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Elizabeth A. Brown
Clerk of Supreme Court

6
7
8 SUPREME COURT
9 STATE OF NEVADA

10 RESOURCES GROUP, LLC, a Nevada
11 Limited Liability Company,

CASE NO.: 84992

12 Appellant,

13 vs.

14 U.S. BANK NATIONAL
ASSOCIATION, ND, a national
15 association,

16 Respondent.

17
18 **JOINT APPENDIX VOLUME 3 PART 1**

19
20 Michael F. Bohn, Esq.
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22 Attorney for Defendant/Appellant

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EXHIBIT 12

EXHIBIT 12



August 31, 2016

Resources Group LLC,
Represented by attorney Michael F. Bohn
Law Offices of Michael F. Bohn, Esq. Ltd.
376 E. Warm Springs Rd, Suite 140, Las Vegas, NV 89119

RE: U S Bank National Association, v. George Edwards, et al
(Case #A-12-667690-C)

Dear Mr. Bohn:

Per your request, I have examined the expert appraisal report completed by George P. Holmes of Eagle Appraisal, Inc. (Holmes report or Holmes appraisal). The Holmes report is a retrospective, market value appraisal of the fee simple interest of the subject (4254 Rollingstone Drive) as of January 25, 2012. Communication is via a general-purpose residential form with numerous narrative and graphic addenda. The Holmes report contains 16 pages in total; includes development of the sales comparison approach, utilizing six comparable sales. The signing date was July 28, 2016.

Federal law and/or state law requires professional appraisers to comply with the edition of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect as of the effective date of their work. The USPAP require specific professional ethics, disclosure, and performance when an appraiser is engaged to perform a service requiring his or her appraisal expertise. The USPAP are promulgated by the Appraisal Foundation and are the recognized measure of professional due diligence for all licensed or certified appraisers.

This assignment falls under the category of Appraisal Review as defined by the USPAP. It complies with the current edition of that document. This is a desktop assignment. All opinions, conclusions, and analysis are developed and communicated without advocacy or bias. They are communicated in a manner that is meaningful and not misleading within the context of the intended use, intended users, and scope of work for this assignment.

*It is assumed under an Extraordinary Assumption that the factual data presented in the Holmes report is accurate. The independent opinion of value is based on the assumption that the subject was in average condition as of the retrospective effective date. **Use of these assumptions is reasonable but may have affected the assignment results.*** In the case of conflicting data, additional research will be conducted (if necessary) to determine which information is most reliable in order to allow my report to arrive at credible assignment results.

Brunson-Jiu, LLC
10161 Park Run Drive #150, Las Vegas, NV 89145
702-641-5657 Phone 702-939-9080 Fax
www.brunson-jiu.com

The client for this assignment is Resources Group LLC. The Intended Use is for litigation in the case noted above. Intended Users include the Client represented by the Law Offices of Michael F. Bohn, Esq. Ltd. The Scope of Work for my assignment includes an appraisal review (as defined) of the Holmes report and an independent opinion of the retrospective disposition value. My review emphasizes compliance with the USPAP and generally accepted appraisal methodology. I have examined the techniques and methodology of the Holmes appraisal in order to determine the completeness, adequacy, relevance, appropriateness, and reasonableness of the work under review, developed in the context of the requirements applicable to that work.

The accompanying appraisal review report complies with USPAP Standards Rules 3-4, 3-5 and 3-6. It contains statements and summary discussions of the data, reasoning, and analyses that used in the process of developing my opinions. Supporting documentation concerning the data, reasoning, and analyses is in my work file.

The depth of discussion within this report is specific to the client and intended use stated below. Neither I, nor Brunson-Jiu, LLC is responsible for unauthorized use of this review.

Conclusions – Holmes Expert Appraisal Report

The risk associated with a property following an HOA foreclosure and subject to unresolved litigation is a Detrimental Condition that impairs the subject value as of the retrospective effective date. The appraisal report completed by Holmes purports to provide an opinion of the unimpaired market value. However, it does so in a manner that does not comply with professional standards or generally accepted appraisal methodology.

The report contains numerous errors, violations of the Uniform Standards of Professional Appraisal Practice, and fails to use generally recognized appraisal methodology. These errors of omission and commission cause the appraisal to lack credibility and the report to be misleading.

Moreover, Nevada is a mandatory licensing state for real estate appraisers. Nevada law indicates that licensed appraisers are precluded from conducting complex appraisal assignments.¹ By completing this assignment Mr. Holmes may have exceed the scope of his credential.

¹ NRS 645C.280.1(a)(2)

Conclusions – Independent Opinion of Value

The subject had been a distressed property since at least 1Q 2011. HOA foreclosure properties contain risks and limitations on their bundle of rights. The risk and limited rights associated with an HOA foreclosure property are a Detrimental Condition (DC) that impair its value. A foreclosure sale under NRS 116 can be classified as a Type II DC (Transactional Conditions).

The risk and limitations to the bundle of rights require a definition of value other than Market Value. They preclude the use of traditional owner-equity sales in an analysis of value. They limit the use of non-traditional sales (REO, short sales, or 107 foreclosure sales) in an analysis of value. Similar HOA foreclosure sales and consideration of “current” market conditions provide the best measure of value for this type of transaction.

As an HOA foreclosure property, affected by a Class II detrimental condition, the fee simple impaired value as of January 25, 2012 was:

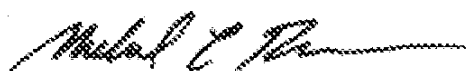
\$5,300

Five Thousand Three Hundred Dollars (rounded)

Specific findings in support of these conclusions appear in the individual sections of the report that follows this letter. Readers of this report should refer to appropriate versions of the USPAP or relevant cited documents for proper understanding of this appraisal review report. I invite your attention to the accompanying report, from which the above opinions were derived.

Documents relevant to my opinions and conclusions, including but not limited to the workfile for the Holmes report, have not been produced. While I can properly review the report, I cannot fully evaluate whether the analyses, opinions, and conclusions were properly *developed*. Additional findings may apply once the workfile is made available. Future stages of the assignment may include additional valuation services, including but not limited to an independent retrospective appraisal. I reserve my right to amend my findings based on future production of relevant documents.

Respectfully submitted,



Michael L. Brunson, MNAA, SRA

AQB Certified USPAP Instructor / Nevada Certified General Appraiser #A.0207222-CG

August 31, 2016

U S Bank National Association, v. George Edwards, et al
4254 Rollingstone Drive

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Assumptions and Limiting Conditions

The submitted report is subject to underlying assumptions and limiting conditions qualifying the information it contains as follows:

1. Possession of this review or copy thereof does not carry with it the right of publication.
2. The purpose of the assignment is to review the appropriateness of the conclusions and the compliance with the USPAP determined within the submitted report.
3. This review is intended solely for the use of the identified Client and Intended User(s). Neither all nor any part of the contents of this review shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent of the reviewer.
4. Unless stated otherwise in the review, the analyses, opinions, and conclusions in this review are based solely on the data, analyses, and conclusions contained in the appraisal report, appraisal review report, and/or the workfile under review.
5. All analyses, opinions, and conclusions expressed by the reviewer are limited by the scope of the review process as defined herein.
6. The conclusions apply only to the property specifically identified and described herein and in the reviewed, appraisal review reports, appraisal reports, and/or associated workfiles.
7. The reviewer has made no legal survey, nor has he commissioned one to be prepared; therefore, reference to a sketch, plat, diagram or previous survey appearing in the report is only for the purpose of assisting the reader to visualize the property.
8. No responsibility is assumed for legal matters existing or pending outside of the existing case.
9. Disclosure of the contents of this review is governed by the Nevada Commission of Appraisers and the USPAP.
10. The compensation received for this assignment is in no manner contingent upon the conclusion of the review.
11. Reviewer Competency: Michael L. Brunson is an AQB Certified USPAP Instructor and is fully competent regarding the proper interpretation and application of the USPAP. He is also a Certified General Appraiser in Nevada and has the geographic competency to appraise the subject and similar properties within the Southern Nevada area.

Appraiser Certification

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the properties that are the subject of the work under review and no personal interest with respect to the parties involved.
- I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the properties that are the subject of the work under review or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in this review or from its use.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made no inspection of the subject of the work under review.
- William Slivinski (NV Lic #A.0003887-RES) provided significant professional appraisal review assistance to the person signing this certification.
- The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- As of the date of this report, I have completed the continuing education program for Designated Members of the Appraisal Institute.



Michael L. Brunson, MNAA, SRA
AQB Certified USPAP Instructor
NV Certified General Appraiser # A.0207222-CG
August 31, 2016

DEFINITIONS

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

Appraisal²

(noun) The act or process of developing an opinion of value; an opinion of value.
(adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services.

Comment: An appraisal must be numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g., not more than, not less than) to a previous value opinion or numerical benchmark (e.g., taxable value, collateral value).

Appraisal Review³

The act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal or appraisal review assignment.

Comment: The subject of an appraisal review assignment may be all or part of a report, workfile, or a combination of these.

Assessment Stage⁴

The first stage of a detrimental condition analysis. It includes all costs and losses of income.

Assumption⁵

That which is taken to be true.

Class II Detrimental Condition – Transactional Conditions⁶

Class II transactional conditions relate to situations in which some particular and unique issue impacted a specific transaction. This classification includes transactions in which a buyer pays more than necessary to acquire a property or a seller disposes of a property at a discount.

² USPAP 2016-2017 Edition, the Appraisal Foundation.

³ Ibid.

⁴ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 456.

⁵ USPAP 2016-2017 Edition, the Appraisal Foundation.

⁶ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 73.

Credible⁷

Worthy of belief.

Comment: Credible assignment results require support, by relevant evidence and logic, to the degree necessary for the intended use.

Detrimental Condition⁸

Any issue or condition that may cause a diminution in value to real estate.

Disposition Value⁹

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a future exposure time specified by the client.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. An adequate marketing effort will be made during the exposure time specified by the client.
8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Extraordinary Assumption¹⁰

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions.

Comment: Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

⁷ USPAP 2016-2017 Edition, the Appraisal Foundation.

⁸ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 458.

⁹ The Dictionary of Real Estate Appraisal, 6th Edition, (Chicago: Appraisal Institute, 2015).

¹⁰ USPAP 2016-2017 Edition, the Appraisal Foundation.

Fee Simple Estate¹¹

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Highest and Best Use¹²

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

Hypothetical Condition¹³

That which is contrary to what exists but is supposed for the purpose of analysis.

Comment: Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

Impaired Value¹⁴

The indicated value of a property with a detrimental condition reached upon the application of one or more of the three approaches to value.

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and each is acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

¹¹ The Dictionary of Real Estate Appraisal, 6th Edition, (Chicago: Appraisal Institute, 2015).

¹² Ibid.

¹³ USPAP 2016-2017 Edition, the Appraisal Foundation.

¹⁴ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 461.

Liquidation Value¹⁵

The most probable price that a specified interest in real property should bring under the following conditions:

1. Consummation of a sale within a short time period.
2. The property is subjected to market conditions prevailing as of the date of valuation.
3. Both the buyer and seller are acting prudently and knowledgeably.
4. The seller is under extreme compulsion to sell.
5. The buyer is typically motivated.
6. Both parties are acting in what they consider to be their best interests.
7. A normal marketing effort is not possible due to the brief exposure time.
8. Payment will be made in cash in U.S. dollars or in terms of financial arrangements comparable thereto.
9. The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

Market Area¹⁶

The area associated with a subject property that contains its direct competition.

Market Value¹⁷

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and each is acting in what they consider their own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

¹⁵ The Dictionary of Real Estate Appraisal, 6th Edition, (Chicago: Appraisal Institute, 2015).

¹⁶ The Dictionary of Real Estate Appraisal, 6th Edition, (Chicago: Appraisal Institute, 2015).

¹⁷ Title XI, Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), [Pub. L. No. 101-73 103 Stat. 183 (1989)], 12 U.S.C. 3310, 3331-3351, and Section 5 (b) of the Bank Holding Company Act, 12 U.S.C. 1844 (b); Part 225, Subpart G: Appraisals; Paragraph 225.62(f).

Neighborhood¹⁸

A group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises.

Sales Comparison Approach¹⁹

The process of deriving a value indication for the subject property by comparing market information for similar properties with the property being appraised, identifying appropriate units of comparison and making qualitative comparisons with or quantitative adjustments to the sale prices (or unit prices, as appropriate) of the comparable properties based on relevant, market-derived elements of comparison.

Unimpaired Value²⁰

The value as if no detrimental condition exists.

¹⁸ The Dictionary of Real Estate Appraisal, 6th Edition, (Chicago: Appraisal Institute, 2015).

¹⁹ Ibid.

²⁰ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 468.

Appraisal Review

INTRODUCTION

File No.: 1608.3115

Client:

Resources Group LLC
Engaged by Law Offices of Michael F. Bohn, Esq. Ltd.

Review Appraiser:

Michael L. Brunson, MNAA, SRA
AQB Certified USPAP Instructor
Nevada Certified General Appraiser #A.0207222-CG
Brunson-Jiu, LLC

Intended User(s):

Client only. Use of this report by others is not intended. Parties to this litigation other than the Client might be granted access to the report and related workfile. However, as noted in the USPAP Advisory Opinion 36,

Parties who receive a copy of an appraisal or appraisal review as a consequence of disclosure requirements applicable to an appraiser's client do not become intended users of the report unless they were specifically identified by the appraiser at the time of the assignment.

Intended Use:

Litigation in the matter of *U S Bank National Association, v. George Edwards, et al* (Case #A-12-667690-C). This report is not intended for any other use or in any other case.

Appraisers Who Completed the Work under Review:

George P. Holmes, Nevada Licensed Residential Appraiser #A.0006387-RES²¹

²¹ NRS 645C.280.1(a)(2) Indicates that licensed appraisers in Nevada cannot complete an appraisal on complex property.

Identification of the Work under Review:

The Holmes report is a general-purpose form report that includes 16 pages. It is a retrospective appraisal with an effective date of January 25, 2012 and a signed date of July 28, 2016.

Subject Property Address:	4254 Rollingstone Drive, Las Vegas, Nevada 89103
APN:	163-24-111-021
Location:	Southwest – Glenview West Townhouse
Property Type:	Attached townhouse residential
Owner of Record:	Edwards, George R Trust (Current: Bourne Valley Court Trust & Resources Group LLC Trs)
Interest Appraised:	Fee Simple

Purpose and Scope of Assignment:

The purpose of this assignment is to develop a credible and reliable opinion as to the completeness, adequacy, relevance, appropriateness, and reasonableness of the work under review. This opinion is developed in the context of compliance with the USPAP and generally accepted appraisal methodology. An independent value opinion is part of the scope of this assignment. The following scope of work was developed in accordance with the objective of the assignment and in compliance with the USPAP.

- Collected and analyzed pertinent background information about the subject property.
- Examined various documents provided and requested of the client.
- Examined the expert report completed by Holmes.
- Verified relevant data from the work under review with the cited source when available or other reliable source as applicable.
- Noted compliance and lack of compliance with relevant sections of the USPAP.
- Noted compliance or lack of compliance with generally accepted appraisal methodology
- Developed opinions of the quality of the work under review.
- Developed an independent opinion of retrospective value.
- Concluded to final opinions.

My Appraisal Review Report is a summary report of the data, analysis, and conclusions. Supporting documentation is retained in the work file. Future stages of the assignment may include additional valuation services, including but not limited to additional analysis, consulting, deposition, and/or testimony.

Relevant Dates:

Date subject acquired at auction:	January 25, 2012
Effective date of Holmes appraisal:	January 25, 2012
Date subject viewed by Holmes:	July 28, 2016
Transmittal date of Holmes appraisal:	July 28, 2016

Additional relevant dates are noted in the body of the review.

Relevant version of the USPAP:

The 2016-2017 version of the USPAP is relevant to the Holmes appraisal. This review and the independent value are subject to the 2016-2017 version of the USPAP.

Reviewer Competency and Professional Assistance:

The Competency Rule of the USPAP states in part that, *“the appraiser must determine, prior to accepting an assignment, that he or she can perform the assignment competently.”* As an AQB Certified USPAP Instructor, I am competent concerning the Uniform Standards and their application. As a Certified General Appraiser, I am competent concerning the type of property and the analytical methods necessary to produce credible assignment results. My primary area of practice is Southern Nevada. I am competent concerning the geographic area and market. William Slivinski (Nevada Licensed Residential Appraiser #A.0003887-RES) assisted in the confirmation of data and the preparation of this report.

USPAP Background:

The Uniform Standards of Professional Appraisal Practice, promulgated by the Appraisal Foundation, are the recognized measure of professional due diligence for all licensed or certified appraisers. The preamble of the USPAP provides a brief overview as to the purpose and intent of the Uniform Standards, stating in part:

The purpose of the *Uniform Standards of Professional Appraisal Practice* (USPAP) is to promote and maintain a high level of public trust in appraisal practice by establishing requirements for appraisers. It is essential that appraisers develop and communicate their analyses, opinions, and conclusions to **intended users** of their services in a manner that is **meaningful** and **not misleading**...
(Bold added for emphasis).

The following excerpt from the 2016-2017 Preamble helps the reader understand the relevance and applicability of the specific portions of the USPAP referenced in the report that follows.

USPAP addresses the ethical and performance obligations of appraisers through DEFINITIONS, Rules, Standards, Standards Rules, and Statements.

- The DEFINITIONS establish the application of certain terminology in USPAP.
- The ETHICS RULE sets forth the requirements for integrity, impartiality, objectivity, independent judgment, and ethical conduct.
- The RECORD KEEPING RULE establishes the workfile requirements for appraisal, appraisal review, and appraisal consulting assignments.
- The COMPETENCY RULE presents pre-assignment and Assignment Conditions for knowledge and experience.
- The SCOPE OF WORK RULE presents obligations related to problem identification, research, and analyses.
- The JURISDICTIONAL EXCEPTION RULE preserves the balance of USPAP if a portion is contrary to law or public policy of a jurisdiction.
- The ten Standards establish the requirements for appraisal, appraisal review, and appraisal consulting service and the manner in which each is communicated.
 - STANDARDS 1 and 2 establish requirements for the development and communication of a real property appraisal.
 - STANDARD 3 establishes requirements for the development and communication of an appraisal review.
 - (Note: STANDARDS 4 and 5 have been retired)
 - STANDARD 6 establishes requirements for the development and communication of a mass appraisal.
 - STANDARDS 7 and 8 establish requirements for the development and communication of a personal property appraisal.
 - STANDARDS 9 and 10 establish requirements for the development and communication of a business or intangible asset appraisal.
- There are currently no active Statements on Appraisal Standards.
- Comments are an integral part of USPAP and have the same weight as the component they address. These extensions of the DEFINITIONS, Rules, and Standards Rules provide interpretation and establish the context and conditions for application.

