to inform the Receivership Court of this Case, this Court's Orders, or that the Lytle Trust had been enjoined from enforcing the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, and the Dismans, or their properties.
- 12. The Lytle Trust's actions, as stated in the Findings of Fact and set forth herein, directly and indirectly violated the May 2018 Order.
- 13. Any references to the power of assessment exercised by the Association, or the Receiver on behalf of the Association, against the individual homeowners for payment of the

Rosemere Judgments in the Order Appointing Receiver, as advocated for and drafted by the Lytle Trust, directly and indirectly violates the May 2018 Order.

- 14. The Lytle Trust has failed to show why it was unable to comply with the May 2018 Order.
- 15. The Lytle Trust has failed to demonstrate how its actions did not violate the clear and specific terms of the May 2018 Order.
- 16. A party may be held in contempt of court for disobedience or resistance to any lawful order issued by the court. NRS 22.010(3)
- 17. "[I]f a person is found guilty of contempt, a fine may be imposed on the person not exceeding \$500 or the person may be imprisoned not exceeding 25 days, or both." NRS 22.100(2).
- 18. In addition, the court may award "reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt." NRS 22.100(3).

#### **ORDER**

Based upon the Findings of Fact and Conclusions of Law above, and good cause appearing therefore,

IT IS HEREBY ORDERED ADJUDGED AND DECREED that Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders, as well as the Joinders thereto filed by the Boulden Trust, the Lamothe Trust, and the Dismans, are GRANTED.

**IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED** that the Lytle Trust violated the May 2018 Order.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is in contempt of the May 2018 Order.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust shall pay a \$500 penalty to each movant for violation of the May 2018 Order; specifically, \$500 payable to the September Trust, \$500 payable to the Zobrist Trust, \$500 payable to the Sandoval Trust, \$500 payable to the Gegens, and \$500 payable to the Dismans.

///

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the
September Trust, Zobrist Trust, Sandoval Trust, Gegens, and Dismans, may file applications for
their reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a
result of the contempt. The Court will consider such applications on the merits.
IT IS SO ORDERED.
Dated this day of, 2020.
DISTRICT COURT JUDGE
Respectfully submitted by:
LEWIS ROCA ROTHGERBER CHRISTIE LLP
By: /s/ Dan R. Waite  DAN R. Waite (SBN 4078)  3993 Howard Hughes Parkway, Suite 600  Las Vegas, Nevada 89169  Co-counsel for Defendant Lytle Trust

# GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT LLP

RICHARD E. HASKIN, ESQ. Nevada Bar No. 11592 1140 N. Town Center Drive, Suite 300 Las Vegas, Nevada 89144 Co-counsel for Defendant Lytle Trust

**Electronically Filed** 

5/19/2020 12:08 PM

as Vegas, NV 89169-5996

111264615.2

27

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

Defendants.

Defendants Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust, hereby file their Motion for Clarification and Request for Order Shortening Time ("Motion"). This Motion is filed contemporaneously with the Lytle Trust's Objection and Competing Order in response to the proposed order submitted by Plaintiffs granting their motion to hold the Lytle Trust in contempt for violating this Court's May 2018 permanent injunction. The Lytle Trust requests the Court to consider this Motion and its Objection and Competing Order at the same time.

This Motion is based on the following Memorandum of Points and Authorities, the papers, pleadings and records contained within this Court's file, and any argument that may be allowed at the time of the hearing.

Dated this 19th day of May, 2020.

#### LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/ Dan R. Waite

DAN R. WAITE (SBN 4078)
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
(702) 949-8200
Attorneys for Defendants

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

# **DECLARATION IN SUPPORT OF EX PARTE APPLICATION** FOR ORDER SHORTENING TIME

STATE OF NEVADA ) ss: COUNTY OF CLARK

I, DAN R. WAITE, declare, under penalty of perjury and according to the laws of the State of Nevada, as follows:

- 1. I am over the age of 18 and am competent and willing to testify regarding the matters asserted herein, which are based on my own personal knowledge, unless stated upon information and belief, as to which statements I am informed and believe to be true.
- 2. I am an attorney licensed to practice law in all courts within the State of Nevada, and I am a partner with Lewis Roca Rothgerber Christie LLP. I am counsel for Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust in the above-captioned action. I make this Declaration in support of the Lytle Trust's Motion for Clarification.
- On April 22, 2020, this Court conducted a hearing and orally found the Lytle Trust 3. in contempt of court for violating this Court's May 2018 permanent injunction. A formal order has not yet been entered but competing orders have been submitted for the Court's consideration. Indeed, the Lytle Trust filed its Objection and Competing Order to the order proposed by Plaintiffs. The undersigned believes that resolution of the competing orders will be facilitated by a contemporaneous consideration of this Motion for Clarification, which (a) asks the Court to clarify its interpretation of the permanent injunction (which will assist to resolve the pending disagreements identified in the competing orders), and (b) asks the Court for guidance so the Lytle Trust can avoid future contempt motions, rulings, and sanctions.
- 4. Accordingly, the Lytle Trust requests an order shortening time so that this matter can be resolved contemporaneous with the pending competing orders.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

5. I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct and do so this 19th day of May 2020.

> /s/ Dan R. Waite DAN R. WAITE

## MEMORANDUM OF POINTS AND AUTHORITIES

I.

## **INTRODUCTION**

On April 22, 2020, this Court found the Lytle Trust in contempt of its permanent injunction order because the Lytle Trust sought and obtained the appointment of a receiver over the Rosemere Estate Property Owners' Association ("Association") in Case No. A-18-775843-C, assigned to Judge J. Kishner. The Lytle Trust hereby affirms its respect for this Court's orders, acknowledges those orders must be obeyed, and seeks to avoid being held in contempt again. To that end, the Lytle Trust requests an instruction or declaration from this Court regarding the scope of its permanent injunction so that, in moving forward, the Lytle Trust can avoid another finding and sanction of contempt.

II.

# PROCEDURAL BACKGROUND

As this Court knows, the Lytle Trust obtained three judgments against the Association in three separate actions (none were awarded by this Court). The Lytle Trust would like to collect those judgments. However, in this case, the Court entered a permanent injunction against the Lytle Trust in May 2018 as follows:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording an enforcing the [three judgments], or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the [three lawsuits giving rise to the three judgments].

Because the Association's officers resigned and allowed it to become defunct when the judgments rolled-in, the Lytle Trust sought a receiver over the Association to, inter alia, satisfy

the Lytle Trust's judgments. More particularly, the Lytle Trust commenced a new action against the Association that became Case No. A-18-775843-C and was assigned to Judge J. Kishner. On December 18, 2019, Judge Kishner issued her Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver").

On March 4, 2020, the Plaintiffs here, believing the Lytle Trust violated this Court's permanent injunction in seeking the appointment of a receiver, filed their Motion for an Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Contempt Motion"). On April 22, 2020, a hearing was held on the Contempt Motion. Although the Lytle Trust sincerely believed that seeking the appointment of a receiver over the Association was a valid exercise of its judgment creditor right against the Association, this Court disagreed and found the Lytle Trust in contempt of the permanent injunction.

Based on comments made by this Court during the April 22, 2020 hearing on the Contempt Motion, the Lytle Trust seeks an order declaring whether the exercise of other judgment creditor rights will also be deemed a violation of this Court's permanent injunction. Indeed, based on this Court's comments during the hearing on the Contempt Motion, the Lytle Trust seeks a declaration regarding whether it has any remaining judgment creditor rights against the Association and, if so, which ones. The Lytle Trust seeks these declarations as a precautionary measure so that it can successfully navigate collection of its judgments, if at all, without being held in contempt and sanctioned again.

#### III.

#### **ARGUMENT**

# A. A Judgment Creditor Has Various Rights and Tools to Collect its Judgment

A judgment creditor normally has numerous tools to aid in the collection of its judgment. Those tools include, but are not limited to, (1) recording the judgment against the judgment debtor's real property pursuant to NRS 17.150, (2) executing and garnishing the judgment debtor's income, bank accounts and other assets pursuant to NRS 21.005 et seq., (3) conducting a judgment debtor examination pursuant to NRS 21.270, (4) garnishing the judgment debtor's assets in the hands of third parties pursuant to NRS 31.240 et seq., (4) traversing a third party's garnishment interrogatory responses pursuant to NRS 31.330, (5) appointment of a receiver over the judgment 5

111264615.2

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

This Court ruled that the Lytle Trust does not have the right to seek the appointment of a receiver over the Association (and held the Lytle Trust in contempt for doing so). The Lytle Trust seeks guidance regarding whether it can exercise any of the other judgment creditor rights because it wants to avoid being held in contempt and sanctioned again.

#### The Contempt Hearing Created Doubt Whether The Lytle Trust Has Any Remaining В. **Judgment Creditor Rights**

During the April 22, 2020 hearing on the Contempt Motion, several comments by the Court caused the Lytle Trust to question whether it can exercise any rights as a judgment creditor without violating this Court's permanent injunction. Those comments include the following:

- 1. Approximately 30 seconds into the undersigned's oral argument in opposition to the Contempt Motion, the undersigned noted that this lawsuit regarded "what the Lytle Trust could or could not do, under NRS 116, to enforce its judgments directly against the homeowners . . . . " (Transcript at 32:20-22). The Court interrupted asking "where does it say in my order 'directly'?" However, before being afforded an opportunity to respond, the Court recited the first paragraph of the two-paragraph permanent injunction and stated: "I mean, to me, that appears to be fairly clear that they're [i.e., the Lytle Trust is] precluded from doing **anything** as it relates to enforcing and recording those judgments." (Id. at 33:13-16, emphases added). Having been held in contempt once, the Lytle Trust must assume the Court meant what it said, which means the Lytle Trust cannot do "anything" to collect its judgments without violating this Court's permanent injunction. Such seems very extreme, but there is no ambiguity in what the Court stated. Accordingly, the Lytle Trust seeks a declaration regarding whether the Court meant what it said—or, conversely, whether the Court meant something different than what it said.
- 2. Immediately following the above exchange, the undersigned pointed out that the "direct" limitation was found in the second paragraph of the two-paragraph permanent injunction. The Court interrupted and interjected that the two paragraphs of the permanent injunction were "not mutually inclusive" and that, because of the permanent injunction's first paragraph, the Lytle

as Vegas, NV 89169-5996

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Trust was "permanently enjoined from recording or enforcing judgments obtained as a result of the Rosemere litigation." (Id. at 34:4-7, emphases added). This broad preclusion is consistent with the prior statement, i.e., the Lytle Trust cannot do anything to enforce any of its three judgments without violating the permanent injunction.

- Immediately following the foregoing exchange, the undersigned, thinking the Court could not have meant what it said, stated: "Well, if your Honor is saying—and I don't believe so, and I certainly hope not—but if your Honor is saying that the Lytle Trust received three judgments, which are valid, are final, and today amount to about a million-eight, . . . if Your Honor is saying that the Lytle Trust [has] absolutely no judgment creditor rights to try to collect . . . those judgments in any way, shape, or form, then perhaps we violated Your Honor's order. But I would -" (Id. at 34:8-18). The Court interrupted again: "And, Mr. Waite, I don't want to cut you off...[b]ut isn't that what my order says...." (Id. at 34:8-23, emphases added). This exchange seems to confirm the Court interprets the permanent injunction in a manner that leaves the Lytle Trust with no right to enforce its judgments.
- 4. Indeed, just a moment later in the hearing, the Court again noted the first paragraph of the two-paragraph permanent injunction, indicating "the language was broad as it relates to 'permanently enjoined from recording and enforcing judgments,' [and] that's pretty clear to me that that stands for the proposition no further action as it relates to judgments obtained in the [three Association lawsuits] or any other judgments obtained against the [A]ssociation." (Id. at 37:6-13, emphases added). The reference to "no further action" seems further evidence the Court stripped the Lytle Trust of all judgment creditor rights.
- 5. The foregoing statements by the Court are very broad and all-encompassing. Indeed, on their face, they clearly preclude the Lytle Trust from doing anything to collect its judgments against the Association. However, just a moment after the last exchange, the Court made another comment that lends some doubt to that all-encompassing conclusion. More specifically, the undersigned, who candidly was baffled by the foregoing exchanges, asked the Court for clarification: "[D]id you intend by your Permanent Injunction here to strip the Lytle Trust of all of its judgment creditor rights against the judgment debtor [A]ssociation?" (Id. at

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

39:4-7). The Court responded: "Well, the [A]ssociation wasn't a party, but the bottom line is this: I stripped the Lytle Trust of their ability and right to enforce those judgments vis-à-vis the homeowners in this case." (Id. at 39:8-12, emphases added). It is unclear whether "vis-à-vis the homeowners" constitutes a limitation and narrowing of the Court's prior rulings noted above or whether such constitutes reinforcement of those prior rulings. Although viewing such as a limitation/narrowing would be consistent with what the Lytle Trust had argued, the Court's subsequent comments suggest it did not intend any limitation or narrowing.

- 6. The Court pondered over what a receiver should do "under the circumstances of this case when, if they've been given a copy of a court order that stands for the proposition that . . . the Court has ruled and been affirmed by the Nevada Supreme Court . . . specifically as it relates to one important section, quote: 'That the Lytle Trust . . . is permanently enjoined from recording or enforcing judgments obtained as a result of these pieces of litigation." (Id. at 40:18-41:3, emphases added). This statement does not include the "vis-à-vis the homeowners" or any other limitation—it is, as with the statements noted above, broad and all-encompassing, i.e., the Lytle Trust is permanently enjoined from enforcing its three judgments.
- 7. Shortly thereafter, the undersigned used a hypothetical whereby the Lytle Trust's judgments could be fully satisfied without any special assessment against the homeowners—i.e., if the receiver hypothetically located sufficient, forgotten assets to satisfy the judgments. The undersigned then suggested the hypothetical demonstrated that "simply getting . . . a receiver over the [A]ssociation isn't action against the homeowners. It's clearly not direct action against the homeowners. And, Your Honor, I would suggest it's not even indirect action." (Id. at 47:11-17). The Court responded: "Isn't it a conduit to get to the homeowners in this case and in direct violation of my order? Because it's really clear they should take **no action**." (Id. at 47:18-21, emphases added). This "conduit" concept seems to confirm the Court interprets the permanent injunction expansively to preclude the Lytle Trust from doing anything to enforce its judgments because even direct action against the Association could have (and almost certainly would have) an indirect (or "conduit") impact on the homeowners.

as Vegas, NV 89169-5996

Based on the foregoing, the Lytle Trust fears any further action to enforce its judgments will subject it to another contempt motion and another contempt finding with resulting sanctions. To be sure, the Lytle Trust sincerely believed that seeking a receiver over its judgment debtor—the Association—was a valid exercise of its judgment creditor right. The Lytle Trust did not intend to violate this Court's permanent injunction (and there has been no direct evidence to the contrary). Nevertheless, the Court found that seeking the appointment of a receiver did violate the permanent injunction and accordingly found the Lytle Trust in contempt and sanctioned it \$500 for each Plaintiff and further invited the Plaintiffs to file applications for an award of their fees and costs. In total, the Lytle Trust's sincere interpretation of the permanent injunction will cost it several thousands of dollars in sanctions; further, the Plaintiffs (and anyone else the Lytle Trust may have to litigate against) will forever use the contempt ruling as evidence that the Lytle Trust is an adjudicated contemnor who cannot be trusted to respect court orders.

The Lytle Trust needs to know whether it can exercise any of its judgment creditor rights without violating this Court's permanent injunction and, if so, which ones? That is, while the Lytle Trust's efforts to collect its judgments will occur in other departments (i.e., the departments that issued the judgments), any motion to hold the Lytle Trust in contempt for those collection efforts will occur here. Indeed, such is exactly what occurred when the Lytle Trust sought and obtained the appointment of a receiver in Judge Kishner's department, which resulted in the Contempt Motion, the contempt ruling, and sanctions against the Lytle Trust here. The Lytle Trust desires to avoid a repeat.

So, for example, can the Lytle Trust seek a judgment debtor examination of the Association? The Association, being a corporate entity, can only be examined through its representative. Currently, the only officer of the Association is the Receiver, Kevin Singer. However, depending on what Judge Kishner does with the homeowners' pending motion to set aside the Order Appointing Receiver, Mr. Singer may or may not continue serving as the Receiver. And, in any event, Mr. Singer might request one of the former officers of the Association (i.e., one of the current homeowners) to appear and be examined on behalf of the Association. Such would,

Also, is the Lytle Trust entitled to execute and garnish the Association's bank account? Such may also indirectly affect the homeowners. That is, as mentioned several times in these proceedings, the Association does not manufacture widgets or provide widget services to generate revenues. Its only source of revenue is from the homeowners in the form of dues or assessments. Even the Plaintiff homeowners seem to concede that this limited purpose association can assess for general maintenance and repair items. Thus, if, for example, the homeowners pay an assessment for a needed repair and the Lytle Trust garnishes the Association's account *after* the homeowners pay their assessments but *before* the repair is paid, such would clearly affect the homeowners because they would either need to forego the repair or pay another assessment, in which case the Lytle Trust could garnish the account again, and the process repeat itself over and over.

Further, since the Lytle Trust is also an owner of property in the Association, it will presumably receive notice of any assessments for then-needed repairs, or for maintenance, or to create a reserve fund for future repairs and maintenance. Such an assessment would create an obligation in the homeowners to the Association, i.e., the assessment receivable would be an asset of the Association. Accordingly, can the Lytle Trust send writs of garnishment to the homeowners in that situation essentially saying "don't pay the Association, you must pay the Lytle Trust instead since the Association is indebted to the Lytle Trust?"

In short, to avoid being held in contempt again, the Lytle Trust needs guidance in the form of a declaration regarding whether any of its judgment creditor rights survive this Court's permanent injunction and, if so, which ones can it exercise.

IV.

## **CONCLUSION**

The Lytle Trust is candidly surprised and embarrassed that it was held in contempt for violating this Court's permanent injunction. Despite this Court's contempt ruling, the Lytle Trust

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

does respect this Court's orders and wishes to govern itself in the future to avoid any additional contempt rulings; however, the Lytle Trust needs assistance from this Court in the form of a declaration regarding how, if at all, it can proceed. Accordingly, the Lytle Trust respectfully asks this Court to declare:

- Whether the Lytle Trust can exercise any judgment creditor rights against the 1. judgment debtor Association without violating this Court's permanent injunctions?
- 2. If so, which ones? For example, may the Lytle Trust exercise any or all of the following judgment creditor rights:
- a. Conduct a judgment creditor examination of the Association even if such necessitates a homeowner appear on behalf of the Association or, in the event the Receiver is the deponent, assessment of the Receiver's fees for such against all homeowners;
- b. Execute and garnish the Association's bank account(s) and other assets even if such deprives the homeowners of a needed repair or necessitates additional repair assessments against the homeowners;
- Garnish the Association's assets, including the right to collect dues and c. other assessments in the hands of third parties, including the other Association members;
- d. Traverse those third parties' garnishment interrogatory answers if the Lytle Trust believes those answers are not correct as a matter of fact or law;
- e. Conduct regular discovery (e.g., document requests, interrogatories, depositions, etc.) from "any person" including, but not limited to, the Association.

Dated this 19th day of May, 2020.

#### LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/ Dan R. Waite DAN R. WAITE (SBN 4078) 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 (702) 949-8200 Attorneys for Defendants

as Vegas, NV 89169-5996

1

2

3

4

19

20

21

22

23

24

25

26

27

28

5 Court's E-Filing System. 6 Richard Haskin GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP 7 1140 N. Town Center Drive Las Vegas, Nevada 89144 8 Attorneys for Defendants 9 Kevin B. Christensen 10 Wesley J. Smith Laura J. Wolff 11 **CHRISTENSEN JAMES & MARTIN** 12 7440 W. Sahara Ave. Las Vegas, NV 89117 13 Attorneys for Intervenors September Trust, Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen 14 Christina H. Wang 15 FIDELITY NATIONAL LAW GROUP 16 8363 W. Sunset Road, Suite 120 Las Vegas, NV 89113 17 christina.wang@fnf.com Attorneys for Robert Z. Disman and Yvonne A. Disman 18

**CERTIFICATE OF SERVICE** 

following "DEFENDANT LYTLE TRUST'S MOTION FOR CLARIFICATION AND EX

PARTE REQUEST FOR ORDER SHORTENING TIME" to be e-filed and served via the

Pursuant to NRCP 5(b), I certify that on this day, I caused a true and correct copy of the

/s/ Dan R. Waite

Dated this 19th day of May, 2020

An Employee of Lewis Roca Rothgerber Christie LLP

**Electronically Filed** 

5/22/2020 12:26 PM Steven D. Grierson CLERK OF THE COURT

2 Nevada Bar No. 175

3 WESLEY J. SMITH, ESQ.

1

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

Nevada Bar No. 11871 LAURA J. WOLFF, ESQ.

Nevada Bar No. 6869 5

7440 W. Sahara Avenue

Las Vegas, Nevada 89117

Tel.: (702) 255-1718 Facsimile: (702) 255-0871

Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust,

and Dennis & Julie Gegen

EIGHTH JUDICIAL DISTRICT COURT

**CLARK COUNTY, NEVADA** 

MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, et al.,

Dept. No.: XVI

VS.

TRUDI LEE LYTLE, et al.,

NOTICE OF ENTRY OF ORDER **GRANTING PLAINTIFFS** MOTION FOR ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN CONTEMPT FOR VIOLATION OF COURT ORDERS

Defendants.

Plaintiffs,

SEPTEMBER TRUST, DATED MARCH 23, 1972, et al.,

Case No.: A-17-765372-C

Case No.: A-16-747800-C

Dept. No.: XVI

Plaintiffs,

Defendants.

CONSOLIDATED

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE

TRUST, et al., 23

24

25

27

28

26

NOTICE IS HEREBY GIVEN, that an Order Granting Plaintiffs' Motion for Order to

Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders

was entered in the above-captioned i	matter on May 22, 2020. A copy of the Order is attached
hereto.	
DATED this 22nd day of May 2020.	CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith</u>
Wesley J. Smith, Esq.
Nevada Bar No. 11871
Attorneys for September Trust, Zobrist
Trust, Sandoval Trust and Gegen

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

## CERTIFICATE OF SERVICE

I am an employee of Christensen James & Martin. On May 22, 2020, I caused a true and correct copy of the foregoing Notice of Entry of Order Granting Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders, to be served in the following manner:

<u>ELECTRONIC SERVICE</u>: electronic transmission (E-Service) through the Court's electronic filing system pursuant to Rule 8.05 of the Rules of Practice for the Eighth Judicial District Court of the State of Nevada.

Liz Gould (liz@foleyoakes.com)

Daniel Foley (Dan@foleyoakes.com)

Maren Foley (maren@foleyoakes.com)

Jennifer Martinez (jennifer.martinez@fnf.com)

Christina Wang (christina.wang@fnf.com)

Mia Hurtado (mia.hurtado@fnf.com)

Richard E. Haskin, Esq. (rhaskin@gibbsgiden.com)

Robin Jackson (rjackson@gibbsgiden.com)

Shara Berry (sberry@gibbsgiden.com)

Daniel Hansen (dhansen@gibbsgiden.com)

Joel D. Henriod (JHenriod@LRRC.com)

Daniel F. Polsenberg (DPolsenberg@LRRC.com)

Dan R. Waite (DWaite@LRRC.com)

Ш	<u>UNITED STATES MAIL</u> :	depositing a true and correct copy of the above-referenced
docur	nent into the United States Mail	l with prepaid first-class postage, addressed to the parties at
their l	ast-known mailing address(es):	

FACSIMILE: By sending the above-referenced document via facsimile as follows:

 $\square$  <u>E-MAIL</u>: electronic transmission by email to the following address(es):

/s/ Natalie Saville
Natalie Saville

19

20

2122

23

24

25

26

27

				3	
				4	
				5	
				6	
				7	
				3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	
				9	
		89117		10	
	Z	VADA 8	5-0871	11	
	CHRISTENSEN JAMES & MARTIN	7440 WEST SAHARA AVE., LAS VEGAS, NEVADA 89117 PH: (702) 255-1718 § FAX: (702) 255-0871	702) 25	12	
$\overline{}$			FAX: (	13	
001440			1718 §	14	
6	HRISTE		(2) 255-	15	
	Ü		PH: (70	16	
		7440		17	
				18	
				19	
				20	
				21	
				22	
				23	
				24	
				25	
				26	
				27	
				28	
					1

1		
2	CHRISTENSEN JAMES & MARTIN	
2	KEVIN B. CHRISTENSEN, ESQ. Nevada Bar No. 175	
3	WESLEY J. SMITH, ESQ.	
	Nevada Bar No. 11871	
4	LAURA J. WOLFF, ESQ.	
اہ	Nevada Bar No. 6869	
5	7440 W. Sahara Avenue	
6	Las Vegas, Nevada 89117 Tel.: (702) 255-1718	
١	Facsimile: (702) 255-0871	
7	Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@c	imlv.com
	Attorneys for September Trust, Zobrist Trust, San	
8	and Dennis & Julie Gegen	
9	FIGHTH HIDICIA	AL DISTRICT COURT
	Eldith toblen	L DISTRICT COOK!
10	CLARK COU	UNTY, NEVADA
11	MARJORIE B. BOULDEN, TRUSTEE OF	Case No.: A-16-747800-C
	THE MARJORIE B. BOULDEN TRUST,	Dept. No.: XVI
12	LINDA LAMOTHE AND JACQUES	_
12	LAMOTHE, TRUSTEES OF THE	
13	JACQUES & LINDA LAMOTHE LIVING TRUST,	ORDER GRANTING PLAINTIFFS' MOTION FOR ORDER TO SHOW
14	TRUST,	CAUSE WHY THE LYTLE TRUST
• '	Plaintiffs,	SHOULD NOT BE HELD IN
15	,	<b>CONTEMPT FOR VIOLATION OF</b>
	Vs.	COURT ORDERS
16	TRUDITEE LYTLE TOUR ALLEN	
17	TRUDI LEE LYTLE, JOHN ALLEN LYTLE, THE LYTLE TRUST, DOES I	
1 /	through X, and ROE CORPORATIONS I	Date: April 22, 2020
18	through X,	Time: 9:00 a.m.
19	Defendants.	
20		
	SEPTEMBER TRUST, DATED MARCH 23,	Case No.: A-17-765372-C
21	1972; GERRY R. ZOBRIST AND JOLIN G.	Dept. No.: XVI
22	ZOBRIST, AS TRUSTEES OF THE GERRY	CONGOLIDATED
22	R. ZOBRIST AND JOLIN G. ZOBRIST FAMILY TRUST; RAYNALDO G.	CONSOLIDATED
23	SANDOVAL AND JULIE MARIE	
	SANDOVAL GEGEN, AS TRUSTEES OF	
24	THE RAYNALDO G. AND EVELYN A.	
اء د	SANDOVAL JOINT LIVING AND	
25		
26		
~ - '	1	

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

#### Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

#### Defendants.

Presently before the Court is Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Motion") filed by the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively the "Plaintiffs"), the Joinders filed by Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") and Robert Z. Disman and Yvonne A. Disman (the "Dismans"), and the Opposition and Reply thereto, which came on for hearing on April 22, 2020 at 9:00 a.m. in Department XVI of the Eighth Judicial District Court, Clark County, Nevada.

Wesley J. Smith, Esq. of Christensen James & Martin, Chtd. appeared on behalf of the Plaintiffs. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of the Boulden Trust and Lamothe Trust. Christina H. Wang, Esq. of Fidelity National Law Group appeared on behalf of the Dismans. Dan R. Waite, Esq. of Lewis Roca Rothgerber Christie LLP and Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust"). Patricia Lee, Esq. of Hutchison & Steffen was present on behalf of Kevin Singer, court appointed Receiver over the Rosemere Estates Property Owners Association

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

("Association"), in Case No. A-18-775843-C, Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association ("Receivership Action").

The Court having considered the Motion, Joinders, Opposition, and Reply, together with the Exhibits thereto, having heard the arguments of counsel, and with good cause appearing therefore, the Court hereby grants the Motion and Joinders and enters the following Findings of Fact, Conclusions of Law, and Order:

#### FINDINGS OF FACT

- 1. On April 26, 2017, this Court entered its Findings of Fact, Conclusions of Law, and Order Granting the Boulden Trust and Lamothe Trust's Motion for Partial Summary Judgment ("April 2017 Order") against the Lytle Trust. On the Lytle Trust's Motion for Reconsideration or, in the alternative, Motion to Alter or Amend Judgment, on July 27, 2017, this Court entered its Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law ("July 2017 Order") in favor of the Boulden Trust and the Lamothe Trust on their Motion for Partial Summary Judgment. The July 2017 Order is hereby incorporated by reference.
- 2. In the July 2017 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117 is not applicable to the Association; as a result of the Rosemere Litigation I (referred to in the July 2017 Order as the Rosemere LPA Litigation) between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared void ab initio; the Boulden Trust and Lamothe Trust were not parties to the Rosemere Litigation I; the Boulden Trust and Lamothe Trust were not "losing parties" in the Rosemere Litigation I per Section 25 of the Original CC&Rs; the Final Judgment in the Rosemere Litigation I against the Association in favor of the Lytle Trust is not against, and is not an obligation of,

<sup>&</sup>lt;sup>1</sup> The April 2017 Order included an order that the Lytle Trust had slandered title. The Court subsequently determined that it had not made findings of fact or conclusions of law on this issue and amended accordingly by entering the July 2017 Order without any order on the slander of title claim. The slander of title claim was later dismissed by stipulation between the parties. See Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice filed on January 14, 2019.

the Boulden Trust and Lamothe Trust; and the Final Judgment against the Association in the Rosemere Litigation I is not an obligation or debt owed by the Boulden Trust and Lamothe Trust.

3. The July 2017 Order also included the following permanent injunction at page 7:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from recording and enforcing the Final Judgment from the Rosemere LPA Litigation or any abstracts related thereto against the Boulden Property or the Lamothe Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from taking any action in the future against the Plaintiffs or their properties based upon the Rosemere LPA Litigation.