It is important to note that the USPAP make a significant distinction between the *Development* of an appraisal or appraisal review and the *Communication* (reporting) of an appraisal or appraisal review. Standards Rule 1 (SR-1) applies to the *Development* of an appraisal of real property whereas SR-2 applies to the *Communication* of the appraisal. SR-3 is one of two Standards Rules where both development and communication are addressed in the same rule. However, the sections of SR-3 that apply to the development of an appraisal review are clearly labeled and the sections that apply to communication are clearly labeled.

This review focuses on compliance with generally accepted appraisal methodology and the USPAP – specifically the Preamble, Definitions, General Rules, Standards Rule 1, and Standards Rule 2 for the Development and Reporting of a Real Property Appraisal.

Documents relevant to my opinions and conclusions, including but not limited to the workfile for the Holmes report, have not been produced. While I can properly review the report, I cannot fully evaluate whether the analyses, opinions, and conclusions were properly *developed*. Additional findings may apply once the workfile is made available. Future stages of the assignment may include additional valuation services, including but not limited to an independent retrospective appraisal. I reserve my right to amend my findings based on future production of relevant documents.

The table on the following page provides a summary of the Standards Rules applicable to the Holmes appraisal and a brief summary of my findings related to each specific USPAP rule. Green cells indicate compliance. Red cells indicate a lack of compliance. Yellow cells indicate either; technical violations of USPAP that do not significantly influence the overall credibility of the appraisal; or issues that are subject to interpretation.

Appraisal Report Std-3 Review Checklist (2016-2017 USPAP)					
USPAP Reference		Item	Location	Notes	Compliance
2-1(a)		Clear, Accurate, Not Misleading		Errors. Provides unimpaired value with no comment on the impairment.	N
2-1(b)		Sufficient Information for Understanding		Fails to disclose details of the HOA auction and the conditions assumed not to exist.	N
2-1(c)		Disclose all Assumptions & Limiting Conditions	Form, Addenda	Disclosed, but not clear and accurate.	Y
2-2		Report Type Prominently Disclosed	Form		Y
Identify Problem and Determine Adequate Scope of Work					Compliance
2-2(a)(vi)		Transmittal Date	1,4,10		Y
		Effective Date 1-2(d)			
		Report Date			
2-2(a)(i) 1-2(a)		Client Identity	1,2,10		Y
2-2(a)(i); 1-2(a)		Intended User(s)	2		Y
2-2(a)(ii); 1-2(b)		Intended Use	2	Statement-9	Y
2-2(a)(iii); 1-2(e)		Legal Description or Other Property ID	2		Y
2-2(a)(iv); 1-2(e)(ii)		Property Interest	2	Reports Tenant occupied and fee simple interest.	N
2-2(a)(v) 1-2(c)		Type of Value	2,10	Appraisal of Unimpaired Value. Definition and source are disclosed. No clear indication of how the definition applies to the problem to be solved.	Y
		Definition of Value	10		
		Source of Definition	10		
		Applicability/Application of Definition	No		
		Reasonable Exposure Time (if developed)	3		
2-2(a)(vii) 1-2(h)		Scope of Work	9	Proper disclosure.	Y
Analysis and Development					Compliance
2-2(a)(ix); 1-3(a)(b)		Use Existing, Use Appraised	2		Y
2-2(a)(x)		Summarize HABU (if developed)	2		Y
2-2(a)(xi) 1-2(f) 1-2(g)		Standard Assumptions and Limiting Conditions	9	Stated EA does not address condition of the interior. Stated assumption of no DC lacks required disclosure of potential effect. Reconciliation indicates "as-is" with no disclosure of assumptions.	N
		- Extraordinary Assumptions	3		
		Disclosure of Affect	3		
		- Hypothetical Conditions	3		
		Disclosure of Affect	No		
2-2(a)(viii)	1-4	Collect/Verify/Analyze Info for Credible Results		Questionable adjustment methodology.	Y
		(a) Sales Comparison Approach	3,5		
		(b) Cost Approach	-		
		(c) Income Approach	-		
	1-5(a)&(b)	Sales, Contracts and Listing History	3	Reports the prior sale with no analysis.	N
1-6		Reconcile Data/Analysis and Approaches	4	"as-is" no disclosure of assumptions.	N
1-1(a)		Be Aware of, Understand, Correctly Employ	-	Numerous issues noted above.	N
1-1(b)		Substantial Error: Omission or Commission	-	Numerous issues noted above.	N
1-1(c)		Carelessness or Negligence	-	Totality of errors. Potential negligent performance.	N
Certification					Compliance
2-2(a)(xii)		Include a Signed Certification (SR 2-3)	10	No certification regarding prior services.	N
2-3		USPAP Certification	10		
General Rules					Compliance
ETHICS RULE	Conduct	Avoid Bias or Advocacy; Gross Negligence; Disclosure of Prior Work	-		Y
	Management	Disclosure of Payment to Procure; Contingent Compensation; Proper Advertising; Signature Issues	-		
	Confidentiality	Protect Appraiser-Client Relationship	-		
RECORD KEEPING RULE		Prepare and maintain a workfile. Must exist prior to issuance of any report. Must contain name of client/intended users; true copies of all reports; summaries of oral reports; and all data, info, docs to support opinions/conclusions and show compliance with USPAP.	workfile	Unknown. Workfile not provided.	-
COMPETENCY RULE		Applies to factors such as, but not limited to, an appraiser's familiarity with a specific type of property or asset, a market, a geographic area, an intended use, specific laws and regulations, or an analytical method.		Lack of competent performance.	N
SCOPE OF WORK RULE		Problem Identification	9	Unimpaired Value. No disclosure of economic reality that creates the impairment.	N
		SOW Acceptability	9		
		Disclosure	9		
JURISDICTIONAL EXCEPTION RULE			-		N/A

FINDINGS - Holmes Appraisal**Finding No. 1:**

The Holmes appraisal purports to provide an “*unimpaired opinion of market value.*”²² While it is acceptable to perform this analysis, the Holmes report contains numerous errors, lacks sufficient information for understanding, and ultimately does not comply with the USPAP.

Key Observations:

The central issue of this litigation is the HOA foreclosure under NRS 116 (a forced sale). The subject sold at auction on the effective date for \$5,331. This sale is disclosed on page three of the Holmes report. However, both the form and the USPAP require more than a simple reporting of the factual date and price of the sale. The USPAP require *analysis* and a summary of that analysis in order for the report to be considered “*meaningful and not misleading.*”

The letter of transmittal states, “*The property rights appraised are fee simple title ownership, **assuming no indebtedness against the property.** The purpose of this report is to estimate the MARKET VALUE of the subject property as of the effective date.*”²³ (**Bold added for emphasis**). Holmes discloses the intended use as, “*To establish retrospective market value [sic] for attorney as of 1/25/2012.*”²⁴

On the bottom of the third page, Holmes states,

The client assigned the report effective date, the appraiser has completed [sic] assignment developing an unimpaired opinion of market value employing the use of an assumption that no detrimental conditions existed as of the effective date and reserves the right to modify [sic] report and opinion of value if court deems effective date inappropriate or misleading to appraisal problem or assignment.

²² Holmes report, p 3.

²³ Holmes report, p 1.

²⁴ Holmes report, p 2.

The USPAP would define the assumption of no detrimental conditions as a Hypothetical Condition (an assumption contrary to known fact). While the USPAP does not require the use of the specific term, it does require:

- That all hypothetical conditions result in a credible analysis.
 - Credible analysis requires some disclosure of the facts regarding the HOA foreclosure. It is significant to note that the HOA foreclosure is not even mentioned in the Holmes report.
- That the assumption be “*clearly and conspicuously*” reported.
 - Disclosure of such a foundational assumption *only* on the bottom of the third page of a 13-page report is neither clear nor conspicuous. Furthermore, the reconciliation presents conflicting information indicating the appraisal is completed “as-is” with no assumptions.
- That the reporting of the disclosure include a statement that the use of the assumption might have affected the assignment results.
 - No such statement exists in the Holmes report.

As noted, the central issue of this litigation is the HOA foreclosure under NRS 116. Use of an assumption regarding detrimental conditions is acceptable. However, the lack of clear and conspicuous reporting, the conflicting information in the reconciliation, and the lack of any comment regarding the potential impact on the credibility of the assignment results - cause the Holmes report to lack credibility and the appraisal to be misleading.

Additional noted errors include, but are not limited to:

- Reporting *tenant* occupied and *fee simple* rights.
- Growth rate reported as “Stable” when data indicates slow.
- Property values reported as “Stable” when data indicates declining.
- Demand/Supply reported as “In Balance” when data indicates oversupply.
- Predominate occupancy reported as “Owner” when data indicates 66.3% tenant.
- Assumptions lacking required disclosure of potential affect.
- No assumption regarding interior condition in a retrospective assignment.
- Reporting subject off-sites as “public” when they are private.
- Presentation of conflicting information.
- Questionable adjustments in the sales comparison.

- Reporting sale 1 as fee simple when it was tenant occupied.
- Failure to report known concessions to sale 3
- Use of REO sales as comparables with no additional comment/adjustment.
- False statements.
- Questionable use of the UAD in a non-UAD assignment.
- Lack of required disclosure of prior services.
- Inapplicable boilerplate language.

Conclusion:

The Holmes appraisal purports to provide an opinion of the unimpaired market value. However, simply stating the assumption of no detrimental condition without any comment on the economic realities affecting the subject causes the appraisal to lack credibility and the report to be misleading. Moreover, the appraisal contains numerous errors and inconsistencies that individually could be benign, but in aggregate cause the credibility of the appraisal to suffer all the more.

Conclusion – Holmes Expert Appraisal Report

The risk associated with a property following an HOA foreclosure and subject to unresolved litigation is a Detrimental Condition that impairs the subject value as of the retrospective effective date. The appraisal report completed by Holmes purports to provide an opinion of the unimpaired market value. However, it does so in a manner that does not comply with professional standards or generally accepted appraisal methodology.

The report contains numerous errors, violations of the Uniform Standards of Professional Appraisal Practice, and fails to use generally recognized appraisal methodology. These errors of omission and commission cause the appraisal to lack credibility and the report to be misleading.

Moreover, the effective date of the Holmes appraisal is 7-months subsequent to the HOA foreclosure auction that is the central issue in this litigation. This effective date is not relevant in the context of this litigation. Therefore, even if it were credible, the Holmes appraisal is not useful to the trier of fact in establishing an unimpaired value as of the date of the HOA foreclosure sale.

Documents relevant to my opinions and conclusions, including but not limited to the workfile for the Holmes report, have not been produced. While I can properly review the report, I cannot fully evaluate whether the analyses, opinions, and conclusions were properly *developed*. Additional findings may apply once the workfile is made available. Future stages of the assignment may include additional valuation services, including but not limited to an independent retrospective appraisal. I reserve my right to amend my findings based on future production of relevant documents.

Documents relevant to my opinions and conclusions, including but not limited to the workfile for the Holmes report, have not been produced. While I can properly review the report, I cannot fully evaluate whether the analyses, opinions and conclusions were properly *developed*. Additional findings may apply once the workfile is made available. Future stages of the assignment may include additional valuation services, including but not limited to an independent retrospective appraisal. I reserve my right to amend my findings based on future production of relevant documents.

The appraisal (including the appraised value) lacks credibility. Therefore, an independent opinion of value is provided on the pages that follow.

All assignment characteristics from the review extend to the independent opinion of value. Uncontested information from the Holmes appraisal regarding physical characteristics are assumed accurate. The retrospective condition is assumed to have been average. *The use of these assumptions is reasonable but may have affected the assignment results.*

Relevant Dates

Date	Information	Party	Source
9/17/2010	Utility Lien	Republic Services	Doc. #201009170001706
1/4/2011	Notice of Delinquent Assessment Lien	Glenview West Townhomes Assoc.	Doc. #201101040005412
3/29/2011	Notice of Default & Election to Sell	Glenview West Townhomes Assoc.	Doc. #201103290002690
4/8/2011	Utility Lien	Republic Silver State Disposal Inc	Doc. #201104080002551
5/10/2011	Notice of Breach & Election to Sell *	Law Offices of Les Zieve	Doc. #201105100001579
9/20/2011	Notice of Trustee Sale	Law Offices of Les Zieve	Doc. #201109200002964
9/28/2011	Certificate Foreclosure Mediation NV	Law Offices of Les Zieve	Doc. #201109280002291
10/13/2011	Notice of Trustee Sale	Glenview West Townhomes Assoc.	Doc. #201110130001535
10/13/2011	Default Recission *	Edwards, George R	Doc. #201110130001802
12/19/2011	Utility Lien	Republic Silver State Disposal Inc	Doc. #201112190000447
1/25/2012	\$5,331 Sale at HOA Auction	Alessi & Koenig (Trustee)	Doc. #201201310001704
1/25/2012	\$48,000 Unimpaired Market Value	Holmes Appraisal Report	Holmes report, p 4
1/31/2012	Recording of HOA Auction Sale	4254 Rolling Stone Dr Trust	Doc. #201201310001704

The subject had been a distressed property since at least 1Q 2011. As of the retrospective effective date, it was subject to utility liens and facing foreclosure under NRS 116. A certificate of foreclosure had been issued in favor of the Law Offices of Les Zieve. While a prior NRS 107 foreclosure was rescinded, it was likely to resume.

Type and Definition of Value

Generally accepted appraisal methodology indicates, “*The intended use of an appraisal dictates which definition of market value is applicable.*”²⁵ The intended use of this appraisal is litigation in the matter of *U S Bank National Association, v. George Edwards, et al* (Case #A-12-667690-C). The deed indicates that after appropriate notices, disclosures, and waiting periods, the subject sold at auction as an HOA foreclosure sale in compliance with NRS 116.

The subject was a distressed property in a distressed market. The seller was under compulsion to sell. Therefore, the traditional definition of Market Value cannot apply. In fact, the forced sale under NRS 116 precludes *any* definition of value that includes a requirement that neither party is under compulsion to sell, or any similar requirement that buyer and seller are typically motivated. Professional appraisers recognize that “*other types of value might be more appropriate for properties when a forced sale or some other*

²⁵ The Appraisal of Real Estate, 14th Edition, p 60. (Chicago: Appraisal Institute, 2013).

*form of distress is influencing the decisions of the buyer or seller.”*²⁶ Appraisers familiar with real estate damages know that, “*liquidation value is often associated*”²⁷ with foreclosure transactions that contain some sort of duress, non-market motivation, and/or limited exposure.

Appraisal texts, advisories, and guide notes suggest the use of either *Liquidation Value* or *Disposition Value* when valuing distressed properties and/or when faced with a distressed market. Disposition Value most closely captures the circumstances of an HOA foreclosure sale under NRS 116. However, because 116 foreclosures are so unique, they do not fit either definition perfectly. The lack of a perfect fit has caused confusion in several other 116 cases. Therefore, in order to avoid confusion, it is logical to use *Impaired Value* as defined on the following page.

Impaired Value The indicated value of a property with a detrimental condition reached upon the application of one or more of the three approaches to value.²⁸

VALUATION METHODOLOGY

Approach to Value and Selection of Comparable Sales

Neither the income approach nor the cost approach are necessary for credible assignment results. Neither approach is part of the scope of work for this assignment. The sales comparison approach represents the most reasonable methodology for this assignment.

The premise of the sales comparison approach is the economic principle of Substitution. This principle states that when comparably equivalent goods or services are available, a buyer in an open market will choose the one with the lowest price. The sales comparison approach also considers the secondary principles of Supply and Demand, Balance, and Externalities. An appraiser develops an indicated value by analyzing closed sales, listings, and/or pending sales of properties similar to the subject, using relevant units and elements of comparison.

²⁶ Ibid, p 65.

²⁷ Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 77.

²⁸ Ibid, p 461.

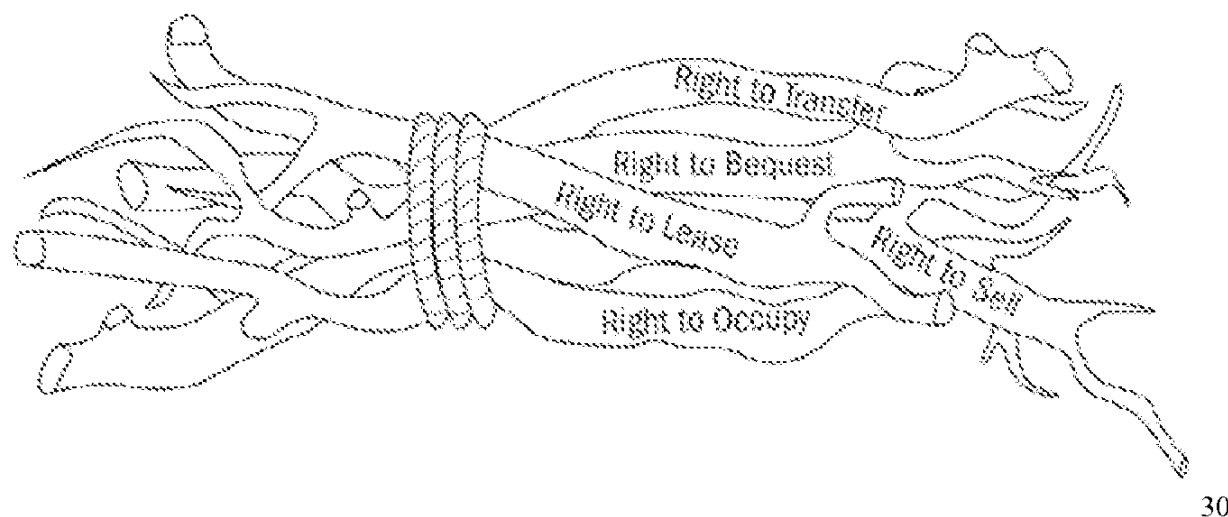
Units of comparison represent the way that typical buyers measure and compare similar properties. Elements of comparison explain the differences in price between properties based on transactional and property characteristics. Generally accepted appraisal methodology requires transactional adjustments be applied before property adjustments **and** in the specific sequence shown below.