- 4. The Court ordered the Lytle Trust to expunge the Abstracts of Judgment that it had recorded against properties owned by the Boulden Trust and Lamothe Trust. The Lytle Trust released the Abstracts of Judgment, but immediately recorded two *lis pendens* against the Boulden Trust and Lamothe Trust properties. Thereafter, the Lytle Trust refused to voluntarily expunge the *lis pendens* and the Boulden Trust and Lamothe Trust were forced to file a Motion to Expunge *Lis Pendens*. This Court summarily granted the Motion on June 23, 2017 and the *lis pendens* were ordered stricken, but the Lytle Trust was not held in contempt.
- 5. The Lytle Trust appealed the July 2017 Order and the Nevada Supreme Court issued an Order of Affirmance on December 4, 2018 in Case No. 73039, *Trudi Lee Lytle v. Marjorie B. Boulden* ("First Order of Affirmance").<sup>2</sup>
- 6. After entry of the July 2017 Order, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens, which also own property within the Rosemere Subdivision, approached the Lytle Trust and requested that it release the Abstracts of Judgment recorded against their properties as well. After the Lytle Trust refused to release the Abstracts of Judgment as to their properties, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens filed a Complaint against the Lytle Trust in Case No. A-17-765372-C, which was consolidated with this Case (Case No. A-16-747900-C) on February 21, 2018.

<sup>&</sup>lt;sup>2</sup> The Boulden Trust sold its property to the Dismans on August 4, 2017. This Court subsequently held, in an Order entered on or about December 26, 2018, that the July 2017 Order likewise applied to the Rosemere Litigation II Judgment, which the Lytle Trust sought to enforce against the Lamothe Trust and the Dismans' and their properties after entry of the July 2017 Order.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

7. On May 24, 2018, this Court entered its Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment ("May 2018 Order") in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens and against the Lytle Trust. The May 2018 Order is hereby incorporated by reference.

- 8. In the May 2018 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117, the statute upon which the Lytle Trust relied to record the Abstracts of Judgment, is not applicable to the Association; as a result of the Rosemere Litigation I between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared void ab initio; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not parties to the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not "losing parties" in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III per Section 25 of the Original CC&Rs; the Judgments issued in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III (collectively the "Rosemere Judgments") against the Association in favor of the Lytle Trust are not against, and are not an obligation of, the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust; and the Rosemere Judgments against the Association are not an obligation or debt owed by the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust.
- 9. The May 2018 Order, at page 10, lines 10-19, contained the following permanent injunction:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

-5-

10. On June 19, 2018, the Lytle Trust appealed the May 2018 Order to the Nevada Supreme Court, Case No. 76198, *Trudi Lee Lytle v. September Trust, Dated March 23, 1972*. This appeal was consolidated with the Lytle Trust's subsequent appeal of an award of attorney's fees and costs in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens under NRS 18.010(2)(b), Case No. 77007. The Supreme Court entered its Order of Affirmance affirming the May 2018 Order and subsequent fees order on March 2, 2020 ("Second Order of Affirmance").

- 11. On June 8, 2018, the Lytle Trust filed a new action, Case No. A-18-775843-C, *Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association* ("Receivership Action"), asserting claims against the Association for (a) Declaratory Judgment, and (b) Breach of Contract/Easement Agreement. The prayer for relief in the Receivership Action sought:
  - a. Order declaring that the Association must continue to operate as required by the CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada law.
  - b. specific performance requiring the Association to comply with the CC&Rs, as well as other Nevada law, with respect to the Association's maintenance and day-to-day activities;
  - c. injunctive relief preventing the Association from violating the terms of the CC&RS, as well as other Nevada law, moving forward;
  - d. appointment of a receiver to handle the maintenance obligations and day-to-day activities, including the financial activities regarding assessments and creditors, until a duly constituted board may be instituted and power transitioned thereto; and

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

reasonable attorneys' fees, costs of suit and litigation, and such other and further e. relief as the Court deems just and proper

- 12. The Complaint in the Receivership Action alleges that the Association is not functioning, that the common elements of the community are not being maintained, and that "the Association has not paid known creditors of the Association, which includes, but is not limited to, the annual dues to the Nevada Secretary of State or the Nevada Department of Real Estate or the Lytles, which hold multiple judgments against the Association." Complaint at ¶ 21.
- 13. In a Renewed Application for Appointment of Receiver filed by the Lytle Trust on October 24, 2019 ("Application") in the Receivership Action, the Lytle Trust asserts that one reason for a Receiver over the Association was due to the Association's refusal to pay the Rosemere Judgments, including its refusal to assess Association members, including the Plaintiffs, so the Association could pay the Rosemere Judgments. Application at 3:2-4, 5:17-18 ("Additional grounds exist because the Association is refusing to pay and refusing to assess Association members related to various monetary judgments awarded to the Lytles against the Association"), 13:19-28 ("A receiver may be appointed...[a]fter judgment, to carry the judgment into effect" (quoting NRS 32.010(3))), 14:1-2, 16-28 ("the Lytle Trust obtained judgments against the Association and a Receiver is needed to carry those judgments into effect"), 15:20-25 ("the Association has a duty...to pays its debts, including the Judgments obtained by the Lytle Trust"), 16:17-22 ("the Association is without any governing body to assess the homeowners and pay the judgments").
- The Lytle Trust disclosed to the judge in the Receivership Action (the "Receivership Court') that the Amended CC&Rs had been judicially declared void ab initio and of no force or effect. Id. at 8:11-12 (the District "Court determined that the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force or effect"); 8 at n.3 ("Note, Rosemere 2 Litigation commenced more than six years before the Court in Rosemere 1 Litigation ruled that the Amended CC&Rs were invalid.") (emphasis in original); 9:13-17 ("In granting the Lytle Trust's Motion for Attorneys' Fees, the district court in the Rosemere 1 and Rosemere 2 Litigations . . . held that the Lytle Trust could recover attorneys' fees under the Amended CC&Rs because

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

that document, while declared void ab initio by the district court, was in effect and enforced by the Association against the Lytle Trust at all times during the underlying litigation.").

- 15. However, The Lytle Trust further argued in the Application that the Amended CC&Rs provide authority for a receiver to make special assessments on the Plaintiffs' and other owners' properties to collect funds to pay the Rosemere Judgments. Id. at 11:4-28, 13:1-17, 17:1-9. The Lytle Trust's Application included a section heading in its Statement of Fact section titled "The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association." Id. at 11:4-5. The Lytle Trust also represented that "the District Court already ruled that the Association is liable for attorneys' fees, costs and damages pursuant to the Amended CC&Rs, which provide the Association with the ability to specially assess each property (unit) for the costs of the judgments. Amended CC&Rs ¶ 10.11, Exhibit 16." *Id.* at 17:6-9.
- 16. The Lytle Trust did not inform the Receivership Court about this Case, the July 2017 Order, May 2018 Order, or the Orders of Affirmance.<sup>3</sup> The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust relating to enforcement of the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, the Dismans, or their properties.
- 17. On December 18, 2019, based on the Lytle Trust's Application, the Receivership Court entered an Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver"). The Order Appointing Receiver, drafted by the Lytle Trust, directs the Receiver to "[i]ssue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." Order Appointing Receiver at 2:19-20. It further empowers the Receiver with "the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said member's ownership interest in the property." Id. at 6:4-7.

<sup>&</sup>lt;sup>3</sup> The Court notes that the Second Order of Affirmance was issued after entry of the Order Appointing Receiver and the Lytle Trust could not have informed the Receivership Court of it prior to entry of the Order Appointing Receiver.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

On or around January 22, 2020, the Plaintiffs and the Dismans<sup>4</sup> each received a letter from 18. Kevin Singer of Receivership Specialists regarding the appointment of Mr. Singer as the Receiver in the Receivership Action ("Receiver Letter"). In the Receiver Letter, Mr. Singer states that "[t]he appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff").... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.... We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments."

- 19. On January 29, 2020, counsel for Plaintiffs sent a letter to the Receiver, with a copy to counsel for the Lytle Trust, notifying the Receiver that the Orders and Permanent Injunctions issued in this Case prevent further effort to collect the Rosemere Judgments from the Plaintiffs or other property owners. The Plaintiffs expressed their belief this effort to assess the property owners to pay the Rosemere Judgments violated this Court's Orders and demanded that the Receiver cease and desist.
- On March 4, 2020, the Plaintiffs filed the instant Motion informing the Court about the Lytle Trust's actions and seeking sanctions for violation of this Court's May 2018 Order. The Boulden Trust and Lamothe Trust filed a Joinder to the Motion on March 5, 2020. The Dismans filed a Joinder to the Motion on March 6, 2020.
  - 21. The Association has never been a party to this Case.

#### **CONCLUSIONS OF LAW**

1. This case has a history, such as the filing of the *lis pendens* against the Boulden Trust and Lamothe Trust properties after the Court had ordered the expungement of the Abstracts of Judgment and continued enforcement of the Abstracts of Judgment against the September Trust, Zobrist Trust, Sandoval Trust, and Gegens' properties after entry of the July 2017 Order, that demonstrates that the Lytle Trust does not respect this Court's Orders.

<sup>&</sup>lt;sup>4</sup> At the time, the Boulden Trust and Lamothe Trust no longer held title to any property within the Rosemere Subdivision, having sold their properties on August 4, 2017, and May 1, 2019, respectively.

<sup>&</sup>lt;sup>5</sup> After the hearing on the Motion but prior to entry of this Order, the Boulden Trust and the Lamothe Trust withdrew their Joinders pursuant to a settlement with the Lytle Trust. Therefore, the Boulden Trust and Lamothe Trust are no longer considered movants for purposes of the relief granted herein.

- 2. This Court has inherent power to enforce its decrees, orders and judgments. A party is required to adhere to court orders, even disagreeable or erroneous orders, until terminated or overturned.
  - 3. The proper course of action if a party disagrees with a Court order is to appeal.
  - 4. The May 2018 Order must be obeyed by the Lytle Trust.
- 5. Each paragraph, each finding of fact, and each conclusion of law in the May 2018 Order must be given its plain meaning, and each paragraph of that Order's permanent injunction must be obeyed by the Lytle Trust.
- 6. As a result of the Findings of Fact and Conclusions of Law in the May 2018 Order, there were specific orders which are not mutually exclusive. Each issue ordered by the Court should be given its meaning, and they are not in conflict.
- 7. The Court's factual determinations and conclusions of law culminated with the permanent injunction language starting at Page 10, Line 10 of the May 2018 Order, which stated:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

- 8. These paragraphs are not mutually exclusive and each must be obeyed by the Lytle Trust.
- 9. The Findings of Fact, Conclusions of Law, and Orders contained in the May 2018 Order, including the permanent injunctions, are clear, specific and unambiguous as to what the parties could and could not do in this case. Further, the terms of the permanent injunction are specific and definite so that the Lytle Trust could readily know exactly what duties or obligations were imposed on it.
- 10. The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties.
- 11. Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form.

- 12. The Plaintiffs have demonstrated by clear and convincing evidence that the Lytle Trust violated the clear and specific terms of the permanent injunction found in the May 2018 Order when it initiated an action against the Association that included a prayer for appointment of a receiver, applied for appointment of a receiver, and argued that the Association, through the Receiver, could make special assessments on the Plaintiffs' and other property owners for the purpose of paying the Rosemere Judgments, all while failing to inform the Receivership Court of this Case, this Court's Orders, or that the Lytle Trust had been enjoined from enforcing the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, and the Dismans, or their properties.
- 13. The Lytle Trust's actions, as stated in the Findings of Fact and set forth herein, directly and indirectly violated the May 2018 Order.
- 14. Any references to the power of assessment exercised by the Association, or the Receiver on behalf of the Association, against the individual homeowners for payment of the Rosemere Judgments in the Order Appointing Receiver, as advocated for and drafted by the Lytle Trust, directly and indirectly violates the May 2018 Order.
  - 15. The Lytle Trust has failed to show why it was unable to comply with the May 2018 Order.
- 16. The Lytle Trust has failed to demonstrate how its actions did not violate the clear and specific terms of the May 2018 Order.
- 17. A party may be held in contempt of court for disobedience or resistance to any lawful order issued by the court. NRS 22.010(3)
- 18. "[I]f a person is found guilty of contempt, a fine may be imposed on the person not exceeding \$500 or the person may be imprisoned not exceeding 25 days, or both." NRS 22.100(2).
- 19. In addition, the court may award "reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt." NRS 22.100(3).

#### **ORDER**

Based upon the Findings of Fact and Conclusions of Law above, and good cause appearing therefore,

2

3

4

5

6

7

8

9

10

11

12

13

///

IT IS HEREBY ORDERED ADJUDGED AND DECREED that Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders, as well as the Joinders thereto filed by the Boulden Trust, the Lamothe Trust, and the Dismans, are GRANTED.

**IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED** that the Lytle Trust violated the May 2018 Order.

**IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED** that the Lytle Trust is in contempt of the May 2018 Order.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust shall pay a \$500 penalty to each movant for violation of the May 2018 Order; specifically, \$500 payable to the September Trust, \$500 payable to the Zobrist Trust, \$500 payable to the Sandoval Trust, \$500 payable to the Gegens, and \$500 payable to the Dismans.

```
14
      ///
15
      ///
16
      ///
17
      ///
18
      ///
19
      ///
20
      ///
21
      ///
22
      ///
23
      ///
24
      ///
25
      ///
```

26

27

28

///

///

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the September Trust, Zobrist Trust, Sandoval Trust, Gegens, and Dismans, may file applications for their reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt. The Court will consider such applications on the merits.

#### IT IS SO ORDERED.

Dated this 22 day of May , 2020.



#### **Submitted by:**

#### **CHRISTENSEN JAMES & MARTIN**

/s/ Wesley J. Smith
Wesley J. Smith, Esq.
Nevada Bar No. 11871
Laura J. Wolff, Esq.
Nevada Bar No. 6869
7440 W. Sahara Ave.
Las Vegas, NV 89117
Attorneys for Plaintiffs September Trust,
Zobrist Trust, Sandoval Trust, and
Dennis & Julie Gegen

#### Reviewed by Not Approved by:

## LEWIS ROCA ROTHBERGER CHRISTIE LLP

Reviewed But Not Approved
DAN R. WAITE, ESQ.
Nevada Bar 4078
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
Attorneys for Lytle Trust

#### Approved as to Form and Content by:

#### FIDELITY NATIONAL LAW GROUP

/s/ Christina H. Wang
CHRISTINA H. WANG, ESQ.
Nevada Bar No. 9713
8363 W. Sunset Road, Suite 120
Las Vegas, Nevada 89113
Attorneys for Robert & Yvonne Disman

# RE: Case No. A-16-747800-C - Boulden v. Lytle - ORDR - Proposed Order Granting Plaintiffs' Motion for Order to Show Cause

Wang, Christina < Christina. Wang@fnf.com >

Mon 5/18/2020 9:52 AM

To: Wesley Smith <wes@cjmlv.com>

Cc: Engelman, Lace < Lace. Engelman@fnf.com >

Approved – thanks.