1. Real property rights conveyed
2. Financing terms
3. Conditions of sale
4. Expenditures made immediately after purchase
5. Market conditions

The 14th edition states: *Before a comparable sale property can be used in sales comparison analysis, the appraiser must first ensure that the sale price of the comparable property applies to property rights that are similar to those being appraised.*²⁹

The bundle of rights is a common way of referencing the components of interest in real estate. A proper understanding of the bundle of rights is foundational to a properly developed and communicated appraisal. The interest or rights associated with real estate ownership include the right to: use the real estate; sell it; lease it; enter it; and give it away. Each stick has value and can be separated and traded in the market. As shown on the following page, they are often illustrated as a bundle of sticks.

The Bundle of Rights



30

²⁹ The Appraisal of Real Estate, 14th Edition, p 406. (Chicago: Appraisal Institute, 2013).

³⁰ Ibid, p 5.

In this assignment, the interest appraised is fee simple. However, there were limitations on the bundle of rights that must be considered. Buyers of HOA foreclosures can face limitations on any or all of the rights including but not limited to restrictions on occupancy, possession, or use of the property. This risk to the rights was not present in traditional, short sale, REO, or 107 foreclosure transactions.

Another consideration is the limitation on salability and financing. The retrospective effective date is January 25, 2012 (the date of acquisition at public auction). As of that date, there was no title company in Southern Nevada willing to issue title insurance following an HOA foreclosure sale. The lack of insurable clear title would have precluded traditional financing options to a typical buyer. This represents risk to the right of transfer and precludes typical financing options to future buyers. These issues were not present in traditional, short sale, REO, or non-HOA foreclosure transactions.

The 14th Edition states:

*The real property rights to be appraised are singled out among the relevant characteristics of the property because, like the appropriate type and definition of value for the assignment, the property rights appraised are a fundamental element of the assignment. An oversight in the analysis of some other characteristic of the property may or may not have a noticeable effect on the ultimate opinion of value, but a poor understanding of what precisely is being valued guarantees a critical error in the development of the appraisal.¹ ... Real property appraisal involves not only the identification and valuation of a variety of different rights, but also the analysis of the many limitations on those rights, and the effect that the limitations have on value.*³¹

The cited Appraisal Journal article deals solely with commercial property. However, the concept, that the bundle of rights is fundamental to an appraisal assignment, applies. An additional risk in the purchase of HOA lien properties was the likelihood of litigation. As of the retrospective effective date, numerous district court cases had ended with decision both in favor of and opposed to a buyer's position. The Nevada Supreme Court had not yet interpreted NRS 116.3116. These circumstances are the Detrimental Condition that is referenced in the Holmes appraisal.

³¹ The Appraisal of Real Estate, 14th Edition, p 69-70. (Chicago: Appraisal Institute, 2013).

¹ See David Lennhoff, "You Can't Get the Value Right If You Get the Rights Wrong," *The Appraisal Journal* (Winter 2009): 60-65.

Detrimental Condition

Foreclosures are typically classified as a Class II DC. A brief restatement of the classification and the risk factors appear below.

Class II Detrimental Condition – Transactional Conditions:

*Class II transactional conditions relate to situations in which some particular and unique issue impacted a specific transaction. This classification includes transactions in which a buyer pays more than necessary to acquire a property or a seller disposes of a property at a discount.*³²

Under the Class II classification, the book Real Estate Damages states, “*Distress sales often reflect prices below market value due to specific seller motivation including bankruptcy, lender repossessions (real estate-owned or REO), and other factors. When dealing with distressed properties, real estate professionals need to be aware of why these properties may be discounted below market value. ... Forced or semi-forced sales such as REO transactions may result in below market sale prices and, as a result, would not be indicative of typical motivations associated with most definitions of market value.*”³³

The Detrimental Condition Matrix: Real property affected by a detrimental condition will typically have a life cycle of three stages: Assessment, Repair, and Ongoing. During each stage, a property may be affected by three related issues: Cost, Use, and Risk. The Detrimental Condition Matrix (reproduced from *Real Estate Damages*) appears below.

Detrimental Condition Matrix			
	Assessment	Repair	Ongoing
Cost	Assessment Costs & Responsibility	Repair Costs & Responsibility	Ongoing Costs & Responsibility
Use	Use Impacts While Assessed	Use Impacts While Repaired	Impact on Highest & Best Use
Risk	Uncertainty Factor	Project Incentive	Market Resistance

³² Randall Bell, PhD, MAI, Real Estate Damages: Applied Economics and Detrimental Conditions, 3rd ed. (Chicago: Appraisal Institute, 2016), p. 73.

³³ Ibid, p 76 and 77.

DCs follow a logical sequence of events. The market reaction to this DC varied depending on the date of value. Because of the variance, the subject DC would fall somewhere between the *Assessment* and *Repair* stages as of the retrospective effective date. *Cost* issues related to legal expenses and repairs to the property. *Use* issues related to the varying limits on the bundle of rights. The foremost factor facing 116 properties as of the HOA auction date was *Risk* (uncertainty and/or incentive).

Risk: At the time of the HOA auction, there were many unknowns. The risk associated with the subject would be similar to the risk of purchasing a car without the ability to turn the ignition or open the hood. It could also be likened to buying a dented can from a grocery shelf that was missing its label. The typical buyer in these circumstances will require a substantial discount as an incentive to buy. HOA foreclosure properties contained an additional risk. It was a known possibility that even *after* a purchase, the original lien holder might ignore any ownership rights and sell the property out from under the 116 buyer. The typical buyer in these circumstances will require an even greater discount.

Conclusion

The most likely buyer was an investor. The risk noted above represents a Class II Detrimental Condition - Transactional Conditions. The risk and associated costs would have affected a typical investor's decision to purchase. Thereby, reducing the number of potential buyers. The typical buyer for an HOA foreclosure property would require a substantial discount to offset the associated risk.

Traditional sales are so different that they cannot be used as comparable measures of worth for HOA lien properties. Short sales, REO sales and 107 foreclosures should not be used as comparable measures of worth for HOA lien properties without analysis and adjustment of the transactional elements of comparison.

Based on the above analysis, the most logical definition of value would be Impaired Value. The most similar transactions, and therefore the best comparable sales, are other HOA foreclosures.

Sales Comparison Analysis

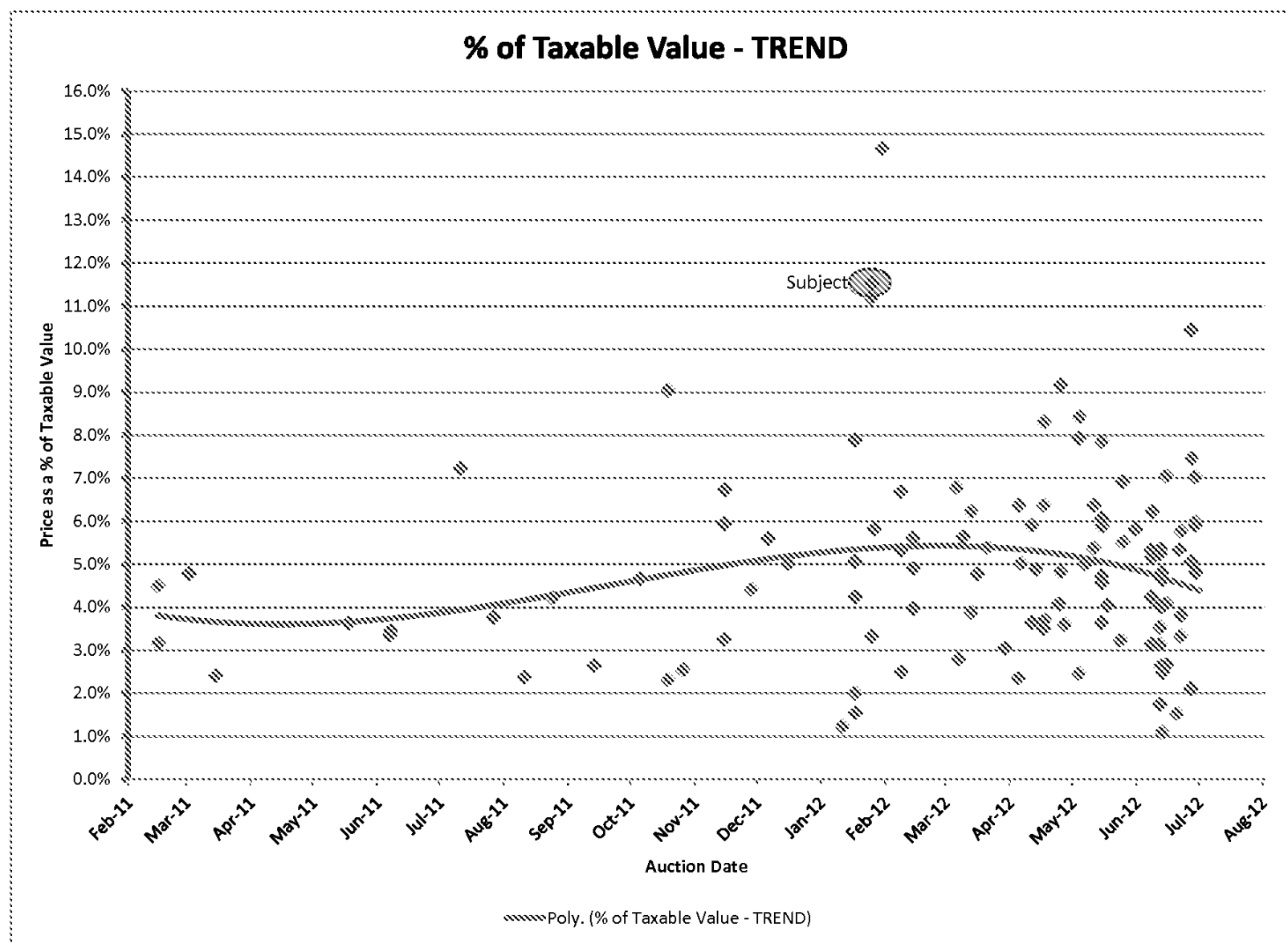
Research of historical foreclosures and trustees deeds in the MLS tax assessor's database revealed 26,468 transactions, recorded in Clark County, between January 1, 2011, and June 30, 2012. Restricting the search criteria to attached townhouses less than 1,300 square feet of GLA, and built between 1974 and 1994 reduced the number of transactions to 410. Further restricting the search to MLS areas 501-504 revealed 90 potential transactions.

Based on prior analysis, the best comparable sales will be similar HOA foreclosures. Research into the deeds found that only two of those properties (including the subject) were HOA foreclosures under NRS 116. Those transactions appear in the table on the following page. They are sorted by auction date with the most current transactions on top. The subject is highlighted in green. The property at 4208 Rollingstone is located on the same street and built to the same plan.

Host	Address	Type/Size	SLA	Unit	Reflex	Trans. Rate	Lat. Gap	Through	Transfer Volume	Available Pkts	% of Transfer Volume	Available Pkts	Notes
10.10.10.10	10.10.10.10	100MB	20			100	100	1000	100MB	1000	100%	1000	100MB
10.10.10.10	10.10.10.10	100MB	20			100	100	1000	100MB	1000	100%	1000	100MB

Lead	4.9%
Gold	4.8%
Silver	6.4%
Platinum	2.2%
Palladium	1.1%
Copper	14.7%

U S Bank National Association, v. George Edwards, et al
4254 Rollingstone Drive



The shaded oval indicates the subject. It falls above the overall trend and is the second highest of all the sales in the sample. The subject sale is also above the median and mean for the overall sample.

Reconciliation

The subject auction price of \$5,331 (11.5% of the retrospective assessed value) falls above the overall trend and is the second highest of all the sales in the sample. The subject sale is also above the median and mean for the overall sample. It represents the upper end of the range demonstrated by contemporaneous transactions. Based on these facts, my professional opinion is that the subject's acquisition price is equivalent to or above a reasonable, retrospective, impaired value.

As an HOA foreclosure property, affected by a Class II detrimental condition, the fee simple impaired value as of January 25, 2012 was:

\$5,300

Five Thousand Three Hundred Dollars (rounded)

-- END OF REPORT --

Addenda

- A. Qualifications of Michael Brunson
- B. Expert Disclosure for Michael Brunson

Addendum A: Qualifications of Michael Brunson**Michael L. Brunson, MNAA, SRA**

AQB Certified USPAP Instructor

Nevada Certified General Appraiser #A.0207222-CG

California Certified General Appraiser #3003517

Member of the Nevada Real Estate Division Appraisal Advisory Review Committee

Collateral Valuation Specialist

mike@brunson-jiu.com www.brunson-jiu.com

VALUATION BUSINESS BACKGROUND

Brunson-Jiu, LLC (Partner, 2011 – Present) Founding partner of a firm providing real property valuations, consulting and expert witness services. Areas of specialty include: real estate damages analysis for residential, commercial, vacant land and multi-family properties; and business valuation and exit planning strategies.

Bell Anderson & Sanders LLC (Contract Appraiser, 2008 – 2014) Engagement involved studying the economic impact of detrimental conditions, including issues such as environmental contamination, construction defects, legal conditions such as eminent domain, and proximity effects.

Columbia Institute (Instructor, 2009-Present) Approved to teach pre-licensing and continuing education courses related to residential appraisal

Ascent Appraisal, Inc. (Principle/Chief Appraiser, 1997 – 2011) An independent real estate valuation and consulting firm providing a comprehensive range of professional valuation products and services. We specialize in expert witness services; litigation support and consulting; forensic review; and complex valuation assignments.

Institute for Real Estate and Appraisal Studies (Instructor, 2003 – 2009) Approved to teach both pre-licensing and continuing education courses related to residential appraisal.

Ascent Inspection, Inc. (Owner/Primary Inspector, 2001 – 2003) An independent residential and commercial inspection firm providing both pre-purchase and pre-listing property inspections.

Berry & Associates (Registered Intern/Office Manager, 1995 – 1997) Performed single and multi-family residential appraisal assignments in form reports on various property types; conducted extensive market research & due diligence; performed internal appraisal review function; and appraisal office management.

EXPERT WITNESS / CONSULTING

AQB Certified USPAP Instructor The Uniform Standards of Professional Appraisal Practice (USPAP) are the recognized standard of care for professional appraisers. Michael is one of only four certified appraisers qualified as an AQB Certified USPAP Instructor in Nevada. He teaches USPAP courses and provides USPAP consultation to attorneys, appraisers, and lending clients. Michael has completed assignments for civil, probate, real estate damages, and divorce cases. He has qualified as an expert witness in real estate valuation in the 8th Judicial District Court of Clark County, Nevada.

Assignments in which an expert has provided deposition or court testimony are disclosed in compliance with state/federal law. Cases lacking such testimony are confidential.

Cases with Court Testimony: SFR v Green Tree Servicing, A-680704
 Wilmington Trust v Edward Webb, A-700347
 SFR v Green Tree, A-695002
 Shaw v Citi Mortgage, 3:13-cv-00445-LRH-VPC
 Peach v McKay, A-605325 (Arbitration)
 Johnson et al v Stanpark, A-606013
 Santos Probate, P-068058
 Dennett v Miller, A-459131

Deposition Testimony: Bank of America NA v SFR, 2:15-cv-00693-GMN-VCF
 Alessi & Koenig v Storm, A-699883
 PNC Bank v Wingfield CA, 3:15-cv-00349-MMD-VPC
 Platinum Realty v Wells Fargo, 2:13-cv-00535-GMN-NJK
 SFR v Wells Fargo, A-688212
 SFR v US Bank, A-673671
 Wells Fargo v SFR, 2:15-cv-00577-APG-PAL
 Wells Fargo v SFR, 2:15-cv-00748-APG-GWF
 Poshbaby v Elsinore III, A-699435
 Sunlight Trust v Brogan, A-691473
 Wells Fargo v SFR, 2:15-cv-00576-RFB-CWH
 SFR v Green Tree Servicing, A-680704
 FDIC v CoreLogic, SACV11-704 DOC
 Nguyen v Taylor, A-644936
 Aguirre v American Nevada, A-600566
 Copper Sands HOA v Copper Sands Realty, A-560139
 Deutsche Bank v Mha, A-532836
 Carlisle v Pardee, A-421939
 Demby v Chamberlin, A-443513

INTERVIEWS, PUBLICATIONS AND PUBLIC TESTIMONY

Local and national media recognize Michael as an expert in the Las Vegas Real Estate market.

- Interviewed by Real Estate Today, Show 385, 10 Ways to Increase the Value of Your Home, aired June 25, 2016.
- Author, Highlights from the Recent TAFAC Meeting, *Appraiser Focus*, 2nd Quarter 2016, National Association of Appraisers.
- Co-author, Can I get a witness? 10 tips for landing and performing work as an expert witness appraiser, January 14, 2016, *Valuation, Volume 20, Number Four*, The Appraisal Institute.
- Panel Member, Spring 2015 Housing Outlook, Homebuilders Research (May 29, 2015)
- Panel Member, Lied Institute and Nevada Department of Business and Industry - Nevada Housing Forum (September 22, 2014)
- Panel Member, Using the Cost Addendum for High Performance Homes (October, 16, 2013)
- Panel Member, The Green Home Valuation Summit, Phoenix, AZ (September 23, 2013)
- Appraisal Industry Representative, Special City Council Meeting of the City of North Las Vegas, Regarding the underwater mortgage crisis (June 11, 2013)
- Panel Member, Spring 2013 Housing Outlook, Homebuilders Research (April 12, 2013)
- Interviewed by Diana Olick of CNBC (March 5, 2013 published on cnbc.com and aired on the NPR Nightly Business Report)
- Panel Member and Presenter, 2012 High Performance Home & Building Summit (August 15-16, 2012)
- Panel Member, Spring 2012 Housing Outlook, Homebuilders Research (April 27, 2012) Quoted by Hubbel Smith of the Las Vegas Review Journal.
- Real Estate Panel Member, Spring 2011 Economic Outlook, UNLV Center for Business and Economic Research, (June 20, 2011)
- Interviewed by Jason Morgan of *Valuation Review*, Appraisers caught in the middle of Las Vegas housing market tensions, Online: March, 31, 2011, Print: April 25, 2011
- Interviewed by Calvert Collins of KLAS-TV (aired March 28, 2011)
- Author, Growing Business: Giving Clients What They Need, Vol. 217, March 21, 2011, *Working RE Magazine*
- Interviewed by Hubbel Smith of the Las Vegas Review-Journal (August 5, 2010).
- Interviewed by Calvert Collins of KLAS-TV (aired May 5, 2010)
- Interviewed by Dana Gentry of Las Vegas 1 (aired March 27, 2009)
- Interviewed by Chris Saldana of KLAS-TV (aired March 9, 2009)
- Interviewed by Stephanie Dhue of the Nightly Business Report (aired October 26, 2007).
- Interviewed by Hubbel Smith of the Las Vegas Review-Journal (June 7, 2007).

Michael has provided public comment and testimony before the Nevada Commission of Real Estate Appraisers, the Nevada Assembly Committee on Commerce and Labor and the Nevada Senate Committee on Commerce and Labor on numerous occasions.

MEMBERSHIPS

Appraisal Institute: SRA Designated Member. Awarded February 2015.

National Association of Appraisers: Founding Member. 2010-2016 Director; 2013, 2014 President; 2010-2012 Vice President; Representative to The Appraisal Foundation Advisory Council (TAFAC).

Coalition of Appraisers in Nevada: Founding Member. 2009-2016 Director; 2010-2011 President; 2009 Vice President; Government Relations Committee Chair 2009-2015.

National Association of Realtors

Greater Las Vegas Association of Realtors

TEACHING EXPERIENCE

Approved by the State of Nevada to teach both pre-licensing and continuing education appraisal courses. Michael has also been approved to teach courses in California, Arizona, Indiana, Michigan, Wisconsin, and Utah. A partial list of classes includes:

Fundamentals of Real Estate Appraisal	7 and 15 Hour National Uniform Standards of
Applied Residential Appraisal Techniques I	Professional Appraisal Practice
Appraisal Law in Nevada	How Finance affects Value
Highest & Best Use Analysis I	Advanced Neighborhood and Market Area
Appraising Small Residential Income	Analysis
Properties	Appraising 2-4 & Multi-Family Properties
Cost Approach Revisited	Foreclosures & Short Sales: Dilemmas and
Communicating the Appraisal I, II, III and IV	Solutions

Private seminars authored and instructed by Mr. Brunson:

Neighborhood and Market Analysis I and II

Cost Approach – The Square Foot Method

Mortgage Fraud – An Appraiser’s Perspective (NV CLE Seminar)

Residential Real Estate Appraisal (For Brokers/Agents)

How to Select & Evaluate an Expert Witness (NV CLE Seminar)

EDUCATION

Professional Education

University of Nevada, Las Vegas, Introductory and Intermediate Statistics
 Clark County Community College, Principles of Real Estate Appraisal
 Appraisal Institute, Standards of Professional Practice, Part A (410)
 Appraisal Institute, Standards of Professional Practice, Part B (420)
 Appraisal Institute, Standards of Professional Practice, Part C (430)
 Appraisal Institute, Nevada Appraisal Statutes
 Appraisal Institute, FHA and the Appraisal Process
 Appraisal Institute, Complex Litigation Appraisal Case Studies
 Appraisal Institute, Analyzing the Effects of Environmental Contamination on Real Estate
 Appraisal Institute, Advanced Income Capitalization
 Appraisal Institute, Advanced Spreadsheet Modeling for Valuation Applications
 Appraisal Institute, General Appraiser Site Valuation and Cost Approach
 Appraisal Institute, General Appraiser Sales Comparison Approach
 Appraisal Institute, General Appraiser Market Analysis and Highest and Best Use
 Appraisal Institute, Real Estate Finance, Statistics, and Valuation Modeling
 Appraisal Institute, Advanced Residential Report Writing, Part I and II
 Nevada Commission of Appraisers, Valuing Residential Energy Efficiency
 Chicopee Group, Impact of Financing on Appraisals
 TWI Systems, 50 hours of Professional Inspection Training
 Clark County Community College, 60 hours of home Inspectors Training
 Institute for Real Estate and Appraisal Studies, Applied Residential Appraisal Techniques I
 Institute for Real Estate and Appraisal Studies, Highest and Best Use Analysis I
 Institute for Real Estate and Appraisal Studies, Introduction to Business Appraisal
 Institute for Real Estate and Appraisal Studies, Small Residential Income Properties I
 Institute for Real Estate and Appraisal Studies, Introduction to Commercial Appraisal
 Institute for Real Estate and Appraisal Studies, Income Capitalization I and II
 IRWA, Principles of Real Estate Engineering
 IRWA, Understanding Environmental Contamination in Real Estate
 IRWA, Environmental Due Diligence and Liability
 (Current Continuing Education course list available upon request)

Other Education

University of Nevada at Las Vegas, Las Vegas, NV - 1991
 B.A. in Psychology. Emphasis on experimental psychology and methodology.

Chaparral High School, Las Vegas, NV ■ 1987
 Graduated with High Honors.

REFERENCES

- Available upon request

U S Bank National Association, v. George Edwards, et al
 4254 Rollingstone Drive

Addendum B: Expert Disclosure Requirements

Compensation for Study and Testimony: Michael L. Brunson charged an hourly rate of \$400 per hour for this stage of the assignment. Michael's hourly rate is \$400 for non-testimony time and \$450 for testimony time. Non-testimony time is billed for research, consultation, meetings, field inspections, travel, analysis, deposition preparation, and court preparation. **There is a two-hour minimum for deposition and court testimony. Anticipated fees for deposition and court testimony are to be paid 48 hours prior to the scheduled appearance.**

Publications:

- Author, Highlights from the Recent TAFAC Meeting, *Appraiser Focus*, 2nd Quarter 2016, National Association of Appraisers
- Co-author, Can I get a witness? 10 tips for landing and performing work as an expert witness appraiser, January 14, 2016, *Valuation*, Volume 20, Number Four, The Appraisal Institute.
- Author, Growing Business: Giving Clients What They Need, March 21, 2011, Vol. 217, *Working RE Magazine*
- National Association of Appraisers, Appraisal 4-1-1 e-newsletters

Summary of Recent Testimony:

Cases with Court Testimony: SFR v Green Tree Servicing, A-680704
 Wilmington Trust v Edward Webb, A-700347
 SFR v Green Tree, A-695002
 Shaw v Citi Mortgage, 3:13-cv-00445-LRH-VPC
 Peach v McKay, A-605325 (Arbitration)
 Johnson et al v Stanpark, A-606013
 Santos Probate, P-068058
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Deposition Testimony: Bank of America NA v SFR, 2:15-cv-00693-GMN-VCF
 Alessi & Koenig v Storm, A-699883
 PNC Bank v Wingfield CA, 3:15-cv-00349-MMD-VPC
 Platinum Realty v Wells Fargo, 2:13-cv-00535-GMN-NJK
 SFR v Wells Fargo, A-688212
 SFR v US Bank, A-673671
 Wells Fargo v SFR, 2:15-cv-00577-APG-PAL
 Wells Fargo v SFR, 2:15-cv-00748-APG-GWF
 Poshbaby v Elsinore III, A-699435
 Sunlight Trust v Brogan, A-691473
 Wells Fargo v SFR, 2:15-cv-00576-RFB-CWH
 SFR v Green Tree Servicing, A-680704
 FDIC v CoreLogic, SACV11-704 DOC
 Nguyen v Taylor, A-644936
 Aguirre v American Nevada, A-600566
 Copper Sands HOA v Copper Sands Realty, A-560139
 Deutsche Bank v Mha, A-532836
 Carlisle v Pardee, A-421939
 Demby v Chamberlin, A-443513


CLERK OF THE COURT

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U.S. BANK

DISTRICT COURT
CLARK COUNTY NEVADA

U.S. BANK NATIONAL ASSOCIATION ND, A
NATIONAL ASSOCIATION

Case No. A-12-667690-C

Dept. No. XVI

Plaintiff,

v.

**U.S. BANK'S MOTION FOR
SUMMARY JUDGMENT**

GEORGE R. EDWARDS, an individual, ANY
AND ALL PERSON UNKNOWN, CLAIMING
TO BE PERSONAL REPRESENTATIVES OF
GEORGE R. EDWARDS ESTATE OR DULY
APPOINTED, QUALIFIED, AND ACTING
EXECUTOR OF THE WILL OF THE ESTATE
OF GEORGE R. EDWARDS; RESOURCES
GROUP, LLC a Nevada Limited-Liability
Company; GLENVIEW WEST TOWNHOMES
ASSOCIATION , a Nevada non-profit
corporation; DOES 4 through 10, inclusive, and
ROES 1 through 10, inclusive

Defendants.

AND ALL RELATED CLAIMS.

COMES NOW U.S. BANK NATIONAL ASSOCIATION ND, A NATIONAL
ASSOCIATION (hereinafter "U.S. Bank") by and through their attorney of record Thomas N.
Beckom, Esq of the law firm of McCarthy Holthus LLP and hereby brings this Motion for
Summary Judgment under both *Shadow Wood* as well as Nevada's Uniform Fraudulent Transfer

1 Act. Under either standard, this Court should declare that RESOURCE GROUP LLC (hereinafter
2 “RESOURCES”) took this property subject to U.S. Bank’s Deed of Trust.

3 **NOTICE OF MOTION**

4 PLEASE TAKE NOTICE that the undersigned will bring MOTION FOR SUMMARY
5 JUDGMENT on for a hearing on the ____ day of _____, 2017 at
6 ____:____ m, in Department XVI of the above-entitled Court, or as soon thereafter as counsel
7 may be heard.

8 By: /s/ Thomas N. Beckom, Esq
9 Thomas N. Beckom, Esq
Nevada Bar No. 12554

10 **I. INTRODUCTION**

11 This sale is even more suspect than the usual HOA sale. The Law Firm whom represented the
12 HOA through the foreclosure process also represented the purchaser. The purchaser testified
13 numerous times in Federal Court that the Subject Property was subject to U.S. Bank’s lien, yet
14 comes to this Court falsely claiming that he always knew the property was free and clear. The
15 Notice of Default was at no point ever mailed to the lender sufficient to place them on notice this
16 was even occurring despite a clearly delineated mailing address in the property records. In fact the
17 relationship between the foreclosing entity for the HOA and the Resources was so close that
18 Alessi actually paid Resource’s transfer tax.

19 This sale is more rife with unfairness than the traditional sale and is most likely fraudulent. In
20 addition the entire statute is unconstitutional for the “Opt In” noticing provision as has been
21 recently been found by the 9th Circuit and is further a violation of the jurisprudence under the
22 takings clause as well as the 8th Amendment. This sale on this basis should be voided.
23
24
25

II. UNDISPUTED FACTS

1. On March 3, 2009; U.S. Bank N.A. gave George Edwards a \$50,000.00 Equity Line of Credit secured by 4254 Rollingstone Dr., Las Vegas, NV 89103(Ex. 1). This loan was secured by a Deed of Trust with a Future Advance Clause filed in the property records on March 28, 2009. (Ex. 2).
2. The Subject Property was located in the Glenview West Townhomes HOA and governed by the Covenants Conditions and Restrictions of Blue Diamond Ranch. (Ex. 3)(“CC&Rs”).
3. The CC&R’s are patently misleading and include illegal provisions. *Id.* The CC&R’s misrepresent to U.S. Bank, Edwards and the Public the effect of an HOA foreclosure and expressly state:

Section 11. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve said Lot from liability for any assessments thereafter becoming due or from the lien thereof.

4. On November 3, 2010; Alessi sent Mr. Edwards a pre-lien letter stating that \$1,855.00 was due and owed. (Ex. 5)
5. This was based the internal accounting by Glenview. (Ex. 6). Glenview’s ledger showed that Mr. Edward’s HOA dues were \$130.00 dollars, that he ceased paying his HOA dues in February, 2010. *Id.*
6. On this basis, Alessi, on behalf of Glenview, liened the Subject Property. (Ex. 7).
7. Thereafter, on March 2, 2011; Alessi and Glenview indicated in the property records that they would be selling the property and filed a Notice of Default and Election to Sell under Homeowners Association Lien in the property records. (Ex. 8).

- 1 8. It is worth noting at this juncture that U.S. Bank National Association indicated in their
2 Deed of Trust that their mailing address was 4325 17th Avenue SW, Fargo, ND 58103.
3 (Ex. 2).
- 4 9. At his deposition, David Alessi, the person most knowledgeable for Alessi & Koenig
5 testified that at no point was the Notice of Default ever mailed to U.S. Bank's address.
6 (Ex. 16 p. 23)(Q. "So the Notice of Default was not mailed to the address for the lender.
7 Can we agree on that? **A. It does—It appears that the Notice of Default was not mailed**
8 **to U.S. Bank National Association ND at their Fargo, North Dakota address.....)**
- 9 10. On September 16, 2011; Alessi and Glenview indicated that they would exercise their
10 rights to sell the property and filed in the property records a notice of sale. The Notice of
11 Sale indicated that \$5,379.00 was owed on the property and was signed by Ryan Kerbow.
12 (Ex. 9).
- 13 11. On January 25, 2012; the property sold for \$5,331.00 dollars, less than the amount owed,
14 to the 4254 Rollingstone Dr. Trust. (Ex. 10).
- 15 12. No one bid on the Subject Property at the Sale according to the testimony of Eddie
16 Haddad. (Ex. 14 at USB 412).
- 17 13. From there, a Trustee's Deed Upon Sale, also signed by Ryan Kerbow, Esq as Authorized
18 Agent for Glenview West Townhomes Association, was filed in the property records
19 memorializing this sale. (Ex. 11).
- 20 14. The Declaration of Value, attached to the Deed, stated the property was worth \$5,331.00.
- 21 15. U.S. Bank's expert will testify that the property is worth \$48,000.00 based on a fair market
22 value analysis. (Ex. 12)
- 23 16. The BPO's from U.S. Bank's loan file show that the property is worth anywhere from
24 \$44,000.00 to \$85,000.00 dollars. (Ex. 13).
- 25

1 17. Mr. Haddad, the controlling individual behind the Resources Group was aware that
2 litigation would be involved with his purchase at an HOA sale and prior to the sale:

3 Q Did you think you were getting a property free
4 and clear of a mortgage when you purchased this property
5 in January of 2012?

6 A Yes. That's the only reason why I bought it.

7 Q So you had no reason to be concerned about any
8 kind of deed of trust on 4254 Rollingstone Drive,
9 correct?

10 A Only the cost of litigation.

11 18. Mr. Haddad, the controlling manager for Resources Group, actually filed a bankruptcy
12 involving the Subject Property in which he represented to the Bankruptcy Court that the
13 Subject Property was encumbered by a mortgage. (Ex. 14 p. 24)(“No, There must have
14 been a first deed of trust...”).

15 19. In addition, independent witnesses from Alessi further testified that they believe Mr.
16 Haddad thought this property was subject to the Bank's lien. (Ex. 16 p. 51)

17 20. Mr. Haddad also testified under penalty of perjury that the Subject Property was worth
18 \$35,000.00. (Ex. 15) *also* (Ex. 14 p. 28).

19 21. Alessi, the entity the represented Glenview and foreclosed on the property, via their
20 attorney Ryan Kerbow, Esq *also* represented Mr. Haddad at the exact same time as this
21 sale. (Ex. 14 at USB 409).

22 22. Mr. Kerbow, whom also signed the Notice of Sale and the Trustee's Deed, represented
23 Resources Group in Quiet Title Action. (Ex. 14 at USB 410).

24 23. The relationship between Alessi & Koenig and Haddad was so close, that Alessi actually
25 paid Mr. Haddad's transfer tax. (Ex. 14 at USB 413)

1 **III. LEGAL STANDARD**

2 Nev. R. Civ Pro 56 provides that a party may move for Summary Judgment based on the
3 evidence on file in the record. Summary Judgment is only appropriate when the moving party is
4 entitled to judgment as a matter of law and no genuine issue remains for trial. *Shepard v.*
5 *Harrison* 100 Nev. 178 (1984). In Nevada when a party brings a motion for Summary Judgment
6 then said party must bear the initial burden of production to show the absence of a genuine issue
7 of material fact. *Cuzze v. Univ. & Cmty Collegee Sys.*, 123 Nev. 598 (2007). In contrast, once the
8 movant has satisfied their burden of production, then it is incumbent on the non-moving party to
9 assume the burden of production to show the existence of a genuine issue of material fact. *Id*

10 **IV. LAW AND ARGUMENT**

11 **A. THIS COURT SHOULD ADOPT THE 9TH CIRCUIT’S RULING THAT**
12 **NRS 116.3116 *ET SEQ* IS UNCONSTITUTIONAL**

13 On June 13, 2016; the 9th Circuit Court of Appeals declared NRS §116.3116 *et seq*
14 unconstitutional in all respects due to the “opt in” noticing as outlined in the statute. This Court
15 should adopt this ruling.

16 The 9th Circuit Court of Appeals noted that Nevada’s notice statute was a “peculiar
17 scheme” which only required notice to a mortgage lender if they affirmatively requested notice.
18 *Bourne Valley Court Tr. V. Wells Fargo Bank NA* 2016 U.S.App.LEXIS 14857 at 8-9 (9th Cir.
19 2016) The 9th Circuit further noted that “How the mortgage lender, which likely had no
20 relationship with the homeowners' association, should have known to ask is anybody's guess” and
21 then went on to analyze whether or not the 9th Circuit would adopt the 5th Circuit’s law in *Small*
22 *Engine Shop Inc v. Cascio* and rule that an “opt in” noticing scheme facially violates the United
23 States Constitution. It is worth noting that a facially unconstitutional statute in Nevada is void in
24 it’s enforcement as a matter of law. *Scott v. Judicial Dist. Court of Nev.* 363 P.3d 1159, 1166
25 (Nev. 2015)

1 The 9th Circuit applied Nevada law and determined that *Small Engine Shop* was now the
2 law in the 9th Circuit and therefore the statute was facially unconstitutional as a denial of Wells
3 Fargo's due process. *Bourne Valley Court Tr. V. Wells Fargo Bank NA* 2016 U.S.App.LEXIS
4 14857 at 8-9 (9th Cir. 2016)

5 Moreover, the 9th Circuit then went on to declare that "where the mortgage lender and the
6 homeowners' association [have] no preexisting relationship, the Nevada Legislature's enactment
7 of the Statute [NRS§116.3116 *et seq*] is a state action." *Bourne Valley Court Tr. V. Wells Fargo*
8 *Bank NA* 2016 U.S.App.LEXIS 14857 at 12 (9th Cir. 2016). Nevada HOA foreclosure statute
9 unconstitutionally degrades a mortgage lenders interest in their real property. *Id.* at 13. Critical
10 here is that in private debt collection cases, the parties had a pre-existing contractual relationship
11 while here the relationship between in this case U.S. Bank and Glenview, has been forced upon
12 U.S. Bank.