Christina H. Wang Litigation Counsel Fidelity National Law Group 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 702-667-3000 (Main) 702-667-3002 (Direct) 702-938-8721 (Fax)

christina.wang@fnf.com

#### PLEASE NOTE THAT OUR OFFICE HAS MOVED TO THE ABOVE ADDRESS.

The Law Division of Alamo Title Insurance, Chicago Title Insurance Co., Commonwealth Land Title Insurance Co., Fidelity National Title Insurance Co., and Fidelity National Title Group, Inc.

THIS ELECTRONIC MAIL MESSAGE AND ANY ATTACHMENTS ARE INTENDED ONLY FOR THE USE OF THE ADDRESSEE(S) NAMED ABOVE AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT AN INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THIS E-MAIL TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU RECEIVED THIS E-MAIL MESSAGE IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY REPLYING TO THIS MESSAGE OR BY TELEPHONE. THANK YOU.

From: Wesley Smith <wes@cjmlv.com> Sent: Monday, May 18, 2020 9:45 AM

**To:** Wang, Christina < Christina. Wang@fnf.com > **Cc:** Engelman, Lace < Lace. Engelman@fnf.com >

Subject: Re: Case No. A-16-747800-C - Boulden v. Lytle - ORDR - Proposed Order Granting Plaintiffs' Motion for

Order to Show Cause

IMPORTANT NOTICE - This message sourced from an external mail server outside of the Company. Christina,

Per our discussion, can you please approve this version which adds the date to footnote 2?

Wes Smith

Christensen James & Martin

#### **OPPM**

1

2

3

4

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

7440 West Sahara Ave., Las Vegas, Nevada 89117

CHRISTENSEN JAMES & MARTIN

PH: (702) 255-1718 § FAX: (702) 255-087

#### **CHRISTENSEN JAMES & MARTIN**

KEVIN B. CHRISTENSEN, ESQ. (175) WESLEY J. SMITH, ESQ. (11871) LAURA J. WOLFF, ESQ. (6869)

7440 W. Sahara Avenue Las Vegas, Nevada 89117

Tel.: (702) 255-1718 5 Facsimile: (702) 255-0871

Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust,

and Dennis & Julie Gegen

#### EIGHTH JUDICIAL DISTRICT COURT

#### **CLARK COUNTY, NEVADA**

MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, et

Plaintiffs,

VS.

TRUDI LEE LYTLE, et al.,

Defendants.

SEPTEMBER TRUST, DATED MARCH 23, 1972, et al.,

Plaintiffs,

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST, et al.,

Defendants.

Case No.: A-16-747800-C

Dept. No.: XVI

**OPPOSITION TO DEFENDANT** LYTLE TRUST'S MOTION FOR **CLARIFICATION** 

Case No.: A-17-765372-C

Dept. No.: XVI

Consolidated

DATE OF HEARING: July 2, 2020 TIME OF HEARING: 9:00 a.m.

September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust Dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants

("Gegen") (hereafter September Trust, Zobrist Trust, Sandoval Trust and Gegen may be collectively referred to as "Plaintiffs"), by and through their attorneys, Christensen James & Martin, hereby Oppose Defendant Lytle Trust's Motion for Clarification. This Opposition is based upon the following Memorandum of Points and Authority, Exhibits, Affidavit, all other documents on file with the Court in this matter, and any argument allowed at the time of the hearing of this matter.

DATED this 29th day of May 2020.

CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith</u> Wesley J. Smith, Esq. Nevada Bar No. 11871

Attorneys for September Trust, Zobrist Trust, Sandoval Trust and Gegen

MEMORANDUM OF POINTS AND AUTHORITIES

I.

#### INTRODUCTION

The Lytle Trust's Motion seeks clarification of the Court's April 22, 2020 oral ruling granting the Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders. However, the Court already made its intention clear during oral argument. The question presented in the Lytle Trust's Motion was asked and answered. The Court's Orders prevented enforcement of the Rosemere Judgments "vis-a-vis the homeowners in this case." Transcript at 39:8-12. The Defendant acknowledges this statement but uses a series exchanges between its counsel and the Court to discount the clarity of the Court's answer. Since the Court already answered the question directly and clearly during oral argument, the Defendant's motion is unnecessary.

Moreover, the Lytle Trust's Motion was filed prior to entry of this Court's Order Granting Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Order") on May 22, 2020. If there was any doubt as

to the Court's intent, it was resolved by entry of the written Order after consideration of the competing orders submitted by the parties.

Therefore, the Motion is moot. All other relief requested in the Motion is speculative and prospective. The Court should avoid the Defendant's request to enter an advisory opinion. Accordingly, the Motion for Clarification should be denied.

#### II.

#### **ARGUMENT**

#### A. The Court Clarified its Order During Oral Argument

The Defendant is correct that there was a series of exchanges between its counsel and the Court concerning the scope of limitations imposed by the May 2018 Order. On multiple occasions, the Court was interrupted before it could finish explaining its positions. *See*, *e.g.*, Transcript at 34:23-24. However, the exchange culminated when Mr. Waite presented his question again:

And I'll ask it again, and I'll ask it maybe not as a rhetorical question. Pending the answer, quite honestly, I may have nothing else to say. I may have nothing that I know of to say. But did you intend by your Permanent Injunction here to strip the Lytle Trust of all of its judgment creditor rights against the judgment debtor association?

*Id.* at 38:25-39:7 (emphasis added). This is the question presented in the Lytle Trust's Motion, so the Court's response is very important. The Court answered:

THE COURT: Well, the association wasn't a party, but the bottom line is this: I stripped the Lytle Trust of their ability and right to enforce those judgments vis-a-vis the homeowners in this case.

*Id.* at 39:8-12 (emphasis added). The Court could not have been any clearer that its Orders were limited to blocking enforcement of the Rosemere Judgments against the Plaintiffs. This clarified

all prior discussion during the oral argument and directly answers the question presented in the Defendant's Motion.

## B. The Court Clarified its Permanent Injunction and its Oral Ruling When it Entered its May 22, 2020 Written Order

If any doubt remained, the Court finally and conclusively resolved the issue when it entered its written Order, which included the following Conclusions of Law:

- 10. The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties.
- 11. Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form.

Order at 10:23-28 (emphasis added). The Court was presented with competing orders. The Defendant's proposed order did not have the language emphasized above and this difference between the competing orders was highlighted by the parties. The Court conclusively answered the question by entering the Order prepared by the Plaintiffs that included the emphasized language. In other words, the Court did not strip the Lytle Trust of all creditor rights but did prohibit enforcement of the Rosemere Judgments against the Plaintiffs.

#### C. The Court Should Not Give an Advisory Opinion on Speculative Future Action

The Court's Order addressed actual past action by the Lytle Trust. The Lytle Trust's request that the Court provide guidance on which creditor rights the Lytle Trust can exercise in the future is not a justiciable controversy capable of resolution by this Court. *Nat'l Collegiate Athletic Ass'n v. Univ. of Nevada, Reno.*, 97 Nev. 56, 57, 624 P.2d 10, 10 (1981) ("Of course, the duty of every judicial tribunal is to decide actual controversies by a judgment which can be carried into effect, and not to give opinions upon moot questions or abstract propositions, or to declare principles of law which cannot affect the matter in issue before it."). Therefore, there is no relief that can be granted to the Lytle Trust and the Motion must be denied.

-4-

#### IV.

#### **CONCLUSION**

The Court has clearly expressed its findings and conclusions during the hearing and in its written Order. Further argument on the matter is not necessary or appropriate. The Court should not provide legal advice to the Lytle Trust on how to proceed in the future. For these reasons, the Motion for Clarification should be denied.

DATED this 29th day of May 2020.

CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith</u>
Wesley J. Smith, Esq.
Nevada Bar No. 11871
Attorneys for September Trust, Zobrist
Trust, Sandoval Trust and Gegen

-5-

#### **CERTIFICATE OF SERVICE**

I am an employee of Christensen James & Martin. On May 29, 2020, I caused a true and correct copy of the foregoing **OPPOSITION TO DEFENDANT LYTLE TRUST'S MOTION FOR CLARIFICATION** to be served in the following manner:

<u>ELECTRONIC SERVICE</u>: electronic transmission (E-Service) through the Court's electronic filing system pursuant to Rule 8.05 of the Rules of Practice for the Eighth Judicial District Court of the State of Nevada.

Liz Gould (liz@foleyoakes.com)

Daniel Foley (Dan@foleyoakes.com)

Maren Foley (maren@foleyoakes.com)

| Jennifer Martinez (jennifer.martinez@fnf.com)

Christina Wang (christina.wang@fnf.com)

8 || Mia Hurtado (mia.hurtado@fnf.com)

Richard E. Haskin, Esq. (rhaskin@gibbsgiden.com)

Timothy P. Elson, Esq. (telson@gibbsgiden.com)

Robin Jackson (rjackson@gibbsgiden.com)

10 | Shara Berry (sberry@gibbsgiden.com)

Daniel Hansen (dhansen@gibbsgiden.com)

11 | Joel D. Henriod (JHenriod@LRRC.com)

Daniel F. Polsenberg (DPolsenberg@LRRC.com)

12 | Dan R. Waite (DWaite@LRRC.com)

	<b>UNITED STATES MAIL:</b>	depositing a true and correct copy of the above-referenced
docum	nent into the United States Mail	I with prepaid first-class postage, addressed to the parties at
their la	ast-known mailing address(es):	:

FACSIMILE: By sending the above-referenced document via facsimile as follows:

 $\square$  <u>E-MAIL</u>: electronic transmission by email to the following address(es):

/s/ Natalie Saville

Natalie Saville

22

21

1

2

3

4

5

6

13

14

15

16

17

18

19

20

23

24

25

26

27

**Electronically Filed** 001460 6/17/2020 11:43 AM Steven D. Grierson **CLERK OF THE COURT** 

LAMOTHE, TRUSTEES OF THE ACQUES & LINDA LAMOTHE LIVING TRUST,  Plaintiffs,	DEFENDANT LYTLE TRUST'S REPLY IN SUPPORT OF MOTION FOR CLARIFICATION	
VS.	Date of Hearing: July 2, 2020	

Time of Hearing: 9:00 a.m.

Case No.: A-17-765372-C

3993 Howard Hughes Pkwy, Suite 600

as Vegas, NV 89169-5996

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

Defendants.

Plaintiffs successfully moved the Court to hold the Lytle Trust in contempt of this Court's May 2018 permanent injunction. Yet, Plaintiffs do not want the Lytle Trust to receive any guidance from the Court in its effort to avoid future contempt sanctions. Apparently, Plaintiffs believe the Lytle Trust must proceed at its own peril instead of seeking clarification as a precautionary measure to avoid future violations, whereupon Plaintiffs will seek contempt sanctions again. This is gamesmanship at its best.

#### A. The Court's Contempt Order Partially Resolves The Motion

The Motion to Clarify did not advocate for a particular position—it merely asked the Court to clarify its prior permanent injunction in light of the recent contempt hearing. Similarly, the competing order submitted by the Lytle Trust did not advocate for a particular position—it merely recognized that the proposed order submitted by Plaintiffs was not consistent with numerous statements made by the Court during the contempt hearing. In signing Plaintiffs' proposed order on May 22, 2020, the Court provided partial clarification.

More particularly, in signing Plaintiffs' proposed order ("Contempt Order"), the Court impliedly clarified that it did not strip the Lytle Trust of *all* its judgment creditor rights. However, questions still remain regarding whether the Court stripped the Lytle Trust of *any* of its judgment creditor rights and, if so, which ones

and why (i.e., what are the guiding principles if the Court stripped the Lytle Trust of some but not other judgment creditor rights). This clarification is vital so the Lytle Trust can avoid being held in contempt again as it moves forward to collect its judgments.

#### B. Further Clarification Does Not Constitute An Advisory Opinion

Plaintiffs' rely on *N.C.A.A. v. Univ. of Nevada, Reno*, 97 Nev. 56, 57, 624 P.2d 10, 10 (1981), for the proposition that this Court cannot "provide guidance on which creditor rights the Lytle Trust can exercise in the future." (Opp. at 4:18-19). Plaintiffs misconstrue *N.C.A.A.* and disregard other applicable law.

N.C.A.A. involved the unique situation where the NCAA directed UNR to declare one of its basketball players (Mr. Edgar Jones) ineligible to play. Mr. Jones sued UNR and the court entered a preliminary injunction that allowed Mr. Jones to play while the lawsuit proceeded. After commencement of the action, the NCAA and the West Coast Athletic Conference ("Conference") intervened. By the time the case was brought to trial, however, Mr. Jones had played out his eligibility and graduated from UNR. Accordingly, the district court determined that Mr. Jones' claims had become moot and dismissed the action. The NCAA and the Conference, who asserted no counterclaims or cross-claims, appealed.

On these facts and procedure, the Nevada Supreme Court, in a very short opinion, affirmed dismissal and ruled that "the duty of every judicial tribunal is to decide actual controversies by a judgment which can be carried into effect, and not to give opinions upon moot questions or abstract propositions, or to declare principles of law which cannot affect the matter in issue before it. . . . A moot case is one which seeks to determine an abstract question which does not rest upon existing facts or rights." N.C.A.A., 97 Nev. at 57-58, 624 P.2d at 10-11 (emphasis added).

Here, unlike in *N.C.A.A.*, the requested relief <u>can</u> "affect the matter in issue before" this Court. And, the determination is not moot because the requested clarification will "rest upon existing facts [and] rights." More particularly, in *NCAA* 

as Vegas, NV 89169-5996

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

Indeed, in seeking clarification, the Lytle Trust is doing exactly what it should do instead of making its own determination and acting at its own peril. For example, in *Donovan v. Sureway Cleaners*, 656 F.2d 1368, 1373 (9th Cir. 1981), the court declared that "[i]f . . . Sureway was unsure as to the applicability of the prior injunction, it could have petitioned the court for a . . . clarification of the order. [Citations omitted.] By in effect making its own determination as to what the injunction meant, Sureway acted at its peril." See e.g., McComb v. Jacksonville Paper Co., 336 U.S. 187, 192 (1949) ("Respondents could have petitioned the District Court for a . . . clarification . . . of the order. But respondents did not take that course either. They undertook to make their own determination of what the decree meant. They knew they acted at their peril."); Parris v. Pappas, 2017 WL 9480196, at \*3 (D. Conn. 2017) ("Parties are bound by a court order . . and defendants who act without first asking the court to clarify the order 'act [] at their own peril.") (quoting McComb, 336 U.S. at 192); Grove Fresh Distributors, Inc. v. John Labatt, Ltd., 888 F. Supp. 1427, 1439 (N.D. Ill. 1995) ("If Mr. Messina had any doubts about exactly what he could or could not disclose [under the court's confidentiality order], he had the continuing opportunity to seek clarification."); BE&K Constr. Co. v. Boyd, 1991 WL 38168, at \*1 (Minn. Ct. App. 1991) ("Those who fail to seek . . . clarification of a court order act at their own peril."). The Lytle Trust wants to avoid acting at its own peril—it therefore takes this precautionary approach of asking for clarification. ////

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

If the Court stripped the Lytle Trust of some but not all its judgment creditor rights, ambiguity exists regarding what judgment creditor rights the Lytle Trust can exercise without violating this Court's permanent injunction. Relatedly, but different, are there judgment creditor rights that can be exercised only under certain conditions without violating the permanent injunction, but if exercised under different conditions will be deemed a violation? For example, during the April 22, 2020, contempt hearing, Plaintiffs' counsel argued that "the very nature" of "appointing a receiver to take over the [A]ssociation . . . affects the property rights of the homeowners" and therefore constitutes "an action against the property of the homeowners." (Trans. (4/22/20) at 59:16-24). Additionally, Plaintiffs' counsel, responding to an argument made by the undersigned during the contempt hearing, suggested the Association could not receive a loan to pay the Lytle Trust's judgments because "that's just a roundabout way of making special assessments because how

In seeking the appointment of a Receiver, the Lytle Trust exercised two different rights. The right at issue here was its right as a judgment creditor to seek the appointment of a receiver over its judgment debtor Association to facilitate satisfaction of the Lytle Trust's judgments. The other exercised right was as a member of the Association to seek the appointment of a Receiver over the Association to facilitate various operational matters, e.g., reinstatement of the Association with the Nevada Secretary of State and Nevada Real Estate Division, reconstitute the Association's Board, etc.