13 *Bourne Valley* makes it clear that this statute, under the Federal Constitution, is void and
14 enforceable. U.S. Bank can jump through all the necessary state law hoops as outlined below, but
15 ultimately it does not matter. This statute is void. This sale is void.

16 **B. NO GENUINE ISSUE OF FACT REMAINS THAT THIS COURT**
17 **SITTING IN EQUITY SHOULD DECLARE THE PROPERTY IS**
18 **SUBJECT TO THE DEED OF TRUST**

19 As outline *infra* U.S. Bank humbly comes to this Court, sitting in Equity, for assistance.
20 Equity and common sense have always consistently gone hand in hand. *Gass v. Hampton* 16 Nev.
21 185 (1881)(apply equity and common sense hand in hand); *Sims v. Irvine* 3 U.S. 425
22 (1799)(same); *Friends for All Children Inc v. Lockheed Aircraft Corp* 746 F.2d 816 (DC. App.
23 1984)(noting that equity and common sense go hand in hand). U.S. Bank asks the Court to use its
24 superior knowledge and experience to sit in Equity and adjudicate this issue. As outlined below,
25 U.S. Bank contends that the sale is for an "obviously inadequate" price and moreover that due to
clear insider dealings and misrepresentations in the CC&R's a Court in Equity must intervene.

1 U.S. Bank on this basis leaves it to the well capable hands of the Court to make a
2 determination here and finally presents that the following provide an equitable basis for the Court
3 to declare that the sale was subject to the Deed of Trust.

4 **1. The Deed Cannot be Conclusive under NRS §116.31166**

5 In *Shadow Wood* the Homeowners Association purchaser argued that “NRS
6 §116.31166(2013)...renders such deeds unassailable” as conclusive proof of the matter recited
7 therein. *Shadow Wood Homeowners Association inc v. NY Com. Bank* 132 Nev. Adv. Op 5 at 2
8 (2016). The Nevada Supreme Court, en banc and with no dissenters, ruled:

9 “We disagree and reaffirm that, in an appropriate case, a court can grant equitable relief
10 from a defective HOA lien foreclosure sale.”

10 *Id.*

11 The Nevada Supreme Court noted that the interpretation of a conclusive deed would call into
12 question both *Golden v. Tomiyasu* and *Long v. Towne* and therefore rejected that interpretation
13 that HOA sales are “conclusive” and unassailable. *Shadow Wood Homeowners Association inc v.*
14 *NY Com. Bank* 132 Nev. Adv. Op 5 at 9-10 (2016). The Nevada Supreme Court affirmed that the
15 position that the deed is “conclusive” is “breathtakingly broad”, “probably legislatively
16 unintended”, “unprecedented”, and moreover simply not the law *Id* at 11. Additionally U.S.
17 Bank need not be in possession of the property and therefore is the proper party here to invoke the
18 Court’s equitable powers. *Id.* “Cases elsewhere ...have addressed comparable conclusive- or
19 presumptive-effect recital statutes confirm that such recitals do not defeat equitable relief in a
20 proper case; rather such recitals are ‘conclusive *in absence of grounds for equitable relief.*’ *Id.* at
21 13.

22 Both *Shadow Wood* stands for the very clear idea that Deeds cannot be “conclusive” and that a
23 Court in equity can set aside the sale. As outlined below, this Court should order in Equity that
24 the sale is Subject to U.S. Bank ’s Deed of Trust and in weighing the Equities provide that
25

Resources is only entitled to a First Position Lien for their purchase price in the amount of \$5,331.00.

2. U.S. Bank Respectfully Request that This Court Interpret *Shadow Wood* and Rule that a Sale of Less than 20% is Proof of Unfairness

In *Shadow Wood* the Nevada Supreme Court adopted the Restatement of Property Mortgages Section §8.3 as the bench mark for gross inadequacy. Numerous other jurisdictions have held that *gross* inadequacy is grounds to set aside a foreclosure sale. U.S. Bank contends this is now the law in Nevada and that an “obviously inadequate” purchase price is proof of unfairness sufficient to satisfy *Golden* and *Shadow Wood*.. The Restate of Property Mortgage 3d §8.3(a) states

“A foreclosure sale price obtained pursuant to a foreclosure proceeding that is otherwise regularly conducted in compliance with applicable law does not render the foreclosure defective unless the price is grossly inadequate.”

The Gross Inadequacy bench mark is the law in multiple other jurisdictions. *Baskurt v. Beal* 101 P.3d 1041 (Ak 2004)(invalidating sale based on price alone where it was grossly inadequate at 15 % of fair market value). *Crown Life Ins. Co. v. Candlewood Ltd* 112 N.M. 633 (NM 1991)(15% of fair market value was inadequate and was a basis to set aside the sale on price alone); *United Oklahoma Bank v. Moss* 1990 OK 50 (Okla 1990)(20% of fair market value inadequate and reversing trial court when said court refused to vacate the sale);. *Rife v. Woolfolk* 169 W.Va 660 (W.Va 1982)(holding 14% of fair market value inadequate and that “there need be no showing of fraud, or any impropriety in the conduct of the sale, to set aside a sale where the price paid is so inadequate that it shocks the conscience”); *also Shadow Wood Homeowners Association inc v. NY Com. Bank* 132 Nev. Adv. Op 5 at 15 (2016) *citing Restatement (Third) of Prop: Mortgages* §8.3 cmt b.(1997)(“A court is warranted in invalidating a sale where the price is less than 20 percent of fair market ,,,,”).

1 In analyzing and adopting the Restatement §8.3, the Supreme Court of Arizona noted that
2 a sale of real property under power of sale...may be set aside solely on the basis that the bid price
3 was *grossly* inadequate.” *Krohn v. Sweetheart Props LTD* 203 Ariz. 205 (Az 2002). In Arizona,
4 as in Nevada, there must be an insufficiency of price plus an elements of fraud unfairness, or
5 oppression as accounts for and brings about the inadequacy of price. *Id.* at 212.

6 Yet in adopting the Restatement §8.3 the Arizona Supreme Court noted that “*gross*
7 inadequacy *is* proof of unfairness “sufficient to set aside a sale and further adopted the
8 Restatement §8.3 at the 20% benchmark. *Id.*

9 U.S. Bank contends that the Nevada Supreme Court has now adopted this stance. *Shadow*
10 *Wood Homeowners Association inc v. NY Com. Bank* 132 Nev. Adv. Op 5 at 15 (2016) *citing*
11 *Restatement (Third) of Prop: Mortgages* §8.3 cmt b.(1997)(“A court is warranted in invalidating a
12 sale where the price is less than 20 percent of fair market ...”).The 3rd Circuit Court of Appeals
13 has noted in applying Restatement §8.3 that:

14 Under the Restatement, Third of Property: Mortgages § 8.3, with respect to the adequacy of a
15 foreclosure sale price, the term "gross inadequacy" is clarified to some extent by the Comment
16 which provides that a court "is warranted in invalidating a sale where the price is less than 20
17 percent of fair market value and, absent other foreclosure defects, is usually not warranted in
18 invalidating a sale that yields in excess of that amount." Restatement (Third) of Prop.:
Mortgages § 8.3 cmt. b. (1997). The Comment further states that the trial court's judgment in
19 matters of price adequacy is entitled to particular deference but notes that in "extreme cases a
20 price may be so low (typically well under 20% of fair market value) that it would be an abuse
21 of discretion for the court to refuse to invalidate it."

22 *Bank of N.S. v. Family Broad Inc.* 121 Fed. Appx. 440 (2005)

23 The State of Washington, in applying Restatement §8.3 takes the same approach. *Alpha*
24 *Imperial Bldg v. Schnitzer Family Investment , LLC* 2005 Wash.App. LEXIS 482 (Wa App.
25 2005)(noting that that a foreclosure sale can and should be set aside under Restatement §8.3 if it is
less than 20%).

26 Here U.S. Bank has performed an appraisal showing that the property was worth \$48,000.00
27 at the time of the foreclosure sale. (Ex. 12). Resources paid \$5,331.00 for the Subject Property at

1 the time of the sale. (Ex. 10). This is 11.1% of Fair Market Value and under *Shadow Wood* and
2 the Restatement §8.3 this is grossly and/ or “obviously” inadequate as a matter of law. On this
3 basis, the sale must be voided. Moreover, as delineated *infra* a “fair foreclosure value” cannot be
4 used for this analysis.

5 **3. The Subject Property Must be Assessed Based on It’s Highest and Best**
6 **Use and/ or Market Value**

7 In *Shadow Wood v. N.Y. Comm Bank*, the Nevada Supreme Court delineated a standard for
8 analyzing this sale and announced, in line with the Restatement of Property: Mortgages §8.3 that
9 “Fair Market Value” was the proper indicator here. 132 Nev. Adv. Op. 5 at 15 (2016). value” is
10 simply not relevant in this action as fair market value is the only true indicator.

11 The Alaska Supreme Court, citing to the U.S. Supreme Court noted that “Fair Market Value”
12 has been defined as :

13 “not the fair “forced sale” value of the real estate, but the price which would result from
14 negotiation and mutual agreement, after ample time to find a purchaser, between a vendor
15 who is willing, but not compelled to sell, and a purchaser who is willing to buy, but not
16 compelled to take a particular piece of real estate.”

17 *Baskurt v. Beal* 101 P.3d 1041 (Ak 2004)

18 Blacks Law Dictionary similarly defines “Fair Market Value” as:

19 “The amount at which property would change hands between a willing buyer and a willing
20 seller, neither being under any compulsion to buy or sell and both having reasonable
21 knowledge of the relevant facts.”

22 *Blacks Law Dictionary* 597 (6th Ed. 1990)

23 Finally “Fair Market Value” is not a new idea in Nevada and Fair Market Value is defined as
24 as “the price which a purchaser, willing but not obligated to pay, would pay an owner willing but
25 not obligated to sell, taking into consideration all uses to which the property is adopted and might
in reason be applied.” *Lee v. Verex Assur* 103 Nev. 515 (Nev. 1987) also *Unruh v. Streight* 96
Nev. 684 (Nev. 1980). Black’s then goes on to state that Fair Market Value must be assessed based
on the “highest and most profitable use.” *Id.* On this basis, the “value” assessment must be done

1 at Market Value based on the highest and best use per *Shadow Wood*. Even the Restatement takes
2 the following approach:

3 “The standard by which “gross inadequacy” is measured is the fair market value of the real
4 estate. For this purpose, the latter means, not the fair “fair forced sale” value of the real
5 estate, but the price which would result from negotiation and mutual agreement, after
6 ample time to find a purchaser, between a vendor who is willing, but not compelled to sell,
7 and a purchaser who is willing to buy, but not compelled to take a particular piece of real
8 estate.”

9 *Restatement of Property Third: Mortgages* §8.3 Comment(b)

10 The appraisal produced by U.S. Bank appraises the property at \$48,000.00 based on a fair
11 market purchase price with a willing buyer and seller.

12 **B. U.S. BANK HAS DEMONSTRATED THAT THE SALE IS UNFAIR**

13 Even if the price is not unfair as a matter of law, sufficient unfairness is present to void this
14 sale under *Tomiyasu* and *Shadow Wood*. U.S. Bank contends that the “unfairness” is a moving
15 target and that the “unfairness” necessary to void a sale moves down. This sale is for less than
16 20% of Fair Market Value.

17 There is little actual case law in Nevada as to what constitutes “unfairness.” The U.S.
18 Supreme Court in *Ballentyne* indicated that when the inadequacy of price is great then the
19 slightest circumstances of unfairness will operate to set aside the sale. *Ballentyne v. Smith* 205
20 U.S. 285 (1907). The Nevada Federal Court has recently used *Ballentyne* as a basis to void a sale
21 under *Shadow Wood*. *Zyzzx 2 v. Dizon* 2016 U.S. Dist. LEXIS 39467 (D.Nev. 2016)(“if there be
22 great inadequacy, slight circumstances of unfairness in the conduct of the party benefited by the
23 sale will be sufficient to justify setting it aside. It is difficult to formulate any rule more definite
24 than this, and each case must stand upon its own peculiar facts.”). The Arizona Supreme Court
25 has echoed this sentiment. *Krohn v. Sweetheart Props LTD* 203 Ariz 205 (Ariz 2002) citing
Baldwin v. Brown 193 Cal. 345 (Cal 1924). Other jurisdictions have further indicated that that
“when the inadequacy of consideration is great and the notice of sale given by the officers is
vague, or from any act of his, bidders are kept away from the place of sale, who would have bid

1 for the land if there, an unconscionable advantage was obtained by the purchaser, who bid off the
2 land at a grossly inadequate price, a court of equity will interfere and set aside the sale so made.”
3 *Parker v. Glenn* 72 Ga. 637 (1884) This sentiment has been expressed more recently in Missouri,
4 in that a defective Notice of Sale, no matter how slight the defect, is grounds for a court in equity
5 in invalidate the sale when the price is grossly inadequate. *Meng v. Citimortgage Inc* 2013 U.S.
6 Dist. LEXIS 45402 (Mo 2013).

7 Unfairness is not limited to mere actions of the purchaser and/ or trustee in some
8 circumstances. “Unfairness from any cause which operates to the prejudice of an interested will
9 abundantly justify a...court in refusing to approve a sale. *Levy v. Broadway-Carmen Bldg Corp*
10 366 Ill 279 (Ill 1937) Unfairness is not a set standard. Under California law “gross inadequacy of
11 price coupled with even slight unfairness or irregularity is a sufficient basis” for setting aside a
12 sale. *Whitman v. Transtate Title Co.* 165 Cal. App. 3d 312 (1985)

13 Illustrations of “slight unfairness” are numerous. A grossly inadequate price coupled with a
14 failure to postpone a sale is considered slightly unfairness in California. *Whitman v. Transtate*
15 *Title Co.* 165 Cal.App.3d 312 (1985). The 9th Circuit has found also under California Law that
16 listing a property as being on the “Southwest Corner” as opposed to the “Southwest Quarter”
17 coupled with a grossly inadequate sales prices is unfair and grounds to avoid a sale when there is
18 a grossly inadequate price. *In re Worcester* 811 F.2d 1224 (9th Cir. 1987). Indeed in Arkansas,
19 stating that one is selling property “under attachment” as opposed to “under execution” when
20 coupled with a grossly inadequate sales prices is considered sufficient unfairness to set aside a
21 sale. *Hinton v. Elliot* 187 Ark. 907 (1933). “Where there is gross inadequacy, the courts seize
22 upon slight additional circumstances which render confirmation inequitable.” *Id.* at 910.

23 The Supreme Court of the United States in *Ballentyne* noted that there was sufficient
24 unfairness present when there was (1) a meager sum bid by a purchaser and (2) the property was
25 worth well in excess of the price sold that on that basis the sale could be set aside. *Ballentyne v.*

1 *Smith* 205 U.S. 285 (1907). *Graffam v. Burgess* sets out numerous interesting things which
2 constitute unfairness. *Graffam v. Burgess* 117 U.S. 180 (1886). A storm on the day of a judicial
3 sale has been found to unfair. *Id.* 192. Additionally “Gross inadequacy of price...needs but
4 slight additional support, such as utter absence of description of property to be sold...”

5 *Kloepping v. Stellmacher* is another interesting microcosm of mortgage foreclosure law. In
6 New Jersey inadequacy of price itself is not sufficient to set aside a conveyance, nor is it *per se*
7 proof of fraud. 21 N.J. 328 (1871). In *Kloepping* no fraud was shown as to the purchaser or the
8 sheriff conducting the sale and the totality of the circumstance showed the sale was conducted
9 legally. *Id.* *Kloepping* received process and indeed actually tore up the summons. *Id.* The sale
10 was set aside. *Id.*

11 In this context, U.S. Bank can evidence enormous unfairness. The Restatement of
12 Property: Mortgages §8.3 Comment(c) states that:

13 “Even where the foreclosure price for less than fair market value cannot be
14 characterized as “grossly inadequate”, if the foreclosure proceeding is defective under
15 local law in some other respect, a court is warranted in invalidating the sale and may
16 even be required to do so. Such defects may include, for example, *chilled bidding*, an
17 improper time or place of sale, *fraudulent conduct by the mortgagee, a defect notice*
18 *of sale*, or even selling too much or too little of the mortgaged real estate. For
19 example, even a slight irregularity in the foreclosure process couple with a sale price
20 that is substantially below fair market value may justify or even compel the
21 invalidation of the sale.” (Emphasis Added)

22 As outlined below, U.S. Bank advances two (2) theories here. First unfairness is present
23 in that the CC&R’s misrepresent the asset being sold and this resulted in the sale being unfair.
24 Moreover it appears that the parties to this transaction were engaged in some type of insider
25 dealing which lead to the attorney for the seller being the attorney for the buyer.

23 1. The CC&R’s misrepresent the asset being sold

24 In *Zyzzx 2 v. Dizon* the Honorable Judge Mahan dealt with the type HOA foreclosure
25 there. *Zyzzx 2 v. Dizon* 2016 U.S. Dist. LEXIS 39467 (2016). That case Judge Mahan found a

1 grossly inadequate price when the property was worth \$210,000 and the purchaser paid
2 \$15,000.00 for the property. Judge Mahan found that the purchase price was grossly inadequate.
3 Judge Mahan then went on to find that when the HOA “represented to both the general public as
4 well as Wells Fargo that the association’s foreclosure would not extinguish the first deed of trust”
5 this was unfair. As previously briefed, this must be compare to the (1) lien notices that discuss
6 NRS Chapter 117 and a subpriority lien and Section 5.08 of the CC&R’s which states:

7 Section 11. Subordination of the Lien to Mortgage. The
8 ~~lien of the assessments provided for herein shall be subordinate~~
9 ~~to the lien of any first mortgage. Sale or transfer of any lot~~
10 ~~shall not affect the assessment lien. However, the sale or~~
11 ~~transfer of any lot pursuant to mortgage foreclosure or any~~
12 ~~proceeding in lieu thereof, shall extinguish the lien of such~~
13 ~~assessments as to payments which became due prior to such sale or~~
14 ~~transfer. No sale or transfer shall relieve said lot from~~
15 ~~liability for any assessments thereafter becoming due or from the~~
16 ~~lien thereof.~~

17 Similarly to *Dizon* the HOA misrepresented to (1) Resources, (2) U.S. Bank , and (3) the
18 Public the nature of what was being sold. It is small wonder that the sale was for such a paltry
19 amount based on the chilled bidding and misrepresentation which Resources took constructive
20 notice of.