The Lytle Trust understands and interprets the Court's recent Contempt Order as holding it in contempt only to the extent the Receiver was sought in the Lytle Trust's capacity as a judgment creditor to facilitate payment of the judgments, and not to the extent the Receiver was sought by the Lytle Trust as an Association member to facilitate operational matters. If the Lytle Trust's understanding and interpretation is not correct, however, it requests clarification on this point.

would the [A]ssociation pay back a loan to pay these judgments without making special assessments on these property owners? It just can't be done." (Trans. (4/22/20) at 60:15-20). In other words, Plaintiffs' counsel argued that if the Lytle Trust exercised a judgment creditor right in a way that affects the homeowners, even indirectly, such constitutes a violation of the permanent injunction.

However, Plaintiffs' counsel conversely argued that the Lytle Trust "still [has] the option to go and use garnishment . . . and execution, <u>all of the rights that are</u> given to fit] under NRS to be able to collect on the judgment[s]." (Id. at 61:23-62:7, emphases added). Yet, since the only source of income to the Association comes from the nine homeowners, <u>every garnishment and execution upon the Association's account (and, indeed, every exercise of a judgment creditor right) will affect the homeowners in some way.</u>

In short, Plaintiffs argued that the Lytle Trust had "<u>all</u> of the rights" given to judgment creditors, and yet <u>none</u> which could indirectly affect them as homeowners or their properties. Because virtually every exercise of a judgment creditor right against the Association will have <u>some</u> indirect impact on the homeowners, Plaintiffs' argument reduces to the inconsistent position that the Lytle Trust has all judgment creditor rights and no judgment creditor rights (at least, none it can actually exercise). Thus, no matter what the Lytle Trust does going forward, short of doing nothing to collect its valid judgments, will likely subject it to another contempt motion from Plaintiffs.

The Lytle Trust seeks clarification from this Court regarding which of its judgment creditor rights it can exercise and whether it can do so only in certain circumstances. To be sure, if the Lytle Trust can exercise its judgment creditor rights only if such does not have any impact upon the homeowners or their properties, then the Lytle Trust effectively has no judgment creditor rights at all. The purpose of this Motion is to provide clarification so the Lytle Trust can guide itself and thereby avoid future contempt rulings. Indeed, clarification benefits all

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

parties—i.e., even Plaintiffs will benefit from clarification. With clarification, Plaintiffs may be able to avoid the effort and expense of another contempt motion if that clarification leads them to conclude, contrary to their present understanding without clarification, that the Lytle Trust's collection efforts did not violate the permanent injunction. And, with clarification, the Lytle Trust hopes to avoid another violation of the permanent injunction.

In short, clarification is warranted and will benefit all parties.

#### C. This Motion also Presents an Opportunity for the Court to Clarify its Own Record for Appeal

The Lytle Trust and undersigned counsel respect this Court. As we contemplate seeking appellate review of the Contempt Order, we wish to give the Court an opportunity to specify the order's meaning and explain its rationale, to avoid any misconstruction of that order in the Nevada appellate courts.

Put simply, as we construe the Court's ruling and rationale, in light of all the briefing and discussion during the hearing, including a recognition that the Association is not a party here, it appears to us:

- (1) The Court acknowledges that legitimate judgments have been entered in favor of the Lytle Trust against the Association, which are not stayed;
- (2) The Court understands that where a judgment is entered against a business entity, like the Association, the judgment creditor may execute on the judgment against that judgment debtor entity, just as it could if the judgment debtor were a natural person;
- (3) The Court has not ruled it is impossible for all limited purpose associations, in general, or, more specifically, this Association, to levy assessments to satisfy the Association's obligations;
- (4) The Court has not ruled that appointment of a receiver over this Association is *per se* improper;

- (5) The Court has not ruled that this Association could never levy assessments to satisfy a judgment against it;
- (6) The Court agrees that no statute or case law was presented that shields the Association from imposition of a receiver to satisfy the Association's obligations; but yet
- (7) The Court has ruled that the Lytle Trust may not impose on the Association in any manner that eventually might lead to the Association making assessments to satisfy its judgment obligation, which includes banning the Lytle Trust, in its capacity as a judgment creditor, from petitioning for appointment of a receiver over the Association for that purpose; and
- (8) The reason the judgment-creditor Lytle Trust may not prompt or encourage the judgment-debtor Association to make assessments to satisfy its judgment obligation is because the Court had previously barred the Lytle Trust from executing on its judgment *directly* against the Association homeowners.

Respectfully, if we misunderstand, we invite this Court to clarify before we make these representations to the Nevada Supreme Court.

#### D. Conclusion

The Lytle Trust's judgments against the Association were issued in different departments of the Eighth Judicial District Court. Thus, future efforts to enforce the judgments will occur in those other departments, not here. And, since Plaintiffs are NOT parties to ANY of the actions where the Lytle Trust was awarded a judgment, the Plaintiffs will not receive contemporaneous notice of those collection efforts; however, upon learning of those collection efforts the Plaintiffs may claim such violate this Court's permanent injunction (and may seek contempt sanctions again). If contempt sanctions are sought again, they will be sought here since this Court issued the permanent injunction. The Lytle Trust respectfully requests clarification from the Court so that it can be guided in knowing how to satisfy (1) its right to collect its judgments, and (2) its obligation to comply with the permanent injunction.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

For all the foregoing reasons, the Lytle Trust requests the Court clarify its permanent injunction in light of the recent Contempt Order and this Motion, including as follows:

- Which judgment creditor rights can the Lytle Trust exercise against the judgment debtor Association (or in what circumstances can a judgment creditor right be exercised) without violating this Court's permanent injunctions?
- 2. For example, may the Lytle Trust exercise any or all of the following judgment creditor rights:
  - a. Conduct a judgment creditor examination of the Association even if such necessitates (1) assessment of the Receiver's fees against all homeowners for the Receiver appearing as the examination witness, or, (2) a homeowner, instead of the Receiver, appearing as the examination witness;
  - b. Execute and garnish the Association's bank account(s) and other assets even if such deprives the homeowners of a needed repair or necessitates additional repair assessments against the homeowners;
  - Garnish the Association's assets in the hands of third parties, c. including dues or other assessments owed by the Association's members;
  - d. Traverse third party garnishment interrogatory answers, including those from Association members, if the Lytle Trust believes their answers are not correct as a matter of fact or law;
  - Conduct regular discovery (e.g., document requests, e. interrogatories, depositions, etc.) from "any person" including, but not limited to, the Association. See NRCP 69(a)(2).

Dated this 17th day of June, 2020.

#### LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/ Dan R. Waite DAN R. WAITE (SBN 4078) JOEL D. HENRIOD (SBN 8492) 3993 Howard Hughes Parkway, Suite 600 Las Vegas, Nevada 89169 Attorneys for Defendants

#### 2 Pursuant to NRCP 5(b), I certify that on this day, I caused a true and correct copy of the 3 following "DEFENDANT LYTLE TRUST'S REPLY IN SUPPORT OF MOTION FOR 4 **CLARIFICATION**" to be e-filed and served via the Court's E-Filing System. 5 Richard Haskin 6 GIBBS, GIDEN, LOCHER, TURNER, SENET & WITTBRODT, LLP 7 1140 N. Town Center Drive Las Vegas, Nevada 89144 8 Attorneys for Defendants 9 Kevin B. Christensen Wesley J. Smith 10 Laura J. Wolff **CHRISTENSEN JAMES & MARTIN** 11 7440 W. Sahara Ave. 12 Las Vegas, NV 89117 Attorneys for Intervenors September Trust, 13 Zobrist Trust, Sandoval Trust and Dennis & Julie Gegen 14 Christina H. Wang 15 FIDELITY NATIONAL LAW GROUP 8363 W. Sunset Road, Suite 120 16 Las Vegas, NV 89113 christina.wang@fnf.com 17 Attorneys for Robert Z. Disman and Yvonne A. Disman 18 Dated this 17th day of June, 2020 19 20 /s/ Luz, Horvath 21 An Employee of Lewis Roca Rothgerber Christie LLP 22 23 24 25 26 27

0

**CERTIFICATE OF SERVICE** 

**Electronically Filed** 

6/22/2020 4:24 PM

Steven D. Grierson CLERK OF THE COURT **NOAS** 1 JOEL D. HENRIOD Nevada Bar No. 8492 2 DANIEL F. POLSENBERG 3 Nevada Bar No. 2376 DAN R. WAITE Nevada Bar No. 4078 4 LEWIS ROCA ROTHGERBER CHRISTIE LLP 3993 Howard Hughes Parkway, Suite 600 5 Las Vegas, Nevada 89169  $(702)\ 949-8200$ 6 JHenriod@LRRC.com DPolsenberg@LRRC.com 7 DWaite@LRRC.com 8 Attorneys for Defendants Trudi Lee Lytle and 9 John Allen Lytle, as Trustees of the Lytle Trust 10 11 DISTRICT COURT CLARK COUNTY, NEVADA 12 Case No. A-16-747800-C MARJORIE B. BOULDEN, trustee of the 13 Marjorie B. Boulden Trust; LINDA LAMOTHE; and JACQUES LAMOTHE, Dep't No. 16 Trustees of the Jacques & Linda 14 Lamothe Living Trust, 15 Plaintiffs, NOTICE OF APPEAL 16 v. 17 TRUDI LEE LYTLE; and JOHN ALLEN LYTLE, as trustees of the Lytle Trust, DOES I through X, inclusive, and ROE CORPORATIONS I through X, 18 19 Defendants. 20 21 SEPTEMBER TRUST, DATED MARCH 23, Consolidated with: 1972; GERRY R. ZOBRIST and JOLIN G. 22 ZOBRIST, as Trustees of the Gerry R. Case No. A-17-765372-C Zobrist and Jolin G. Zobrist Family 23 Trust; RAYNALDO G. SANDOVAL and Dep't No. 16 JULIE MARIE SANDOVAL GEGEN, AS 24Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and 25 Devolution Trust Dated May 27, 1992; and DENNIS A. GEGEN and JULIE S. 26 GEGEN, husband and wife, as joint tenants, 27 Plaintiffs, 28 ∟ewis Roca

\_ewis Roca

v.

TRUDI LEE LYTLE; and JOHN ALLEN
LYTLE, as trustees of the Lytle Trust,
JOHN DOES I through V, inclusive, and
ROE ENTITIES I through V, inclusive,

#### Defendants.

Please take notice that defendants Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust hereby appeal to the Supreme Court of Nevada from:

- 1. "Order Granting Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not be Held in Contempt for Violation of Court Orders," filed May 22, 2020, notice of entry of which was served electronically on May 22, 2020 (Exhibit A); and
- 2. All judgments, rulings and interlocutory orders made appealable by the foregoing.

Dated this 22nd day of June, 2020.

LEWIS ROCA ROTHGERBER CHRISTIE LLP

By: /s/Joel D. Henriod
JOEL D. HENRIOD (SBN 8492)
DANIEL F. POLSENBERG (SBN 2376)
DAN R. WAITE (SBN 4078)
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
(702) 949-8200

Attorneys for Defendants Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust

# 

 $\begin{bmatrix} 3 \\ 4 \end{bmatrix}$ 

Lewis Roca

#### **CERTIFICATE OF SERVICE**

I hereby certify that on the 22<sup>nd</sup> day of June, 2020, I served the foregoing "Notice of Appeal" on counsel by the Court's electronic filing system to the persons and addresses listed below:

Daniel T. Foley FOLEY & OAKES, PC 1210 South Valley View Boulevard, Suite 208 Las Vegas, Nevada 89102

Christina H. Wang FIDELITY NATIONAL LAW GROUP 1701 Village Center Circle, Suite 110 Las Vegas, Nevada 89134

/s/Lisa M. Noltie

An Employee of Lewis Roca Rothgerber Christie Llp

# EXHIBIT A

# EXHIBIT A

**Electronically Filed** 5/22/2020 12:26 PM Steven D. Grierson CLERK OF THE COURT

**NEOJ** 

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

#### **CHRISTENSEN JAMES & MARTIN**

KEVIN B. CHRISTENSEN, ESQ.

Nevada Bar No. 175

WESLEY J. SMITH, ESQ.

Nevada Bar No. 11871

LAURA J. WOLFF, ESQ.

Nevada Bar No. 6869

7440 W. Sahara Avenue

Las Vegas, Nevada 89117

Tel.: (702) 255-1718

Facsimile: (702) 255-0871

Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust,

and Dennis & Julie Gegen

EIGHTH JUDICIAL DISTRICT COURT

**CLARK COUNTY, NEVADA** 

MARJORIE B. BOULDEN, TRUSTEE OF THE MARJORIE B. BOULDEN TRUST, et Case No.: A-16-747800-C

Dept. No.: XVI

al.,

VS.

**GRANTING PLAINTIFFS** MOTION FOR ORDER TO SHOW CAUSE WHY THE LYTLE TRUST SHOULD NOT BE HELD IN

NOTICE OF ENTRY OF ORDER

CONTEMPT FOR VIOLATION OF TRUDI LEE LYTLE, et al.,

Defendants.

Plaintiffs,

COURT ORDERS

SEPTEMBER TRUST, DATED MARCH 23, 1972, et al.,

Plaintiffs,

Case No.: A-17-765372-C

Dept. No.: XVI

VS.

CONSOLIDATED

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE

TRUST, et al.,

Defendants.

24 25

26

27

NOTICE IS HEREBY GIVEN, that an Order Granting Plaintiffs' Motion for Order to

Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders

was entered in the above-captioned matter on May 22, 2020. A copy of the Order is attached hereto.

DATED this 22nd day of May 2020.

CHRISTENSEN JAMES & MARTIN

By: <u>/s/ Wesley J. Smith</u>
Wesley J. Smith, Esq.
Nevada Bar No. 11871
Attorneys for September Trust, Zobrist
Trust, Sandoval Trust and Gegen

1

2

3

4

5

6

7

8

9

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

#### CERTIFICATE OF SERVICE

I am an employee of Christensen James & Martin. On May 22, 2020, I caused a true and correct copy of the foregoing Notice of Entry of Order Granting Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders, to be served in the following manner:

ELECTRONIC SERVICE: electronic transmission (E-Service) through the Court's electronic filing system pursuant to Rule 8.05 of the Rules of Practice for the Eighth Judicial District Court of the State of Nevada.