21 Moreover this lead to bidding being chilled. The manager for Resources, Eddie Haddad,
22 testified that no one bid at this sale. (Ex. 14 at USB 412). This is not a great shock.

23 Chilled bidding can and is a type of unfairness sufficient to set aside a foreclosure sale.
24 *Gelfert v. National city Bank* 313 U.S. 221, 232 (1941). Misunderstanding as to the risk
25 associated with a particular piece of real property which causally relate to chilled bidding do
26 constitute unfairness to set aside a sale. *Golfland Enteertainment Ctrs. V. Peaks Inv.* 119 F.3d
27 852, 860 (10th Cir 1997); *United States v. Clinger* 2002 U.S. Dist. LEXIS 20458 (D.Colo 2002);
28 also *United States v. Tempelman* 2002 U.S. Dist. LEXIS 3111 (D.NH 2002)

29 U.S. Bank contends the bidding was unintentionally chilled per the Restatement as adopted
30 by *Shadow Wood*. “Chilled Bidding” comes in 2 forms: intentional and unintentional. *Alpha*

1 *Imperial Bldg LLC v. Schnitzer Family Investment LLC* 2005 Wash. App. LEXIS 482 (WashApp.
2 2005). Intentional chilled bidding occurs when there is collusion for the purpose of holding down
3 the bids. *Id.* The second, and more applicable, standard however consists of inadvertent and
4 unintentional acts by the trustee that have the effect of suppressing the bidding. *Id.*

5 Eddie Haddad himself stated that no one bid at this sale. (Ex. 14 at USB 412). Compare this
6 with the HOA's CCR's which stated that the property was Subject to the lien of U.S. Bank. (Ex.
7 3). This should be no great shock to anyone. The publically available documents, which are
8 subject to constructive notice, stated *publically* that this was a sale Subject to a mortgage. No
9 sane minded person would attend this sale.

10 **2. Fraudulent Conduct of Alessi**

11 Finally there is the issue of the fraudulent conduct of Alessi and Resources in this
12 transaction. Ryan Kerbow, an individual who conducted a sale which was not noticed on U.S.
13 Bank, was the *purchaser's attorney*. The Notice of Default was not noticed on U.S. Bank, which
14 is completely undisputed. The CC&R's misrepresented the lien status of the lien. No one showed
15 up at this sale. This is insider dealing at it's worst.

16 **C. RESOURCES IS NOT A BONA FIDE PURCHASER**

17 Resources is not a bona fide purchaser for two reasons. First Resources has not met their
18 burden of production under Nevada law as bona fide purchaser status is their burden. Secondly,
19 they had constructive notice of the defective lien documents which resulted in the chilled bidding.

20 It is incumbent on Resources here to prove they are bona fide purchasers. *Price v. Ward*
21 26 Nev. 387 (1902)(" The burden is on the purchaser to show that he did not have notice of a third
22 person's title") *Moore v. De Bernardi* 47 Nev. 33 (1923)(Burden is on Purchaser to Establish Bona
23 Fide Purchaser Status). The Nevada Supreme Court cited to both *Moore* as well as *Bailey* in
24 *Shadow Wood. Shadow Wood HOA v. N.Y. Cmnt* Back 132 Nev. Adv. Op. 5 At 23 (2016). In
25

1 *Bailey* the burden of establishing bona fide purchaser status was directly at issue and the Nevada
2 Supreme Court held:

3 “The authorities are practically unanimous in holding that, in a suit by one asserting a
4 prior equity, unless exceptional circumstances exist, the duty devolves upon the
5 defendant, who seeks to establish a superior equity upon the basis that he is a bona fide
6 purchaser, to both allege and prove all of the essential elements constituting him such bona
7 fide purchaser, that is to say, a purchaser for a valuable consideration without notice of the
8 prior agreement and the equity resulting therefrom.”

9 *Bailey v. Butner* 64 Nev. 1 (1947)

10 Moreover in Nevada this is a general common sense approach. *Cooper v. Pacific Auto*
11 *Ins. Co.* 95 Nev. 798 (1979). For example, in Nevada an individual cannot purchase a car at a bar
12 for \$5,000.00, be given all lawful documents for ownership of the car, have no actual notice of
13 any issues, and thereafter claim bona fide purchaser status. *Cooper v. Pacific Auto Ins. Co.* 95
14 Nev. 798 (1979). This is because, as the trial judge in that case found, basic common sense
15 dictates that you should not buy a discounted car at a bar while having no clue what you are
16 getting. *Id.* In Nevada people are simply not “bona fide” when common sense dictates that
17 something is amiss. *Id.*

18 Once someone is put on inquiry notice of something as basic as whether or not the
19 property was free and clear of a mortgage or whether or not they were going to be trespassed, in
20 Nevada time and time again this ripens the burden of proof for bona fide purchaser status *to the*
21 *party asserting the status.* *Berg v. Fredicks* 591 P.2d 246 (Nev. 1979). Legitimate questions of
22 possession have always raised a presumption **against** bona fide purchaser status in favor of the
23 party moving to set aside the transaction. *Brophy Mining Co. v. Brophy & Dale Gold & Silver*
24 *Mining Co.* 15 Nev. 101 (1880). It is incumbent on RESOURCES to demonstrate that they are
25 bona fide purchasers.

Under *Berg* the CC&R’s the Notices of Lien, and the Notices of Default raise a
presumption against bona fide purchaser status here. The CC&R’s disclaim *everything*. At this

1 point, under *Berg* the burden shifts to Resources as under *Berg* "[the] purchaser put upon inquiry
2 may rebut the presumption of notice by showing that he made due investigation without
3 discovering the prior right or title he was bound to investigate ." *Berge v. Fredericks* 95 Nev. 183
4 (1979). The Honorable Justice Belknap summarize this very effectively in 1902 when he wrote
5 on behalf of a unanimous Nevada Supreme Court that

6 "Purchasers are bound to use a due degree of caution in making their purchases, or they
7 will not be entitled to protection. Caveat emptor is one of the best settled maxims of the
8 law, and applies exclusively to a purchaser. He must take care, and make due inquiries, or
9 he may not be a bona fide purchaser. He is bound not only by actual, but also by
10 constructive notice, which is the same in its effect as actual notice. He must look to the
11 title papers under which he buys, and is charged with notice of all the facts appearing upon
12 their face, or to the knowledge of which anything there appearing will conduct him. He
13 has no right to shut his eyes or his ears to the inlet of information, and then say he is a
14 bona fide purchaser without notice." (Simmons Creek Coal Co. v. Doran, 142 U.S. 437;
15 Everdson v. Mayhew, 65 Cal. 163; Beatty v. Crewdson, 124 Cal. 577.)
16 *Price v. Ward* 26 Nev. 387 (1902)

17 It is completely unclear to this writer how CC&R's which say "You may have to pay a
18 mortgage and may not have title" is not sufficient to put Resources on inquiry and even
19 constructive notice that there was an issue with their title. Yet Resources will never be able to
20 do this. Resources filed a Federal Bankruptcy after the sale claiming that their property was
21 encumbered by U.S. Bank's mortgage. (Ex. 15). Independent witnesses, including David Alessi,
22 repeatedly testified that Haddad thought the property was subject to a mortgage. (Ex. 16 p. 51).
23 There is not merely constructive notice of the CC&R's, there is actual notice that Haddad knew
24 his title would be disputed and he even testified that he thought he was purchasing a law suit.
25

**D. DUE TO THE FAILURE TO SERVE THE NOTICE OF DEFAULT, THIS SALE IS
VOID AND NOT MERELY VOIDABLE**

21 This writer is of the opinion that a foreclosure in this manner is not "voidable" but "void."
22 This is an important difference. The Honorable Justice Lee H. Rosenthal summed up what
23 Deutsche advances here in *Ocwen Loan Servicing LLC v. Gonzalez Fin Holding Inc* 77 Supp. 584
24 (S.D. Tx 2015) when she ruled that "If a property transfer is void, rather than voidable, then it
25

1 cannot be taken by a bona fide purchaser.” This is not the only jurisdiction to hold as such.
2 *Rosenberg v. Schmidt* 727 P.2d 778 (Ak 1986)(stating that a lack of a substantive basis to
3 foreclose renders a sale “void” and that only voidable sales raise an issue of bona fide purchaser
4 status).

5 It is well established that a void, as opposed to voidable sale, can be invalidated regardless
6 of any purported bona fide purchaser status. *Sonderman v. Remington Constr. Co.* 127 N.J. 96
7 (1996); *Fjeldsted v. Lien (In re Fjeldsted)* 293 B.R. 12 (2003)(“bona fide purchaser status alone is
8 not cause to validate a [void]sale”); *Ocwen Loan Servicing LLC v. Gonzalez Fin Holding Inc* 77
9 Supp. 584 (S.D. Tx 2015)(“if the foreclosure sale is void, rather than voidable, then it cannot be
10 taken by a bona fide purchaser”).

11 In *Dimock v. Emerald Properties* the California State Court of Appeals ruled that even
12 conclusive presumptions can be overcome by a void deed. 81 Cal.App.4th 868 (Cal. 2000), The
13 Court ruled that the recitals in the deed must specifically state that something has occurred, as
14 “conclusive” in order for the conclusive recitals to render a Deed “voidable” rather than “void.”
15 *Id.* Due to an errant substitution of Trustee in that case, and no specific “conclusive” recitation
16 that the trustee was the proper trustee, the sale was rendered “void” not “voidable”.

17 Here it is undisputed that the Notice of Default was never served on U.S. Bank, the
18 beneficiary under the Deed of Trust. (Ex. 16 p. 23). The proper procedures were not followed.
19 This sale is not voidable, this sale is void.

20 **E. THIS SALE IS VOID UNDER THE UNIFORM FRAUDULENT TRANSFER ACT**

21 Finally, the HOA sale is void as a constructively fraudulent transfer under NRS §112.190(1).
22 In describing why states should adopt fraudulent transfer law the Uniform Law Commission has
23 made the following statement:
24
25

1 “Credit is essential to the economic life of this country. Consumer credits, commercial credit,
2 secured and unsecured credit enter into our lives every day. Credit remains available so long
as those who extend it are given certain assurances about their rights at default¹.”

3 The UFTA , as adopted through NRS Chapter 112, is intended to provide these assurances.
4 NRS §112.190(1) which states in pertinent part that a transfer of an asset of a debtor is voidable if
5 the creditor’s claim arose before the transfer and the debtor received less than reasonably
6 equivalent value at a time when he or she was insolvent and/or became insolvent thereafter. The
7 Nevada Supreme Court has stated that the underlying policy behind the UFTA is to “preserve the
8 debtor’s assets for the benefit of creditors.” *Herup v. First Boston Fin., LLC* 123 Nev. 228 at FN
9 15 (2007)². A claim under NRS §112.190(1) is very straight forward. It does not require proof of
10 intent to defraud and all a creditor must prove is that (1) their claim arose before the transfer, (2)
11 there was a lack of reasonably equivalent value in the exchange, and (3) the debtor was insolvent
12 at the time of making the transfer or became insolvent afterwards. *Sportsco Enters v. Morris* 112
13 Nev. 625, 631(1996).

14 As outlined in greater depth below, U.S. Bank can prove all of the elements of a
15 constructively fraudulent transfer under NRS §112.190(1). Per NRS §112.210(1)(a), this Court
16 must order this transfer avoided to the extent necessary to satisfy U.S. Bank ’s claim.

17 **1. The HOA Foreclosure was a Covered Transfer under the Act**

18 Under the UFTA any transfer which greatly reduces the value of assets available to
19 creditors is considered a covered transfer under the act. In interpreting the state of Washington’s
20 UFTA, a federal court in Washington has noted that “any transaction that greatly reduces the
21 value of a debtor’s estate may be a transfer.”*Aqua-Chem, Inc v. Marine Sys.* 2014 U.S. Dist.
22 LEXIS (2014). A Florida Bankruptcy Court has echoed this sentiment in that a transfer is to be
23

24 ¹ Available at <http://www.uniformlaws.org/Narrative.aspx?title=Why States Should Adopt UFTA>

25 ² For clarity to the Court, this pleading periodically references Bankruptcy law. In Nevada Bankruptcy law is *in pari material* to the UFTA and therefore it is persuasive and therefore this is proper. *Herup v. First Boston Fin., LLC* 123 Nev. 228 at FN 15 (2007)

1 construed as broadly as possible and that “all technicality and narrowness of meaning is
2 precluded.” *In re Thrift Dutchman, Inc* 97 B.R. 101 (Fl 1988). The Nevada Bankruptcy Court
3 has noted that the term “transfer” is to be construed as broadly as possible as fraudulent transfer
4 law was intended to provide the maximum protection of creditors. *Lehtonen v. Time Warner Inc.*
5 332 B.R. 417 (D.Nev 2005). Additionally, NRS §112.150(12) clarifies what is considered a
6 transfer and specifically states that transfer means “every mode” and goes on to state that
7 involuntary disposition or parting with an asset, such as a foreclosure, is considered a transfer³.

8 Finally, to take away any question on this to the contrary, Official Comment 12 to Section
9 1 of the Uniform Act which discusses the meaning of “transfer” refers to no less than four (4)
10 cases, all of which involve execution and foreclosure sales and states that are covered under the
11 act. *Uniform Fraudulent Transfer Act* Section 1 Official Comment 12 citing *Hearn 45 St. Corp. v.*
12 *Jano*, 283 N.Y. 139, 27 N.E.2d 814, 128 A.L.R. 1285 (1940) (execution and foreclosure sales);
13 *Lefkowitz v. Finkelstein Trading Corp.*, 14 F.Supp. 898, 899 (S.D.N.Y. 1936) (execution sale);
14 *Langan v. First Trust & Deposit Co.*, 277 App.Div. 1090, 101 N.Y.S.2d 36 (4th Dept. 1950), aff’d,
15 302 N.Y. 932, 100 N.E.2d 189 (1951) (mortgage foreclosure); *Catabene v. Wallner*, 16 N.J.Super.
16 597, 602, 85 A.2d 300, 302 (1951) (mortgage foreclosure).

17 The statute is clear on its face that every mode, including the involuntary disposition of an
18 asset and specifically a foreclosure sale, is subject to the UFTA. There can be no argument that
19 this is not a transfer. The HOA foreclosed on January 25, 2012 (Ex. 10); yet the Deed of Trust
20 which U.S. Bank claims their rights has encumbered the property since 2009 (Ex. 2). The first
21 Lien Notice did was not issued until 2010.(Ex. 5) All of this demonstrates that the Deed of Trust
22 predated the HOA’s lien and/ or foreclosure rights.

23
24
25 ³ “Transfer” means **every mode**, direct or indirect, absolute or conditional, voluntary or **involuntary**, of disposing of
or parting with an asset or an interest in an asset, and includes payment of money, release, lease and creation of a lien
or other encumbrance.” NRS §112.150(12) (Emphasis Added).

1 **2. An HOA foreclosure does not provide reasonably equivalent value in Nevada.**

2 The UFTA actually specifically contemplates voiding foreclosures. True to this point NRS
3 §112.170 exempts certain foreclosures from the act, yet **does not** exempt the HOA foreclosure.

4 NRS §112.170 states in pertinent part that:

5 “a person gives a reasonably equivalent value if the person acquires an interest of the
6 debtor in an asset pursuant to a regularly conducted, noncollusive foreclosure sale or
7 execution of a power of sale for the acquisition or disposition of the interest of the debtor
8 upon default **under a mortgage, deed of trust or security agreement.**”

9 The Nevada UFTA expressly delineates between a lien created by agreement and a
10 statutory lien. NRS §112.150(8). Yet the term “statutory lien” is nowhere to be found in NRS
11 §112.170(2). The HOA super-priority lien is clearly a statutory lien in direct derogation to the
12 common law.

13 When construing a statute Courts must first inquire whether an ambiguity exists in the
14 language of the statute. *State v. Quinn* 117 Nev. 709, 718 (2001). If the words of the statute have a
15 definite and ordinary meaning, Courts should not look beyond the plain language of the statute
16 unless it is clear that the meaning was not intended. *Id.* On this analysis, the language in NRS
17 Chapter 112 is plain on its face that a statutory HOA lien is not included as receiving reasonably
18 equivalent value under state law. This places the HOA lien outside of the purview and protections
19 of NRS §112.170

20 The Nevada Supreme Court has additionally noted that when a statute, such as NRS §112.170
21 includes a list of items to be included, the anything not included on the list is to be expressly
22 excluded. *Galloway v. Truesdell* 83 Nev. 13 (1967)(the maxim *Expressio Unius Est Exclusio*
23 *Alterius* states the expression of one thing leads to the exclusion of other) *see also SFR Invs. Pool*
24 *I, LLC v. U.S. Bank N.A.* 334 P.3d 408 (Nev. 2014)(stating that under the maxim *Expressio*
25 *Unius Est Exclusio Alterius* the only enumerated restriction in NRS 116 on an HOA foreclosure
was institution of a foreclosure mediation and that therefore this excluded the requirement for a

1 judicial foreclosure). The term statutory lien and/ or HOA lien is not included in NRS §112.170.
2 Under *Truesdell* this draws a negative inference that an HOA foreclosure was never intended to
3 be included under the protections of NRS §112.170.

4 NRS §112.170 does not say “HOA foreclosure” or “foreclosure under NRS Chapter 116.”
5 Under NRS §112.170 this type of foreclosure is excluded from the statute. The legislature is
6 presumed to be aware of every single provision of law when they draft a statute. Even when NRS
7 §112.220 was revised by legislature in 1999, after the enactment of NRS §116.3116 *et seq*, in the
8 adoption of an updated Uniform Commercial Code, the legislature continued to not exempt the
9 HOA. Both NRS §112.220 as well as NRS §116.3116 were actually amended in 1999, side by
10 side, in Senate Bill 62 as Sections 162 and 163 yet even then the legislature never took the
11 additional step of exempting the HOA foreclosure from NRS Chapter 112 and only exempted the
12 Uniform Commercial Code⁴ specifically and by name and specific reference to the statute. NRS
13 §112.220(5)(b) Moreover, under basic due process principals in this state NRS §116.3116 does
14 not provide a defense to a claim under the UFTA. *Wright v. Cradlebaugh* 3 Nev. 341
15 (1867)(holding that a Statute providing that a deed was “conclusive proof” would violate the
16 Nevada Constitution and therefore cannot be interpreted in that manner). At this juncture this
17 Court should not only presume this was intentional , but the balance of everything leads to the
18 conclusion that this *actually* intentional.

19 **3. Since the HOA foreclosure does not provide statutory reasonably equivalent**
20 **value, Value must Be Assessed from the Creditor’s Perspective at Market Value**

21 To the extent that the Resources attempts to argue that somehow the value of the asset was
22 tainted by a legal and factual scenario instigated by the HOA and their purchasers, this argument
23 will be without merit. Value under NRS Chapter 112 must be analyzed from the creditor’s
24 perspective and at market value.

25 ⁴ Available at <http://www.leg.state.nv.us/Statutes/70th/Stats199903.html#Stats199903page389> (Last Visited November 5, 2015)

1 The underlying policy behind the UFTA is to preserve a debtor's assets for the benefit of
2 creditors. *Herup v. First Boston Fin., LLC* 123 Nev. 228 at FN 15 (2007) In light of this basic
3 public policy behind the act, reasonably equivalent value analysis must be performed from the
4 creditor's perspective of value of the asset, not the Defendants. *Brandt v. nVidia Corp (In re 3dfx*
5 *Interactive, Inc)* 389 B.R. 842 (reasonably equivalent value must be determined from the
6 creditor's, not the debtor's perspective); *Pjara Dunes Rental Agency Inc v. Spitters* 174 B.R. 557,
7 578 (Bankr. N.D. Cal 1994)(same); *Frontier Bank v. Brown* 371 F.3d 1056, 1059(9th Cir
8 2004)(primary focus is on the net effect of the transaction on the debtor's estate and the funds
9 available to pay creditors).

10 U.S. Bank 's expert appraisal states the property was worth \$48,000.00 at the time of the sale.
11 (Ex. 12) The property sold for \$5,331.00 This is not reasonably equivalent value for this asset.

12 **4. The Relevant Transfer Date is the Date the Deed was Recorded.**

13 U.S. Bank had a secured deed of trust at the time of the fraudulent transfer and recorded their
14 Deed of Trust in 2009. As such there can be no argument that U.S. Bank is covered under NRS
15 §112.190(1).

16 In this instant case, the transfer being challenged is not the creation of the HOA lien, but
17 rather the HOA's foreclosure sale of the Property which involuntarily disposed of the Borrower's
18 interest in the property. Numerous courts have held that the relevant transfer date is not the date
19 of the creation of the lien, but the date of the foreclosure sale itself. *CF Realty Trust v. Town of*
20 *Hampstead* 160 B.R. 461 (1993)(rejecting the town's argument that the transfer occurred on the
21 date the town recorded the tax collector's lien and holding that the transfer occurred on the date
22 the deed was recorded because that's the date when the interest of the debtor is transferred); *see*
23 *also Butler v. Lomas & Nettleton Co.*, 862 F.2d 1015 (Bankr. Ct. App. 3rd Cir 1988) (holding that
24 the time of the transfer in determining whether a fraudulent conveyance occurred is the time of
25

1 the sheriff's sale); *In re Brown* 104 B.R. 609 (Bankr. S.D.N.Y. 1989)(a transfer under the
2 fraudulent conveyance statute occurs at the time of the foreclosure sale); *Skagit Valley Publ. Co.*
3 *v. Kajac, Inc* 1997 Wash App. LEXIS 531 (1997) (holding that under the UFTA, the transfer date
4 is the date of the foreclosure sale).

5 Under the case law, as long as U.S. Bank's deed of trust encumbered the property at the time
6 of the transfer, the HOA transfer is subject to the provisions of NRS §112.190(1). Additionally
7 by the plain language of NRS §116.3116 the Association only has a lien when fines, assessment,
8 or construction penalties become due. They do not have a lien and enforceable debt in
9 perpetuity⁵.

10 At the time of the HOA foreclosure in January, 2012; U.S. Bank's Deed of Trust had
11 encumbered the property for 3 years. There is no legitimate argument that U.S. Bank's deed did
12 not encumber the property. Moreover, it does not matter whether or not the HOA recorded their
13 CC&R's "first" under this act. All that does matter is that U.S. Bank's obligation was in
14 existence at the time of the foreclosure. They most definitely were. On this basis, there is no
15 genuine issue of material fact on this point.

16 **5. Mr. Edwards was clearly insolvent.**

17 Under NRS §112.160(2) all U.S. Bank need do it demonstrate that the Homeowner was not
18 paying his debts as they came due. The Official Comments to the Uniform Act state that "the
19 presumption imposes on the party against whom the presumption is direct the burden of proving
20 the nonexistence of insolvency." Additionally the official comment to the act indicates that
21 HSBC would not need to prove nonpayment on a majority of debts in order to prove general
22 nonpayment. Finally, if a creditor can prove that the sum of a debtor's debt is greater than their
23 assets at fair valuation then the Debtor is considered insolvent. NRS §112.160(1).

24 _____
25 ⁵ The association has a lien on a unit for any construction penalty that is imposed against the unit's owner pursuant to
NRS 116.310305, any assessment levied against that unit or any fines imposed against the unit's owner **from the**
time the construction penalty, assessment or fine becomes due. NRS §116.3116(1)(Emphasis Added).

1 U.S. Bank was attempting to foreclose on the Subject Property. The HOA was attempting to
2 foreclose on the Subject Property. On this basis Mr. Edwards was not paying his debts as they
3 came due.

4 **F. IF THIS SALE IS CONFIRMED, THEN IT VIOLATES THE 8TH AMENDMENT**

5 Failing to pay 9 months worth of assessments is simply *not* some kind of capital offense.
6 Even on the face of the allegations of the complaint Wilmington did not pay 9 months worth of
7 assessments and now they have lost a house. Under the analysis proffered in *BMW* NRS
8 §116.3116 *et seq* simply cannot survive rationale basis review. But for the word “tortfeasor” this
9 case would be on all fours with *BMW*. This is the due process violation which Wilmington has
10 been alluding to.

11 *BMW* stands for the proposition that we cannot arbitrarily punish people outside of the realm
12 of reasonableness. *BMW of N. Am. V. Gore* 517 U.S. 559 (1996). The *BMW* Court analyzed
13 three things (1) the degree of Reprehensibility, (2) the ratio of the punishment to the harm
14 inflicted, and (3) Sanctions for Comparable Misconduct. *Id.* All three of these elements favor
15 throwing out NRS §116.3116 *et seq* as arbitrary and not due process of law.
16

17 **1. Under Property Tax Law, this Transgression is Not Reprehensible and**
18 **the Sanction for Comparable Misconduct are Not this Dire**

19 In this instance, the degree of reprehensibility for not paying 9 months worth of assessments is
20 nonexistent. There is no statute in existence with requirements someone to lose *a house* for
21 failure to pay 9 months worth of HOA dues. The amount of the harm inflicted when compared to
22 the punishment is grossly excessive. Wilmington lost 97% of the value in the property over a
23 nominal lien. Under property tax law in Nevada the non payment of super priority liens is not as
24 egregious. NRS §361.5648 *et seq* provides for a **two year** right of redemption for the
25 nonpayment of property taxes *after* the sale and even thereafter the property own has even more
time to redeem for two (2) year after a Quit Claim is executed. NRS §361.600. The sanctions for

1 comparable misconduct simply do not exist. If Wilmington fails to pay the lien, then they can
2 redeem under any set of circumstances in Nevada. This is not the case at an HOA sale if this sale
3 is confirmed.

4 **2. NRS §116.3116 *et seq* is an excessive Punishment**

5 Typically the 8th Amendment is understood as a limitation on the government's power to
6 punish for action, be they either civil or criminal. *Austin v. United States* 509 U.S. 602,609
7 (1993). The bedrock principal of the 8th Amendment analysis is therefore whether or not the
8 offending provision is either remedial and/ or some form of punishment. *Id.* Yet NRS §116.3116*et*
9 *seq* is only concerned with seeing 9, or in some cases 6, months of assessments paid
10 for "amenities" for the homeowner. Therefore to the best of this writer's estimation, the
11 "remedial" portion of NRS §116.3116 *et seq* would be the payment of the 9 months' worth of
12 assessments plus the collection costs arguably. Yet compare the official comments to the act and
13 the remainder of this "wipe out" and this smacks of a punitive purpose. Under *Austin* this is
14 punitive in nature. Moreover, but for the Nevada legislature and the uniform act, the HOA simply
15 would not have been able to execute this transaction.

16 The Supreme Court has time and time against "single digit multipliers are more likely to
17 comport with due process, while still achieving the State's goals of deterrence and retribution."
18 *State Farm Mut. Auto Ins. Co. v. Campbell* 538 U.S. 408, 425 (2003) Also, simply because
19 Wilmington has the ability to pay for assessments of the Homeowners Associations for their
20 amenities should have no bearing on whether or not due process is satisfied in this scenario. *Id.* at
21 427 ("The wealth of a defendant cannot justify an otherwise unconstitutional punitive damages
22 award."). In *Campbell*, and *BMW* these cases involved one private entity receiving monetary
23 compensation from another private entity. *BMW of N. Am. V. Gore* 517 U.S. 559 (1996) (punitive
24 damages against *private* car manufacturer by *private* citizen involving private purchase
25 transaction found unconstitutional); *State Farm Mut. Auto Ins Co. v. Campbell* 538 U.S. 408

(2003) (punitive damages from breach of covenant of good faith and fair dealings action between private insurance company and private citizen found unconstitutional as excessive).

Make no mistake what the model code, the Uniform Common Interest Ownership Act, says:

“To ensure prompt and efficient enforcement of the association's lien for unpaid assessments, such liens should enjoy statutory priority over most other liens. Accordingly, subsection (b) provides that the association's lien takes priority over all other liens and encumbrances except those recorded prior to the recordation of the declaration, those imposed for real estate taxes or other governmental assessments or charges against the unit, and first security interests recorded before the date the assessment became delinquent. However, as to prior first security interests the association's lien does have priority for 6 months' assessments based on the periodic budget. A significant departure from existing practice, the 6 months' priority for the assessment lien strikes an equitable balance between the need to enforce collection of unpaid assessments and the obvious necessity for protecting the priority of the security interests of lenders. **As a practical matter, secured lenders will most likely pay the 6 months' assessments demanded by the association rather than having the association foreclose on the unit.**”

This a colorful way of sanctioning legal strong arming with a punishment well in excess of reasonableness. The essence of this is frankly stunning and this “significant departure” is actually a significant departure from almost every tenant of self determination and free market economy contractual principles ever acknowledged in our society complete with a punishment which in this case was 13 times the amount of the transgression. A third party is expected to pay for a pool and for amenities. Black’s law dictionary defines “amenity” as things that contribute to “the pleasure and enjoyment of the occupants” and includes examples such as pools, landscaping, and tennis courts. *Black’s Law Dictionary* 81 (6th Ed. 1990). If they do not, based on a minuscule 9 months worth of assessments they are punished and in this case Wilmington was punished well in excess of reason. Moreover, they don’t even have a right to get it back through an analogous tax sale redemption. NRS §116.31166. It is completely unclear to this writer how the need to have “pools, landscaping, and tennis court” is somehow more pressing and necessary than the need to run a municipal government. The *Government* does not have the breadth of powers that the

1 homeowners association does under the statute. The state of Nevada, the City of Las Vegas,
2 Clark County: none of these entities can take property in this fashion. This makes little sense.

3 **G. THE STATUTES VIOLATE THE TAKINGS CLAUSES OF THE UNITED**
4 **STATES AND NEVADA CONSTITUTIONS**

5 Private property rights are an important part of our society. The Fifth Amendment to the
6 United States Constitution prohibits “private property be[ing] taken for public use without just
7 compensation.” U.S. Const. amend V.; *Chicago B& QR Co. v. Chicago* 166 U.S. 226, 228-29
8 (1897). The Nevada Constitution uses almost identical language and provides that “[p]rivate
9 property shall not be taken for public use without just compensation having first made.” Nev.
10 Const. art I Section 8. It is well known that in Nevada, the Takings Clause of our state
11 constitution is more protective of property rights than is that in the United States Constitution.
12 *McCarran Int’l Airport v. Sisolak* 122 Nev. 645, 670 (2006)

13 The Statute, enact by the Nevada Legislature, constitutes a government “taking.” In
14 *Armstrong v. United States*, materialmen delivered materials to a contractor for use in the
15 construction of naval vessels and obtained lien in the vessels under state law. 364 U.S. 40, 48
16 (1960). The Court held that the government committed a taking when it took title to and
17 possession of the vessels, because that made it impossible for the materialmen to enforce their
18 liens. The Supreme Court explained that the “total destruction by the Government of all value of
19 these liens, which constitute compensable property, has every possible element of a Fifth
20 amendment ‘taking’...” *Id* In other words, the lien holders had compensable property, but
21 “[i]mmmediately afterwards they had none.” *Id.*”This was not because their property vanished into
22 thin air” but rather because the value of the liens had been destroyed. *Id.*Just like the liens in
23 *Armstrong*, the value of Defendants’ liens has been destroyed, constituting an impermissible
24 taking.
25

1 Additionally, the government need not be directly involved in order for the action to be
2 considered a government taking. A “taking analysis is not necessarily limited to outright
3 acquisitions by the government for itself.” *United State v. Sec. Indus Bank* 459 U.S. 70, 77-78
4 (1982)(citing *Loretto v. Teleprompter Manhattan CATV Corp.* 458 U.S. 419 (1982). By simply
5 imposing a general economic regulation which in effect transfer the property interest from a
6 private creditor to a private debtor constitutes a government taking. *Sec. Indus Bank* 459 U.S. at
7 78.

8 Make no mistake, NRS §116.3116 *et seq* is government conduct. This statute purports to
9 extinguish U.S. Bank’s secured property interest without just compensation. Moreover the taking
10 is purportedly for public use. Once the Nevada legislature granted a super priority lien over a first
11 recorded deed of trust, they immediately favored a public policy in support of the HOA and the
12 maintenance of HOAs- all at the expense of lenders. In light of *SFR v. U.S. Bank*, the value of the
13 lender’s lien is extinguished for the purported public benefit the HOA. Such legislative action
14 constitutes a governmental taking in violation of both the state and federal Constitutions. In such
15 circumstances, the foreclosure sale should be set aside as unconstitutional and this Court should
16 dismiss this complaint on this basis.

17 **V. CONCLUSION**

18 For the foregoing reasons, this sale should either be declared void and/ or subject to U.S.
19 Bank’s deed of trust.

20 DATED: January 3, 2017

21
22 McCarthy & Holthus, LLP

23 By: /s/ Thomas N. Beckom Esq
24 Thomas N. Beckom, Esq
25

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6
7
8 SUPREME COURT
9 STATE OF NEVADA

10 RESOURCES GROUP, LLC, a Nevada
11 Limited Liability Company,

CASE NO.: 84992

12 Appellant,

13 vs.

14 U.S. BANK NATIONAL
ASSOCIATION, ND, a national
15 association,

16 Respondent.

17
18 **JOINT APPENDIX VOLUME 3 PART 2**

19
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22 Attorney for Defendant/Appellant

EXHIBIT 1

GEORGE H. BOWMAN
4254 ROCK LUNSTONE DR
LAS VEGAS NV
89105-6000

U.S. Bank National Association ND

Borrower's Name and Address
"You" means each borrower above, jointly and severally.

Lender's Name
"We" or "us" means the lender named above.

Account #		Draw Period	15 years	Maturity Date	03/02/2034
Date	03/03/2009	Repayment Period	10 years	Billing Cycle	monthly
Trans. Acct. #				Payment Date	2nd
Line of Credit \$	50,000.00			of every	month

U.S. BANK EQUILINE AGREEMENT

GENERALLY: This is an agreement about your home equity line of credit. Many of the terms we use in this agreement have special meanings. The term "Loan Account Balance" means the sum of the unpaid principal of loans made under this plan, plus unpaid but earned finance charges, plus any credit insurance premiums that are due. "Transaction Account" means a deposit account you carry with U.S. Bank, N.A. The number of this account is listed near the top of the form on the line labeled "Trans. Acct. #." "Line of Credit" means the maximum amount of principal we will ordinarily allow you to owe us under this plan at any time.

In addition, we will use the following terms for this home equity plan: "Draw Period" is the time during the plan that you may request advances and will make payments on your loan account balance. The "Repayment Period" is the time during the plan that you must repay your loan account balance but cannot get further advances. Except where otherwise indicated, the disclosures contained in this agreement apply to both the draw and repayment periods.

If any term of this agreement violates any law or for some other reason is not enforceable, that term will not be part of this agreement.

TAX DEDUCTIBILITY: We make home equity "EQUILINE" loans where the line of credit ceiling can be (when combined with other loans) up to 100% of the value of the property. We want to make sure you are aware that interest may not be deductible to the extent (for that portion of your indebtedness) that the residence does not adequately secure the loan. This is true when (and to the extent) total loans on the property exceed its fair market value. You should consult a tax advisor regarding the deductibility of interest and charges under this home equity plan.

REQUESTING A LOAN: You request a loan under this plan whenever you:

- Write a check using one of the special checks you have for that purpose.
- Use the VISA® credit card we supply you to make purchases or receive cash loan advances.
- You may also choose to attach this Line of Credit to your Transaction Account with our affiliate U.S. Bank, N.A. If you "overdraw" the Transaction Account, by any method allowed for withdrawal from that account, you will get an advance on this Line of Credit, up to your credit limit. (If you attach this Line of Credit to your Transaction Account, when you "overdraw" the deposit account and an advance can be made from your Line of Credit, you will not be charged an overdraft charge on your Transaction Account if you have not thereby exceeded your credit limit under this plan. If you elect this feature, then the Transaction Account to which this Line of Credit is attached will be listed above on the line labeled "Trans. Acct. #.")

However, we will not ordinarily grant any request for a loan which would cause the unpaid principal of your loan account balance to be greater than the Line of Credit listed in this agreement. We may, at our option, grant such a request without obligating ourselves to do so in the future.