Liz Gould (liz@foleyoakes.com)

Daniel Foley (Dan@foleyoakes.com)

Maren Foley (maren@foleyoakes.com)

Jennifer Martinez (jennifer.martinez@fnf.com)

Christina Wang (christina.wang@fnf.com)

Mia Hurtado (mia.hurtado@fnf.com)

Richard E. Haskin, Esq. (rhaskin@gibbsgiden.com)

Robin Jackson (rjackson@gibbsgiden.com)

Shara Berry (sberry@gibbsgiden.com)

Daniel Hansen (dhansen@gibbsgiden.com)

Joel D. Henriod (JHenriod@LRRC.com)

Daniel F. Polsenberg (DPolsenberg@LRRC.com)

Dan R. Waite (DWaite@LRRC.com)

Ш	<u>UNITED STATES MAIL</u> :	depositing a true and correct copy of the above-referenced
docum	ent into the United States Mail	l with prepaid first-class postage, addressed to the parties at
their la	st-known mailing address(es):	:

FACSIMILE: By sending the above-referenced document via facsimile as follows:

<u>E-MAIL</u>: electronic transmission by email to the following address(es):

/s/ Natalie Saville

Natalie Saville

-3-

#### 1 **ORDR CHRISTENSEN JAMES & MARTIN** 2 KEVIN B. CHRISTENSEN, ESQ. Nevada Bar No. 175 3 WESLEY J. SMITH, ESQ. Nevada Bar No. 11871 4 LAURA J. WOLFF, ESQ. Nevada Bar No. 6869 5 7440 W. Sahara Avenue Las Vegas, Nevada 89117 6 Tel.: (702) 255-1718 Facsimile: (702) 255-0871 7 Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust 8 and Dennis & Julie Gegen 9 EIGHTH JUDICIAL DISTRICT COURT 10 **CLARK COUNTY, NEVADA** PH: (702) 255-1718 § FAX: (702) 255-087 11 MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, Dept. No.: XVI 12 LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE 13 JACQUES & LINDA LAMOTHE LIVING ORDER GRANTING PLAINTIFFS' MOTION FOR ORDER TO SHOW TRUST, 14 CAUSE WHY THE LYTLE TRUST Plaintiffs, SHOULD NOT BE HELD IN 15 CONTEMPT FOR VIOLATION OF **COURT ORDERS** VS. 16 TRUDI LEE LYTLE, JOHN ALLEN 17 LYTLE, THE LYTLE TRUST, DOES I through X, and ROE CORPORATIONS I Date: April 22, 2020 18 through X, Time: 9:00 a.m. 19 Defendants. 20 SEPTEMBER TRUST, DATED MARCH 23, Case No.: A-17-765372-C 21 1972; GERRY R. ZOBRIST AND JOLIN G. Dept. No.: XVI ZOBRIST, AS TRUSTEES OF THE GERRY 22 R. ZOBRIST AND JOLIN G. ZOBRIST CONSOLIDATED FAMILY TRUST; RAYNALDO G. 23 SANDOVAL AND JULIE MARIE SANDOVAL GEGEN, AS TRUSTEES OF 24 THE RAYNALDO G. AND EVELYN A. SANDOVAL JOINT LIVING AND 25 26 27 28

CHRISTENSEN JAMES & MARTIN 7440 WEST SAHARA AVE., LAS VEGAS, NEVADA 89117 DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

#### Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

#### Defendants.

Presently before the Court is Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Motion") filed by the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively the "Plaintiffs"), the Joinders filed by Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") and Robert Z. Disman and Yvonne A. Disman (the "Dismans"), and the Opposition and Reply thereto, which came on for hearing on April 22, 2020 at 9:00 a.m. in Department XVI of the Eighth Judicial District Court, Clark County, Nevada.

Wesley J. Smith, Esq. of Christensen James & Martin, Chtd. appeared on behalf of the Plaintiffs. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of the Boulden Trust and Lamothe Trust. Christina H. Wang, Esq. of Fidelity National Law Group appeared on behalf of the Dismans. Dan R. Waite, Esq. of Lewis Roca Rothgerber Christie LLP and Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust"). Patricia Lee, Esq. of Hutchison & Steffen was present on behalf of Kevin Singer, court appointed Receiver over the Rosemere Estates Property Owners Association

-2-

("Association"), in Case No. A-18-775843-C, Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association ("Receivership Action").

The Court having considered the Motion, Joinders, Opposition, and Reply, together with the Exhibits thereto, having heard the arguments of counsel, and with good cause appearing therefore, the Court hereby grants the Motion and Joinders and enters the following Findings of Fact, Conclusions of Law, and Order:

#### FINDINGS OF FACT

- 1. On April 26, 2017, this Court entered its Findings of Fact, Conclusions of Law, and Order Granting the Boulden Trust and Lamothe Trust's Motion for Partial Summary Judgment ("April 2017 Order") against the Lytle Trust. On the Lytle Trust's Motion for Reconsideration or, in the alternative, Motion to Alter or Amend Judgment, on July 27, 2017, this Court entered its Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law ("July 2017 Order") in favor of the Boulden Trust and the Lamothe Trust on their Motion for Partial Summary Judgment. The July 2017 Order is hereby incorporated by reference.
- 2. In the July 2017 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117 is not applicable to the Association; as a result of the Rosemere Litigation I (referred to in the July 2017 Order as the Rosemere LPA Litigation) between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared *void ab initio*; the Boulden Trust and Lamothe Trust were not parties to the Rosemere Litigation I; the Boulden Trust and Lamothe Trust were not "losing parties" in the Rosemere Litigation I per Section 25 of the Original CC&Rs; the Final Judgment in the Rosemere Litigation I against the Association in favor of the Lytle Trust is not against, and is not an obligation of,

<sup>&</sup>lt;sup>1</sup> The April 2017 Order included an order that the Lytle Trust had slandered title. The Court subsequently determined that it had not made findings of fact or conclusions of law on this issue and amended accordingly by entering the July 2017 Order without any order on the slander of title claim. The slander of title claim was later dismissed by stipulation between the parties. *See* Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice filed on January 14, 2019.

the Boulden Trust and Lamothe Trust; and the Final Judgment against the Association in the Rosemere Litigation I is not an obligation or debt owed by the Boulden Trust and Lamothe Trust.

3. The July 2017 Order also included the following permanent injunction at page 7:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from recording and enforcing the Final Judgment from the Rosemere LPA Litigation or any abstracts related thereto against the Boulden Property or the Lamothe Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from taking any action in the future against the Plaintiffs or their properties based upon the Rosemere LPA Litigation.

- 4. The Court ordered the Lytle Trust to expunge the Abstracts of Judgment that it had recorded against properties owned by the Boulden Trust and Lamothe Trust. The Lytle Trust released the Abstracts of Judgment, but immediately recorded two *lis pendens* against the Boulden Trust and Lamothe Trust properties. Thereafter, the Lytle Trust refused to voluntarily expunge the *lis pendens* and the Boulden Trust and Lamothe Trust were forced to file a Motion to Expunge *Lis Pendens*. This Court summarily granted the Motion on June 23, 2017 and the *lis pendens* were ordered stricken, but the Lytle Trust was not held in contempt.
- 5. The Lytle Trust appealed the July 2017 Order and the Nevada Supreme Court issued an Order of Affirmance on December 4, 2018 in Case No. 73039, *Trudi Lee Lytle v. Marjorie B. Boulden* ("First Order of Affirmance").<sup>2</sup>
- 6. After entry of the July 2017 Order, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens, which also own property within the Rosemere Subdivision, approached the Lytle Trust and requested that it release the Abstracts of Judgment recorded against their properties as well. After the Lytle Trust refused to release the Abstracts of Judgment as to their properties, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens filed a Complaint against the Lytle Trust in Case No. A-17-765372-C, which was consolidated with this Case (Case No. A-16-747900-C) on February 21, 2018.

<sup>&</sup>lt;sup>2</sup> The Boulden Trust sold its property to the Dismans on August 4, 2017. This Court subsequently held, in an Order entered on or about December 26, 2018, that the July 2017 Order likewise applied to the Rosemere Litigation II Judgment, which the Lytle Trust sought to enforce against the Lamothe Trust and the Dismans' and their properties after entry of the July 2017 Order.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

7. On May 24, 2018, this Court entered its Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment ("May 2018 Order") in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens and against the Lytle Trust. The May 2018 Order is hereby incorporated by reference.

- 8. In the May 2018 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117, the statute upon which the Lytle Trust relied to record the Abstracts of Judgment, is not applicable to the Association; as a result of the Rosemere Litigation I between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared void ab initio; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not parties to the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not "losing parties" in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III per Section 25 of the Original CC&Rs; the Judgments issued in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III (collectively the "Rosemere Judgments") against the Association in favor of the Lytle Trust are not against, and are not an obligation of, the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust; and the Rosemere Judgments against the Association are not an obligation or debt owed by the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust.
- 9. The May 2018 Order, at page 10, lines 10-19, contained the following permanent injunction:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

10. On June 19, 2018, the Lytle Trust appealed the May 2018 Order to the Nevada Supreme Court, Case No. 76198, *Trudi Lee Lytle v. September Trust, Dated March 23, 1972*. This appeal was consolidated with the Lytle Trust's subsequent appeal of an award of attorney's fees and costs in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens under NRS 18.010(2)(b), Case No. 77007. The Supreme Court entered its Order of Affirmance affirming the May 2018 Order and subsequent fees order on March 2, 2020 ("Second Order of Affirmance").

- 11. On June 8, 2018, the Lytle Trust filed a new action, Case No. A-18-775843-C, *Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association* ("Receivership Action"), asserting claims against the Association for (a) Declaratory Judgment, and (b) Breach of Contract/Easement Agreement. The prayer for relief in the Receivership Action sought:
  - a. Order declaring that the Association must continue to operate as required by the CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada law.
  - b. specific performance requiring the Association to comply with the CC&Rs, as well as other Nevada law, with respect to the Association's maintenance and day-to-day activities;
  - c. injunctive relief preventing the Association from violating the terms of the CC&RS, as well as other Nevada law, moving forward;
  - d. appointment of a receiver to handle the maintenance obligations and day-to-day activities, including the financial activities regarding assessments and creditors, until a duly constituted board may be instituted and power transitioned thereto; and

-6-

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- reasonable attorneys' fees, costs of suit and litigation, and such other and further e. relief as the Court deems just and proper
- 12. The Complaint in the Receivership Action alleges that the Association is not functioning, that the common elements of the community are not being maintained, and that "the Association has not paid known creditors of the Association, which includes, but is not limited to, the annual dues to the Nevada Secretary of State or the Nevada Department of Real Estate or the Lytles, which hold multiple judgments against the Association." Complaint at ¶ 21.
- 13. In a Renewed Application for Appointment of Receiver filed by the Lytle Trust on October 24, 2019 ("Application") in the Receivership Action, the Lytle Trust asserts that one reason for a Receiver over the Association was due to the Association's refusal to pay the Rosemere Judgments, including its refusal to assess Association members, including the Plaintiffs, so the Association could pay the Rosemere Judgments. Application at 3:2-4, 5:17-18 ("Additional grounds exist because the Association is refusing to pay and refusing to assess Association members related to various monetary judgments awarded to the Lytles against the Association"), 13:19-28 ("A receiver may be appointed...[a]fter judgment, to carry the judgment into effect" (quoting NRS 32.010(3))), 14:1-2, 16-28 ("the Lytle Trust obtained judgments against the Association and a Receiver is needed to carry those judgments into effect"), 15:20-25 ("the Association has a duty...to pays its debts, including the Judgments obtained by the Lytle Trust"), 16:17-22 ("the Association is without any governing body to assess the homeowners and pay the judgments").
- The Lytle Trust disclosed to the judge in the Receivership Action (the "Receivership Court') that the Amended CC&Rs had been judicially declared void ab initio and of no force or effect. Id. at 8:11-12 (the District "Court determined that the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force or effect"); 8 at n.3 ("Note, Rosemere 2 Litigation commenced more than six years before the Court in Rosemere 1 Litigation ruled that the Amended CC&Rs were invalid.") (emphasis in original); 9:13-17 ("In granting the Lytle Trust's Motion for Attorneys' Fees, the district court in the Rosemere 1 and Rosemere 2 Litigations . . . held that the Lytle Trust could recover attorneys' fees under the Amended CC&Rs because

that document, while declared *void ab initio* by the district court, was in effect and enforced by the Association against the Lytle Trust at all times during the underlying litigation.").

15. However, The Lytle Trust further argued in the Application that the Amended CC&Rs provide authority for a receiver to make special assessments on the Plaintiffs' and other owners' properties to collect funds to pay the Rosemere Judgments. *Id.* at 11:4-28, 13:1-17, 17:1-9. The Lytle Trust's Application included a section heading in its Statement of Fact section titled "The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association." *Id.* at 11:4-5. The Lytle Trust also represented that "the District Court already ruled that the Association is liable for attorneys' fees, costs and damages pursuant to the Amended CC&Rs, which provide the Association with the ability to specially assess each property (unit) for the costs of the judgments. Amended CC&Rs ¶ 10.11, Exhibit 16." *Id.* at 17:6-9.

- 16. The Lytle Trust did not inform the Receivership Court about this Case, the July 2017 Order, May 2018 Order, or the Orders of Affirmance.<sup>3</sup> The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust relating to enforcement of the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, the Dismans, or their properties.
- 17. On December 18, 2019, based on the Lytle Trust's Application, the Receivership Court entered an Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver"). The Order Appointing Receiver, drafted by the Lytle Trust, directs the Receiver to "[i]ssue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." Order Appointing Receiver at 2:19-20. It further empowers the Receiver with "the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said member's ownership interest in the property." *Id.* at 6:4-7.

<sup>&</sup>lt;sup>3</sup> The Court notes that the Second Order of Affirmance was issued after entry of the Order Appointing Receiver and the Lytle Trust could not have informed the Receivership Court of it prior to entry of the Order Appointing Receiver.

- 18. On or around January 22, 2020, the Plaintiffs and the Dismans<sup>4</sup> each received a letter from Kevin Singer of Receivership Specialists regarding the appointment of Mr. Singer as the Receiver in the Receivership Action ("Receiver Letter"). In the Receiver Letter, Mr. Singer states that "[t]he appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff").... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.... We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments."
- 19. On January 29, 2020, counsel for Plaintiffs sent a letter to the Receiver, with a copy to counsel for the Lytle Trust, notifying the Receiver that the Orders and Permanent Injunctions issued in this Case prevent further effort to collect the Rosemere Judgments from the Plaintiffs or other property owners. The Plaintiffs expressed their belief this effort to assess the property owners to pay the Rosemere Judgments violated this Court's Orders and demanded that the Receiver cease and desist.
- 20. On March 4, 2020, the Plaintiffs filed the instant Motion informing the Court about the Lytle Trust's actions and seeking sanctions for violation of this Court's May 2018 Order. The Boulden Trust and Lamothe Trust filed a Joinder to the Motion on March 5, 2020.<sup>5</sup> The Dismans filed a Joinder to the Motion on March 6, 2020.
  - 21. The Association has never been a party to this Case.

# **CONCLUSIONS OF LAW**

1. This case has a history, such as the filing of the *lis pendens* against the Boulden Trust and Lamothe Trust properties after the Court had ordered the expungement of the Abstracts of Judgment and continued enforcement of the Abstracts of Judgment against the September Trust, Zobrist Trust, Sandoval Trust, and Gegens' properties after entry of the July 2017 Order, that demonstrates that the Lytle Trust does not respect this Court's Orders.

<sup>&</sup>lt;sup>4</sup> At the time, the Boulden Trust and Lamothe Trust no longer held title to any property within the Rosemere Subdivision, having sold their properties on August 4, 2017, and May 1, 2019, respectively.

<sup>&</sup>lt;sup>5</sup> After the hearing on the Motion but prior to entry of this Order, the Boulden Trust and the Lamothe Trust withdrew their Joinders pursuant to a settlement with the Lytle Trust. Therefore, the Boulden Trust and Lamothe Trust are no longer considered movants for purposes of the relief granted herein.

- 2. This Court has inherent power to enforce its decrees, orders and judgments. A party is required to adhere to court orders, even disagreeable or erroneous orders, until terminated or overturned.
  - 3. The proper course of action if a party disagrees with a Court order is to appeal.
  - 4. The May 2018 Order must be obeyed by the Lytle Trust.
- 5. Each paragraph, each finding of fact, and each conclusion of law in the May 2018 Order must be given its plain meaning, and each paragraph of that Order's permanent injunction must be obeyed by the Lytle Trust.
- 6. As a result of the Findings of Fact and Conclusions of Law in the May 2018 Order, there were specific orders which are not mutually exclusive. Each issue ordered by the Court should be given its meaning, and they are not in conflict.
- 7. The Court's factual determinations and conclusions of law culminated with the permanent injunction language starting at Page 10, Line 10 of the May 2018 Order, which stated:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

- 3. These paragraphs are not mutually exclusive and each must be obeyed by the Lytle Trust.
- 9. The Findings of Fact, Conclusions of Law, and Orders contained in the May 2018 Order, including the permanent injunctions, are clear, specific and unambiguous as to what the parties could and could not do in this case. Further, the terms of the permanent injunction are specific and definite so that the Lytle Trust could readily know exactly what duties or obligations were imposed on it.
- 10. The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties.
- 11. Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form.

12. The Plaintiffs have demonstrated by clear and convincing evidence that the Lytle Trust violated the clear and specific terms of the permanent injunction found in the May 2018 Order when it initiated an action against the Association that included a prayer for appointment of a receiver, applied for appointment of a receiver, and argued that the Association, through the Receiver, could make special assessments on the Plaintiffs' and other property owners for the purpose of paying the Rosemere Judgments, all while failing to inform the Receivership Court of this Case, this Court's Orders, or that the Lytle Trust had been enjoined from enforcing the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, and the Dismans, or their properties.

- 13. The Lytle Trust's actions, as stated in the Findings of Fact and set forth herein, directly and indirectly violated the May 2018 Order.
- 14. Any references to the power of assessment exercised by the Association, or the Receiver on behalf of the Association, against the individual homeowners for payment of the Rosemere Judgments in the Order Appointing Receiver, as advocated for and drafted by the Lytle Trust, directly and indirectly violates the May 2018 Order.
  - 15. The Lytle Trust has failed to show why it was unable to comply with the May 2018 Order.
- 16. The Lytle Trust has failed to demonstrate how its actions did not violate the clear and specific terms of the May 2018 Order.
- 17. A party may be held in contempt of court for disobedience or resistance to any lawful order issued by the court. NRS 22.010(3)
- 18. "[I]f a person is found guilty of contempt, a fine may be imposed on the person not exceeding \$500 or the person may be imprisoned not exceeding 25 days, or both." NRS 22.100(2).
- 19. In addition, the court may award "reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt." NRS 22.100(3).

#### **ORDER**

Based upon the Findings of Fact and Conclusions of Law above, and good cause appearing therefore,

2

3

4

5

6

7

8

9

10

11

12

13

14

///

///

IT IS HEREBY ORDERED ADJUDGED AND DECREED that Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders, as well as the Joinders thereto filed by the Boulden Trust, the Lamothe Trust, and the Dismans, are GRANTED.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust violated the May 2018 Order.

**IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED** that the Lytle Trust is in contempt of the May 2018 Order.

**IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED** that the Lytle Trust shall pay a \$500 penalty to each movant for violation of the May 2018 Order; specifically, \$500 payable to the September Trust, \$500 payable to the Zobrist Trust, \$500 payable to the Sandoval Trust, \$500 payable to the Gegens, and \$500 payable to the Dismans.

```
15
      ///
16
      ///
17
      ///
18
      ///
19
      ///
20
      ///
21
      ///
22
      ///
23
      ///
24
      ///
25
      ///
```

26

27

28

///

///

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the September Trust, Zobrist Trust, Sandoval Trust, Gegens, and Dismans, may file applications for their reasonable expenses, including, without limitation, attorney's fees, incurred by the party as a result of the contempt. The Court will consider such applications on the merits.

IT IS SO ORDERED.

Dated this 22 day of May , 2020.

#### **Submitted by:**

#### **CHRISTENSEN JAMES & MARTIN**

/s/ Wesley J. Smith
Wesley J. Smith, Esq.
Nevada Bar No. 11871
Laura J. Wolff, Esq.
Nevada Bar No. 6869
7440 W. Sahara Ave.
Las Vegas, NV 89117
Attorneys for Plaintiffs September Trust,
Zobrist Trust, Sandoval Trust, and
Dennis & Julie Gegen

## Reviewed by Not Approved by:

# LEWIS ROCA ROTHBERGER CHRISTIE LLP

Reviewed But Not Approved
DAN R. WAITE, ESQ.
Nevada Bar 4078
3993 Howard Hughes Parkway, Suite 600
Las Vegas, Nevada 89169
Attorneys for Lytle Trust

# Approved as to Form and Content by:

#### FIDELITY NATIONAL LAW GROUP

/s/ Christina H. Wang
CHRISTINA H. WANG, ESQ.
Nevada Bar No. 9713
8363 W. Sunset Road, Suite 120
Las Vegas, Nevada 89113
Attorneys for Robert & Yvonne Disman

# RE: Case No. A-16-747800-C - Boulden v. Lytle - ORDR - Proposed Order Granting Plaintiffs' Motion for Order to Show Cause

Wang, Christina < Christina. Wang@fnf.com >

Mon 5/18/2020 9:52 AM

To: Wesley Smith <wes@cjmlv.com>

Cc: Engelman, Lace < Lace. Engelman@fnf.com >

Approved – thanks.

Christina H. Wang Litigation Counsel Fidelity National Law Group 8363 W. Sunset Road, Suite 120 Las Vegas, Nevada 89113 702-667-3000 (Main) 702-667-3002 (Direct) 702-938-8721 (Fax)

christina.wang@fnf.com

#### PLEASE NOTE THAT OUR OFFICE HAS MOVED TO THE ABOVE ADDRESS.

The Law Division of Alamo Title Insurance, Chicago Title Insurance Co., Commonwealth Land Title Insurance Co., Fidelity National Title Insurance Co., and Fidelity National Title Group, Inc.

THIS ELECTRONIC MAIL MESSAGE AND ANY ATTACHMENTS ARE INTENDED ONLY FOR THE USE OF THE ADDRESSEE(S) NAMED ABOVE AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT AN INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THIS E-MAIL TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU RECEIVED THIS E-MAIL MESSAGE IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY REPLYING TO THIS MESSAGE OR BY TELEPHONE. THANK YOU.

From: Wesley Smith <wes@cjmlv.com> Sent: Monday, May 18, 2020 9:45 AM

**To:** Wang, Christina < Christina. Wang@fnf.com > **Cc:** Engelman, Lace < Lace. Engelman@fnf.com >

Subject: Re: Case No. A-16-747800-C - Boulden v. Lytle - ORDR - Proposed Order Granting Plaintiffs' Motion for

Order to Show Cause

IMPORTANT NOTICE - This message sourced from an external mail server outside of the Company. Christina,

Per our discussion, can you please approve this version which adds the date to footnote 2?

Wes Smith

Christensen James & Martin

**Electronically Filed** 

5/22/2020 10:48 AM Steven D. Grierson CLERK OF THE COURT

1 **ORDR** CHRISTENSEN JAMES & MARTIN 2 KEVIN B. CHRISTENSEN, ESQ. Nevada Bar No. 175 WESLEY J. SMITH, ESQ. 3 Nevada Bar No. 11871 4 LAURA J. WOLFF, ESQ. Nevada Bar No. 6869 5 7440 W. Sahara Avenue Las Vegas, Nevada 89117 6 Tel.: (702) 255-1718 Facsimile: (702) 255-0871 7 Email: kbc@cjmlv.com; wes@cjmlv.com; ljw@cjmlv.com Attorneys for September Trust, Zobrist Trust, Sandoval Trust 8 and Dennis & Julie Gegen 9 EIGHTH JUDICIAL DISTRICT COURT 10 **CLARK COUNTY, NEVADA** PH: (702) 255-1718 § FAX: (702) 255-087 11 MARJORIE B. BOULDEN, TRUSTEE OF Case No.: A-16-747800-C THE MARJORIE B. BOULDEN TRUST, Dept. No.: XVI 12 LINDA LAMOTHE AND JACQUES LAMOTHE, TRUSTEES OF THE 13 JACQUES & LINDA LAMOTHE LIVING ORDER GRANTING PLAINTIFFS' MOTION FOR ORDER TO SHOW TRUST, 14 CAUSE WHY THE LYTLE TRUST Plaintiffs, SHOULD NOT BE HELD IN 15 CONTEMPT FOR VIOLATION OF **COURT ORDERS** VS. 16 TRUDI LEE LYTLE, JOHN ALLEN 17 LYTLE, THE LYTLE TRUST, DOES I through X, and ROE CORPORATIONS I Date: April 22, 2020 18 Time: 9:00 a.m. through X, 19 Defendants. 20 Case No.: A-17-765372-C SEPTEMBER TRUST, DATED MARCH 23, 21 1972; GERRY R. ZOBRIST AND JOLIN G. Dept. No.: XVI ZOBRIST, AS TRUSTEES OF THE GERRY 22 R. ZOBRIST AND JOLIN G. ZOBRIST CONSOLIDATED FAMILY TRUST; RAYNALDO G. 23 SANDOVAL AND JULIE MARIE SANDOVAL GEGEN, AS TRUSTEES OF 24 THE RAYNALDO G. AND EVELYN A. SANDOVAL JOINT LIVING AND 25 26 27 28

7440 West Sahara Ave., Las Vegas, Nevada 89117

CHRISTENSEN JAMES & MARTIN

001491

DEVOLUTION TRUST DATED MAY 27, 1992; and DENNIS A. GEGEN AND JULIE S. GEGEN, HUSBAND AND WIFE, AS JOINT TENANTS,

#### Plaintiffs,

VS.

TRUDI LEE LYTLE AND JOHN ALLEN LYTLE, AS TRUSTEES OF THE LYTLE TRUST; JOHN DOES I through V; and ROE ENTITIES I through V, inclusive,

#### Defendants.

Presently before the Court is Plaintiffs' Motion for Order to Show Cause Why the Lytle Trust Should Not Be Held in Contempt for Violation of Court Orders ("Motion") filed by the September Trust, dated March 23, 1972 ("September Trust"), Gerry R. Zobrist and Jolin G. Zobrist, as Trustees of the Gerry R. Zobrist and Jolin G. Zobrist Family Trust ("Zobrist Trust"), Raynaldo G. Sandoval and Julie Marie Sandoval Gegen, as Trustees of the Raynaldo G. and Evelyn A. Sandoval Joint Living and Devolution Trust dated May 27, 1992 ("Sandoval Trust"), and Dennis A. Gegen and Julie S. Gegen, Husband and Wife, as Joint Tenants ("Dennis & Julie Gegen") (collectively the "Plaintiffs"), the Joinders filed by Marjorie B. Boulden, Trustee of the Marjorie B. Boulden Trust, amended and restated dated July 17, 1996 ("Boulden Trust") and Linda Lamothe and Jacques Lamothe, Trustees of the Jacques and Linda Lamothe Living Trust ("Lamothe Trust") and Robert Z. Disman and Yvonne A. Disman (the "Dismans"), and the Opposition and Reply thereto, which came on for hearing on April 22, 2020 at 9:00 a.m. in Department XVI of the Eighth Judicial District Court, Clark County, Nevada.

Wesley J. Smith, Esq. of Christensen James & Martin, Chtd. appeared on behalf of the Plaintiffs. Daniel T. Foley, Esq. of Foley & Oakes, PC appeared on behalf of the Boulden Trust and Lamothe Trust. Christina H. Wang, Esq. of Fidelity National Law Group appeared on behalf of the Dismans. Dan R. Waite, Esq. of Lewis Roca Rothgerber Christie LLP and Richard Haskin, Esq. of Gibbs Giden Locher Turner Senet & Wittbrodt LLP appeared on behalf of Trudi Lee Lytle and John Allen Lytle, as Trustees of the Lytle Trust ("Lytle Trust"). Patricia Lee, Esq. of Hutchison & Steffen was present on behalf of Kevin Singer, court appointed Receiver over the Rosemere Estates Property Owners Association

("Association"), in Case No. A-18-775843-C, Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association ("Receivership Action").

The Court having considered the Motion, Joinders, Opposition, and Reply, together with the Exhibits thereto, having heard the arguments of counsel, and with good cause appearing therefore, the Court hereby grants the Motion and Joinders and enters the following Findings of Fact, Conclusions of Law, and Order:

#### FINDINGS OF FACT

- 1. On April 26, 2017, this Court entered its Findings of Fact, Conclusions of Law, and Order Granting the Boulden Trust and Lamothe Trust's Motion for Partial Summary Judgment ("April 2017 Order") against the Lytle Trust. On the Lytle Trust's Motion for Reconsideration or, in the alternative, Motion to Alter or Amend Judgment, on July 27, 2017, this Court entered its Order Granting Motion to Alter or Amend Findings of Fact and Conclusions of Law ("July 2017 Order") in favor of the Boulden Trust and the Lamothe Trust on their Motion for Partial Summary Judgment. The July 2017 Order is hereby incorporated by reference.
- 2. In the July 2017 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117 is not applicable to the Association; as a result of the Rosemere Litigation I (referred to in the July 2017 Order as the Rosemere LPA Litigation) between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared *void ab initio*; the Boulden Trust and Lamothe Trust were not parties to the Rosemere Litigation I; the Boulden Trust and Lamothe Trust were not "losing parties" in the Rosemere Litigation I per Section 25 of the Original CC&Rs; the Final Judgment in the Rosemere Litigation I against the Association in favor of the Lytle Trust is not against, and is not an obligation of,

<sup>&</sup>lt;sup>1</sup> The April 2017 Order included an order that the Lytle Trust had slandered title. The Court subsequently determined that it had not made findings of fact or conclusions of law on this issue and amended accordingly by entering the July 2017 Order without any order on the slander of title claim. The slander of title claim was later dismissed by stipulation between the parties. *See* Notice of Entry of Stipulation and Order to Dismiss All Remaining Claims Without Prejudice filed on January 14, 2019.

the Boulden Trust and Lamothe Trust; and the Final Judgment against the Association in the Rosemere Litigation I is not an obligation or debt owed by the Boulden Trust and Lamothe Trust.

3. The July 2017 Order also included the following permanent injunction at page 7:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from recording and enforcing the Final Judgment from the Rosemere LPA Litigation or any abstracts related thereto against the Boulden Property or the Lamothe Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Defendants are permanently enjoined from taking any action in the future against the Plaintiffs or their properties based upon the Rosemere LPA Litigation.

- 4. The Court ordered the Lytle Trust to expunge the Abstracts of Judgment that it had recorded against properties owned by the Boulden Trust and Lamothe Trust. The Lytle Trust released the Abstracts of Judgment, but immediately recorded two *lis pendens* against the Boulden Trust and Lamothe Trust properties. Thereafter, the Lytle Trust refused to voluntarily expunge the *lis pendens* and the Boulden Trust and Lamothe Trust were forced to file a Motion to Expunge *Lis Pendens*. This Court summarily granted the Motion on June 23, 2017 and the *lis pendens* were ordered stricken, but the Lytle Trust was not held in contempt.
- 5. The Lytle Trust appealed the July 2017 Order and the Nevada Supreme Court issued an Order of Affirmance on December 4, 2018 in Case No. 73039, *Trudi Lee Lytle v. Marjorie B. Boulden* ("First Order of Affirmance").<sup>2</sup>
- 6. After entry of the July 2017 Order, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens, which also own property within the Rosemere Subdivision, approached the Lytle Trust and requested that it release the Abstracts of Judgment recorded against their properties as well. After the Lytle Trust refused to release the Abstracts of Judgment as to their properties, the September Trust, Zobrist Trust, Sandoval Trust, and Gegens filed a Complaint against the Lytle Trust in Case No. A-17-765372-C, which was consolidated with this Case (Case No. A-16-747900-C) on February 21, 2018.

<sup>&</sup>lt;sup>2</sup> The Boulden Trust sold its property to the Dismans on August 4, 2017. This Court subsequently held, in an Order entered on or about December 26, 2018, that the July 2017 Order likewise applied to the Rosemere Litigation II Judgment, which the Lytle Trust sought to enforce against the Lamothe Trust and the Dismans' and their properties after entry of the July 2017 Order.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

7. On May 24, 2018, this Court entered its Order Granting Motion for Summary Judgment or, in the Alternative, Motion for Judgment on the Pleadings and Denying Countermotion for Summary Judgment ("May 2018 Order") in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens and against the Lytle Trust. The May 2018 Order is hereby incorporated by reference.

- 8. In the May 2018 Order, the Court concluded, in part, that: the Association is a "limited purpose association" as referenced in NRS 116.1201(2); as a limited purpose association, NRS 116.3117, the statute upon which the Lytle Trust relied to record the Abstracts of Judgment, is not applicable to the Association; as a result of the Rosemere Litigation I between the Lytle Trust and the Association, the Amended CC&Rs at issue were judicially declared to have been improperly adopted and recorded, were invalid, have no force and effect, and were declared *void ab initio*; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not parties to the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III; the September Trust, Zobrist Trust, Sandoval Trust, and Gegens were not "losing parties" in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III per Section 25 of the Original CC&Rs; the Judgments issued in the Rosemere Litigation I, Rosemere Litigation II, or Rosemere Litigation III (collectively the "Rosemere Judgments") against the Association in favor of the Lytle Trust are not against, and are not an obligation of, the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust; and the Rosemere Judgments against the Association are not an obligation or debt owed by the September Trust, Zobrist Trust, Sandoval Trust, or Gegens to the Lytle Trust.
- 9. The May 2018 Order, at page 10, lines 10-19, contained the following permanent injunction:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

-5-

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

- 10. On June 19, 2018, the Lytle Trust appealed the May 2018 Order to the Nevada Supreme Court, Case No. 76198, Trudi Lee Lytle v. September Trust, Dated March 23, 1972. This appeal was consolidated with the Lytle Trust's subsequent appeal of an award of attorney's fees and costs in favor of the September Trust, Zobrist Trust, Sandoval Trust, and Gegens under NRS 18.010(2)(b), Case No. 77007. The Supreme Court entered its Order of Affirmance affirming the May 2018 Order and subsequent fees order on March 2, 2020 ("Second Order of Affirmance").
- 11. On June 8, 2018, the Lytle Trust filed a new action, Case No. A-18-775843-C, Trudi Lee Lytle et al. v. Rosemere Estates Property Owners' Association ("Receivership Action"), asserting claims against the Association for (a) Declaratory Judgment, and (b) Breach of Contract/Easement Agreement. The prayer for relief in the Receivership Action sought:
  - an Order declaring that the Association must continue to operate as required by the a. CC&Rs and Chapters 82 and 116 of the Nevada Revised Statutes, which includes, but is not limited to: 1) maintaining the landscaping in the exterior wall planters; 2) maintaining the exterior perimeter and frontage; 3) maintaining the entrance gate; 4) maintaining the private drive and sewer system; 5) ensuring that homeowners are paying their assessments; 6) seeking collection activity against any homeowners that have failed to pay their assessments; 7) paying known creditors of the Association; 8) specially assessing the homeowners to ensure that enough proceeds exist within the HOA funds to pay all known creditors assessing; and 9) any other activity required under Nevada law.
  - specific performance requiring the Association to comply with the CC&Rs, as well as other Nevada law, with respect to the Association's maintenance and day-to-day activities;
  - injunctive relief preventing the Association from violating the terms of the CC&RS, c. as well as other Nevada law, moving forward;
  - d. appointment of a receiver to handle the maintenance obligations and day-to-day activities, including the financial activities regarding assessments and creditors, until a duly constituted board may be instituted and power transitioned thereto; and

- e. reasonable attorneys' fees, costs of suit and litigation, and such other and further relief as the Court deems just and proper
- 12. The Complaint in the Receivership Action alleges that the Association is not functioning, that the common elements of the community are not being maintained, and that "the Association has not paid known creditors of the Association, which includes, but is not limited to, the annual dues to the Nevada Secretary of State or the Nevada Department of Real Estate or the Lytles, which hold multiple judgments against the Association." Complaint at ¶ 21.
- 13. In a Renewed Application for Appointment of Receiver filed by the Lytle Trust on October 24, 2019 ("Application") in the Receivership Action, the Lytle Trust asserts that one reason for a Receiver over the Association was due to the Association's refusal to pay the Rosemere Judgments, including its refusal to assess Association members, including the Plaintiffs, so the Association could pay the Rosemere Judgments. Application at 3:2-4, 5:17-18 ("Additional grounds exist because the Association is refusing to pay and refusing to assess Association members related to various monetary judgments awarded to the Lytles against the Association"), 13:19-28 ("A receiver may be appointed...[a]fter judgment, to carry the judgment into effect" (quoting NRS 32.010(3))), 14:1-2, 16-28 ("the Lytle Trust obtained judgments against the Association and a Receiver is needed to carry those judgments into effect"), 15:20-25 ("the Association has a duty...to pays its debts, including the Judgments obtained by the Lytle Trust"), 16:17-22 ("the Association is without any governing body to assess the homeowners and pay the judgments").
- 14. The Lytle Trust disclosed to the judge in the Receivership Action (the "Receivership Court") that the Amended CC&Rs had been judicially declared *void ab initio* and of no force or effect. *Id.* at 8:11-12 (the District "Court determined that the Amended CC&Rs were not properly adopted or recorded, that the Amended CC&Rs are invalid, and that the Amended CC&Rs have no force or effect"); 8 at n.3 ("Note, Rosemere 2 Litigation commenced more than six years *before* the Court in Rosemere 1 Litigation ruled that the Amended CC&Rs were invalid.") (emphasis in original); 9:13-17 ("In granting the Lytle Trust's Motion for Attorneys' Fees, the district court in the Rosemere 1 and Rosemere 2 Litigations . . . held that the Lytle Trust could recover attorneys' fees under the Amended CC&Rs because

that document, while declared *void ab initio* by the district court, was in effect and enforced by the Association against the Lytle Trust at all times during the underlying litigation.").

15. However, The Lytle Trust further argued in the Application that the Amended CC&Rs provide authority for a receiver to make special assessments on the Plaintiffs' and other owners' properties to collect funds to pay the Rosemere Judgments. *Id.* at 11:4-28, 13:1-17, 17:1-9. The Lytle Trust's Application included a section heading in its Statement of Fact section titled "The Amended CC&Rs Grant the Association Authority to Assess Each Unit for Payment of Judgments Against the Association." *Id.* at 11:4-5. The Lytle Trust also represented that "the District Court already ruled that the Association is liable for attorneys' fees, costs and damages pursuant to the Amended CC&Rs, which provide the Association with the ability to specially assess each property (unit) for the costs of the judgments. Amended CC&Rs ¶ 10.11, Exhibit 16." *Id.* at 17:6-9.

- 16. The Lytle Trust did not inform the Receivership Court about this Case, the July 2017 Order, May 2018 Order, or the Orders of Affirmance.<sup>3</sup> The Lytle Trust did not inform the Receivership Court that this Court had issued permanent injunctions against the Lytle Trust relating to enforcement of the Rosemere Judgments against the Plaintiffs, the Boulden Trust, the Lamothe Trust, the Dismans, or their properties.
- 17. On December 18, 2019, based on the Lytle Trust's Application, the Receivership Court entered an Order Appointing a Receiver of Defendant Rosemere Property Owners Association ("Order Appointing Receiver"). The Order Appointing Receiver, drafted by the Lytle Trust, directs the Receiver to "[i]ssue and collect a special assessment upon all owners within the Association to satisfy the Lytle Trust's judgments against the Association." Order Appointing Receiver at 2:19-20. It further empowers the Receiver with "the authority to assess all Association unit owners to pay for any operation costs or to pay for judgments against the Association. If an Association member does not pay an assessment then the Receiver may proceed to foreclose on said member's ownership interest in the property." *Id.* at 6:4-7.

<sup>&</sup>lt;sup>3</sup> The Court notes that the Second Order of Affirmance was issued after entry of the Order Appointing Receiver and the Lytle Trust could not have informed the Receivership Court of it prior to entry of the Order Appointing Receiver.

- 18. On or around January 22, 2020, the Plaintiffs and the Dismans<sup>4</sup> each received a letter from Kevin Singer of Receivership Specialists regarding the appointment of Mr. Singer as the Receiver in the Receivership Action ("Receiver Letter"). In the Receiver Letter, Mr. Singer states that "[t]he appointment of the receivership is predicated on judgments against the HOA in the approximate amount of \$1,481,822 by the Lytle family ("the Plaintiff").... These judgments need to be paid and the Court agreed with the Plaintiff by appointing a Receiver to facilitate the satisfying of the judgments.... We would like to meet with title holding members of the HOA...[to] share three ideas we have to pay these judgments."
- 19. On January 29, 2020, counsel for Plaintiffs sent a letter to the Receiver, with a copy to counsel for the Lytle Trust, notifying the Receiver that the Orders and Permanent Injunctions issued in this Case prevent further effort to collect the Rosemere Judgments from the Plaintiffs or other property owners. The Plaintiffs expressed their belief this effort to assess the property owners to pay the Rosemere Judgments violated this Court's Orders and demanded that the Receiver cease and desist.
- 20. On March 4, 2020, the Plaintiffs filed the instant Motion informing the Court about the Lytle Trust's actions and seeking sanctions for violation of this Court's May 2018 Order. The Boulden Trust and Lamothe Trust filed a Joinder to the Motion on March 5, 2020.<sup>5</sup> The Dismans filed a Joinder to the Motion on March 6, 2020.
  - 21. The Association has never been a party to this Case.

## **CONCLUSIONS OF LAW**

1. This case has a history, such as the filing of the *lis pendens* against the Boulden Trust and Lamothe Trust properties after the Court had ordered the expungement of the Abstracts of Judgment and continued enforcement of the Abstracts of Judgment against the September Trust, Zobrist Trust, Sandoval Trust, and Gegens' properties after entry of the July 2017 Order, that demonstrates that the Lytle Trust does not respect this Court's Orders.

<sup>&</sup>lt;sup>4</sup> At the time, the Boulden Trust and Lamothe Trust no longer held title to any property within the Rosemere Subdivision, having sold their properties on August 4, 2017, and May 1, 2019, respectively.

<sup>&</sup>lt;sup>5</sup> After the hearing on the Motion but prior to entry of this Order, the Boulden Trust and the Lamothe Trust withdrew their Joinders pursuant to a settlement with the Lytle Trust. Therefore, the Boulden Trust and Lamothe Trust are no longer considered movants for purposes of the relief granted herein.

- 2. This Court has inherent power to enforce its decrees, orders and judgments. A party is required to adhere to court orders, even disagreeable or erroneous orders, until terminated or overturned.
  - 3. The proper course of action if a party disagrees with a Court order is to appeal.
  - 4. The May 2018 Order must be obeyed by the Lytle Trust.
- 5. Each paragraph, each finding of fact, and each conclusion of law in the May 2018 Order must be given its plain meaning, and each paragraph of that Order's permanent injunction must be obeyed by the Lytle Trust.
- 6. As a result of the Findings of Fact and Conclusions of Law in the May 2018 Order, there were specific orders which are not mutually exclusive. Each issue ordered by the Court should be given its meaning, and they are not in conflict.
- 7. The Court's factual determinations and conclusions of law culminated with the permanent injunction language starting at Page 10, Line 10 of the May 2018 Order, which stated:

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from recording and enforcing the Judgments obtained from the Rosemere Litigation I, Rosemere Litigation II and Rosemere Litigation III, or any other judgments obtained against the Association, against the September Property, Zobrist Property, Sandoval Property or Gegen Property.

IT IS HEREBY FURTHER ORDERED ADJUDGED AND DECREED that the Lytle Trust is permanently enjoined from taking any action in the future directly against the Plaintiffs or their properties based upon the Rosemere Litigation I, Rosemere Litigation II or Rosemere Litigation III.

- 8. These paragraphs are not mutually exclusive and each must be obeyed by the Lytle Trust.
- 9. The Findings of Fact, Conclusions of Law, and Orders contained in the May 2018 Order, including the permanent injunctions, are clear, specific and unambiguous as to what the parties could and could not do in this case. Further, the terms of the permanent injunction are specific and definite so that the Lytle Trust could readily know exactly what duties or obligations were imposed on it.
- 10. The May 2018 Order's permanent injunction clearly precluded the Lytle Trust from doing anything as it relates to enforcing and recording the Rosemere Judgments against the Plaintiffs and Dismans or their properties.
- 11. Indeed, the Lytle Trust has no judgment creditor rights to try to collect the Rosemere Judgments from the Plaintiffs or Dismans in any way, shape, or form.