TRANSACTION LIMITATIONS: There are a few "indirect" limitations on the transactions you can make to this account. These are not limitations on this account, but limitations that are part of an access method. For example, if you attach this account to your transaction account (overdraft protection) and if you have an ATM card or debit card that can access that transaction account, then the electronic funds transfer limitations that are part of your ATM or debit card are "indirect" limits on the number and dollar amount of your access to this account per day by those methods. These are not really limits on the amount or number of advances you can get from this account, but are limits inherent in ATM and debit card transactions. Also, if you attach this account to your deposit account, then advances from this account arising from "overdrafts" will occur, once a day, in multiples of \$100.

FIXED RATE OPTION: At any time during the Draw Period you may convert the interest rate and repayment schedule, for up to the amount of the then outstanding credit line balance (not including any previously locked principal balance), subject to the following conditions:

- The Fixed Rate Option period will be for a term that you select, with a maximum term of (a) 20 years or (b) the then remaining term of the draw and repayment period, whichever is less.
 - The term cannot be less than 12 months.
 - The minimum amount is \$2,000.
 - You can have no more than 3 Fixed Rate Options in effect at any one time. The fee for each will be \$50.
 - The unpaid principal balance is part of your maximum credit limit, and a principal portion of each payment amount will replenish your credit limit as of the date a payment is posted.
 - You cannot add an amount to a Fixed Rate Option after it is established; each is a separate event.
- Rate. The fixed simple interest rate will be determined by reference to The Wall Street Journal Prime Rate in effect on the date of the Fixed Rate Option plus (or minus) a margin. A new margin is established for the Fixed Rate Option; this margin is not the same as the one used for the variable rate portion of your Line of Credit. You can call us to learn our current rates for Fixed Rate Options. Payment. You have two choices of payment for Fixed Rate Option:

A) Interest-Only payment amounts where each Fixed Rate Option will have its own payment amount equal to the amount of the accrued finance charges outstanding on the last day of the billing cycle. The term is at the discretion of the bank and may be less than 20 years. Under this payment choice the outstanding principal balance of the Fixed Rate Option will not be reduced and the entire principal balance will revert back to the variable portion of the line at the end of the Fixed Rate Option term and be subject to terms and conditions listed in this agreement.

B) Fixed payment amounts where each Fixed Rate Option will have its own payment amount, determined by applying the rate to the amount of the Fixed Rate Option for the term of the Option, and producing equal monthly payments of principal and interest over the term of the Fixed Rate Option.

Minimum Payment. Your minimum payment each month will be determined by adding the scheduled Fixed Rate Option payment(s) to the minimum payment amount determined under the "HOW YOU REPAY YOUR LOAN" section of this agreement with respect to the revolving portion of your outstanding balance. You may repay the amount in whole or in part, but any prepayment will not excuse any later scheduled Fixed Rate Option payment until it is paid in full.

Method. You can establish a Fixed Rate Option by contacting us. A full disclosure of all terms will be provided to you at the time the Fixed Rate Option is established.

HOW FINANCE CHARGES ARE COMPUTED: To calculate the actual daily balance, take the loan account balance at the beginning of the day and subtract any accrued but unpaid finance charges and insurance premiums (if any). Next, add all new loans posted to the account that day and subtract the portion of any payments or credits received that day which apply to the repayment of the loans.

The average daily balance is determined by taking the sum of all the actual daily balances divided by the number of days in the billing cycle.

Finance charges will begin to accrue immediately when a loan is advanced. To calculate the finance charge for a billing cycle, multiply the daily periodic rate of finance charge to the average daily balance of the loan account times the number of days in the billing cycle.

If the daily periodic rate varies during the billing cycle, the finance charge will be calculated by applying each daily periodic rate of finance charge to the average daily balance of the loan account times the number of days the rate was in effect. The sum of these products is the finance charge.

INITIAL RATE: The initial daily periodic rate of **FINANCE CHARGE** is .01301 % which corresponds to an **ANNUAL PERCENTAGE RATE** of 4.75000 %. The annual percentage rate includes interest and not other costs.

Disclosures: The disclosures of initial daily periodic rate of **FINANCE CHARGE** and **ANNUAL PERCENTAGE RATE** in the previous paragraph, and in the next paragraph (if it is checked and completed) are based on rates and conditions as of 3/03/2009

☐ The **INITIAL RATE** above will remain fixed until _____ Beginning on that day, the daily rate and the corresponding annual percentage rate will be the sum of the index and margin, and can change as provided below in the paragraph titled **VARIABLE RATE**. After that day the rates will be subject to further adjustments and limitations, and produce the effects described below.

This initial rate represents a discount from the rate that will apply. If this discount were not in effect, then the daily periodic rate of

FINANCE CHARGE would have been _____ %, which would correspond to an **ANNUAL PERCENTAGE RATE** of _____ %.

VARIABLE RATE: The annual percentage rate may change, and will be 1.500 ABOVE _____ (This amount is known as the "margin.") the following "base rate": the highest rate on corporate loans at large U.S. money center commercial banks that The Wall Street Journal publishes as the Prime Rate.

If this base rate increases (after any fixed initial rate period, if so provided), the annual percentage rate will increase. An increase will take effect on the day the base rate changes. An increase in the base rate, and an increase in the rate caused by the loss of a preferential rate (such as that made to a customer who arranges for electronic payments) will result in an increase in the finance charge and may have the effect of increasing your minimum monthly payment amount (depending on the payment option you chose and the amount of the increase). A decrease in the base rate will have the opposite effect on your required minimum monthly payment.

The annual percentage rate will not increase more often than once a day. A decrease will have the opposite effect of an increase disclosed above.

The "annual percentage rate" referred to in this section is the annual rate which corresponds to the periodic rate applied to the balance as described above. This corresponding **ANNUAL PERCENTAGE RATE** will never exceed 25%. The annual percentage rate will also never exceed the highest allowable rate for this type of agreement as determined by applicable state or federal law.

The **ANNUAL PERCENTAGE RATE** will never decrease below 3.99 %.

☐ **TERMS:** If checked, terms provided reflect an adjustment to the lowest annual percentage rate available for this loan product. This adjustment reflects a higher rate of interest or finance charge due to information contained in a consumer credit report. We obtained this report from, and you may obtain a free copy of it by contacting:

REPORTS TO CREDIT BUREAUS: We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

HOW YOU REPAY YOUR LOANS - DRAW PERIOD: In addition to the payment due under your fixed rate option, if any, on or before your payment date during the Draw Period, you agree to make a minimum payment. The minimum payment is:

- (a) ☒ the accrued finance charges and credit insurance premiums (if any) on the last day of the billing cycle.
- (b) ☐ 1% of your account's principal outstanding balance and credit insurance premiums (if any) on the last day of the billing cycle, or \$50.00, or the accrued finance charges and credit insurance premiums (if any), whichever is greater.
- (c) ☐ 2% of your account's principal outstanding balance and credit insurance premiums (if any) on the last day of the billing cycle, or \$50.00, or the accrued finance charges and credit insurance premiums (if any), whichever is greater.

If the interest accrued and credit insurance premiums (if any) on the last day of the billing cycle is greater than your selected payment, you will be billed (or have automatically withdrawn) the greater amount.

All payments due under this agreement will have the same due date.

PRINCIPAL REDUCTION: Under option (a) above, during the Draw Period the minimum payment on the revolving portion of the loan will not reduce the principal outstanding on your line. Under both options (b) and (c), during the Draw Period the minimum payment may not fully repay the principal that is outstanding on your line.

HOW YOU REPAY YOUR LOANS - REPAYMENT PERIOD: In addition to the payment due under your fixed rate option, if any, on or before each payment date during the repayment period, you agree to make a minimum payment to reduce your debt. The minimum payment amount is the greater of \$100.00, or the amount of the accrued finance charges plus 0.83233% of the principal loan balance on the last day of the Draw Period.

ADDITIONAL REPAYMENT TERMS: If your loan account balance on a payment date is less than the minimum payment amount, you must pay only the loan account balance.

You can pay off all or part of what you owe at any time. However, so long as you owe any amount you must continue to make your periodic minimum payment.

The amounts you pay will be applied first to credit insurance premiums that are due (if any), then to any finance charges that are due, then to principal, and finally to any other charges that you owe. If the minimum payment amount is not met, the payment will be applied equally to any principal owed on the locked loan(s) and to the line of Credit.

FINAL PAYMENT: At the end of the repayment period listed in this agreement, you must pay the amount of any remaining loan account balance outstanding. The minimum payments may not be sufficient to fully repay the principal that is outstanding on your line. If they are not, you will be required to pay the entire outstanding balance in a single balloon payment.

We are not obligated to refinance your loan at that time, but will consider your request to do so. If you refinance this account at maturity, you may have to pay some or all of the closing costs normally associated with a new loan even if you obtain financing from us.

NEGATIVE AMORTIZATION: In the event that the minimum payment (described in this agreement) does not equal or exceed the amount of any credit insurance premiums and accrued finance charges, the unpaid portion will be carried over to subsequent billing periods and payments made for those periods will first be applied to the carryover amount, then to the current billing cycle fees, charges and principal. This is called negative amortization. Negative amortization will increase the amount you owe us and reduce the equity in your home.

AUTOMATIC WITHDRAWAL: You authorize us to automatically withdraw your payment from your Transaction Account on each payment date. If your loan account balance is less than the minimum payment amount, we will withdraw only the amount necessary to reduce your loan account balance to zero. If you choose automatic payments, the payments may end because there is not enough money in the deposit account to cover the minimum payment. They may also end if the account is closed, or if you cancel the automatic payments.

You ☐ do ☒ do not want Automatic Withdrawal.

Account number for automatic payment:

X _____
Signature

X _____
Signature

FIVE STAR PERSONAL BANKING PACKAGE PREFERRED RATE: A preferred interest rate and annual percentage rate is available if you have a Five Star Personal Banking Package with a U.S. Bank checking account. If you terminate all or part of the package, or no longer qualify for the package, your interest rate and annual percentage rate will be increased within 30 days if eligibility is not restored. This increase will be in the amount of 0.25% if you close the U.S. Bank Checking account and 0.25% if you terminate the U.S. Bank Five Star Package. (Your "margin" that is, the amount added to the base rate to get to your interest rate, will be increased by this amount if you lose this preference).

SECURITY: We have secured your obligations under this plan by taking a security interest (by way of a separate security agreement, mortgage or other instrument) in the following property, described by item or type:

4254 ROLLINGSTONE DR

LAS VEGAS, NV 89103

Collateral securing other loans you may have with us may also secure this loan.

Property insurance is required. You may buy property insurance from anyone you want who is acceptable to us. You are not required to purchase insurance from us (the Bank), or any affiliated insurance agency. Insurance is available through other agents and your choice of insurance provider will not affect our (the Bank's) credit decision or any credit terms in any way.

ASSUMPTION: Someone buying your house cannot assume the remainder of the mortgage on the original terms.

CREDIT INSURANCE: Credit life, credit accident and sickness (disability) insurance coverage quoted below, are not required to obtain credit and we will not provide them unless you sign and agree to pay the additional premium. If you want such insurance, we will obtain it for you (if you qualify for coverage). Your signature(s) below means you want the coverage(s) signed for, and ONLY those coverage(s). The rates (per \$100) listed below are applied to the outstanding balance of your credit line plus any outstanding locked balance to determine the premium you owe for one billing cycle.

CREDIT LIFE:

☐ Single: Premium: \$ _____ Birthdate _____
Insured: _____

X _____ Date _____

☐ Joint: Premium: \$ _____ Birthdate _____
1st Insured: _____

X _____ Date _____

2nd Insured: _____ Birthdate _____

X _____ Date _____

CREDIT DISABILITY:

☐ Single: Premium: \$ _____ Birthdate _____
Insured: _____

X _____ Date _____

NONE: YOU do NOT desire credit insurance of any kind on this account.
(All borrowers/debtors sign below)

X Barney Redwood 3/3/09

X _____ Date _____

SECURITY INTEREST IN DEPOSIT ACCOUNTS AT U.S. BANK, N.A.

Governing law: For purposes of this security interest, we agree that the law of the state of North Dakota will control as to the creation, perfection, and effect of perfection of the interest granted in this paragraph. (Technically speaking, we are agreeing that North Dakota is your jurisdiction, as provided in N.D. Stat. § 41-9-24.)

Grant: You grant to us a security interest in any and all deposit accounts (demand, time, savings, passbook, and specifically including but not limited to any certificated time accounts) you currently have or hereafter create with U.S. Bank, N.A. (our affiliate).

Exception: This grant does not apply to accounts that constitute a part of any qualified retirement plan (such as an Individual Retirement Account), any retail repurchase agreement, or any account where your only right is clearly and solely in a representative capacity.

Secures: This security interest secures the payment of this debt and any other debt you may owe us, now or hereafter.

Usages: You give us the right to direct the U.S. Bank, N.A. to restrict or prohibit further withdrawals from your accounts, and to comply with our instructions directing disposition of funds in your accounts, including but not limited to, the right to apply such funds toward payment of the secured debts. While we have the right to do this at any time, and without notice, it is our present intention to exercise these rights only in the event of your default on this or any other secured obligation, and to provide notice to you.

U.S. Bank, N.A. agrees to comply with our instructions for disposition of funds in your accounts without first obtaining your consent (other than the consent contained and expressed in this agreement).

You understand that U.S. Bank, N.A. is our affiliate.

Setoff: You also acknowledge that U.S. Bank, N.A. has a right of setoff in the event you owe money to U.S. Bank, N.A. This right of setoff, in the event of a conflict with the security interest granted here, will be subordinate to this security interest.

Priority: The residence that secures this loan is the primary security. The security interest granted herein (in deposit accounts) will be superior to only in the event of a deficiency in the equity of the residence.

CHARGES OTHER THAN YOUR PERIODIC FINANCE CHARGES ("OTHER CHARGES"): You agree to pay the following additional charges:

• **Annual Fee:** A non-refundable annual fee of \$ 50.00. For plans with an annual fee, we waive this fee for the first year of a plan and we charge the fee to the account on the first anniversary of the plan and each year thereafter, including the repayment period.

• **Prepayment Penalty:** A prepayment penalty of 1% of the Line of Credit (with a minimum of \$250 and a maximum of \$500) if you prepay in full and close this Line of Credit within 3 years from today's date.

• **Cash Advance Fee:** 2% of each cash advance using a VISA Gold Card issued on this account. The minimum fee for each advance is \$1.50. The maximum is \$10.00.

• **Late Charge:** If any payment is not made within 5 days after its due date, you agree to pay a late payment fee of \$29.00.

• **Stop Payment:** If you issue a stop payment order on any check written against the Account, you will pay us a fee of \$25.00.

• **Returned Payment:** If you pay us with a check or an ACH payment which is returned to us unpaid by the payor, you agree to pay us a returned check fee of \$26.00.

• **Overline Fee:** If you borrow an amount against the Account in excess of your Line of Credit, you agree to pay us an Overline fee of \$25.00. This fee will apply each day we pay an advance and you are over your credit line at the end of that day.

• **Returned Advance Request:** If we return any checks that would, if paid, cause you to exceed your Line of Credit, you agree to pay us a Returned Advance Request fee of \$25.00 per check.

Points	\$ _____
Origination Fee	\$ _____
Appraisal	\$ _____
Official Fees	\$ _____
Title Insurance	\$ _____
Title Search	\$ _____
Flood Zone Search	\$ _____
Broker Fee	\$ _____
Document Preparation Fee	\$ _____
Title Service Fee	\$ _____
	\$ _____
	\$ _____
	\$ _____

COSTS OF COLLECTION: You agree to pay the costs we incur to collect this debt and realize on any collateral in the event of your default.

In the event of your bankruptcy, and without regard to your state of residence, these costs will include your reasonable attorney's fees for an attorney who is not our selected employee in the bankruptcy proceedings.

The following additional fees and issues will depend on whether we have to collect this loan in a listed state:

In Alabama if the unpaid balance is more than \$300, these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee) if it is necessary to bring suit, up to 15% of the amount due and payable under this note.

In Arizona, California, Illinois, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Montana, Nevada, New Mexico, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, and Washington these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee).

In Arkansas these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee) not to exceed 10% of the amount of principal and accrued interest.

In Colorado, North Carolina, and South Carolina these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee) not to exceed 15% of the unpaid debt after default.

In Delaware, these costs will include costs of alternative dispute resolution, or other collection costs actually incurred by us should you be in default, including reasonable attorney's fees when the attorney is not a regularly salaried employee of ours, and including fees and charges of collection agencies.

In Florida these costs will include reasonable attorney's fees that we incur in legal proceedings to collect or enforce this debt should you be in default.

In Georgia, these costs include attorney's fees of 15% of the principal and interest then owed. You waive and renounce any exemption you may be entitled to under Georgia law as to any property that secures this debt. You assign any such exemption to us.

In Idaho these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee). This provision for attorney's fees does not apply if this loan is a consumer loan with a principal amount of \$1,000.00 or less.

In Indiana, these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee); and in any collection efforts, you waive any relief you might be entitled to from evaluation and appraisal.

In Iowa, if the credit limit is greater than \$25,000 then these costs include our reasonable attorney's fees to collect this note, including such fees on appeal.

In Louisiana, these costs include our reasonable attorney's fees not to exceed 25% of the unpaid debt after default and referral to an attorney for collection.

In Maine, Nebraska, North Dakota, Ohio and West Virginia these costs will not include attorney's fees.

In Kansas these costs will include our reasonable attorney's fees or collection agency fees, up to 15% of the unpaid amount due and payable under this note. We are entitled to the collection of attorneys' fees or collection agency fees, but not both. This provision is applicable only if collection is handled by someone other than a salaried employee of ours.

In Missouri these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee) if it is necessary to bring suit up to 15% of the amount due and payable under this note.

In New Hampshire, this includes our reasonable attorneys' fees. If you successfully assert a partial defense or set-off, recoupment or counterclaim to an action we bring, the court may reduce the amount of attorneys' fees that we may recover from you. If you prevail in an action or defense against us, you may recover the amount of your reasonable attorney's fees.

In Oklahoma these costs will include our reasonable attorney's fees (for an attorney who is not our salaried employee) not to exceed 15% of the unpaid debt after default; this provision for attorney's fee does not apply to certain supervised loans as provided in Okla. Statutes 14A § 3-514.

In any state or event do we intend to claim or collect attorney's fees in circumstances when we are not entitled to do so.

CHANGING THE TERMS OF THIS AGREEMENT: Generally, we may not change the terms of this agreement. However, we may change the terms in the following circumstances:

• If this is a variable rate plan, we may change the index and margin if the original index described in this agreement becomes unavailable. Any new index will have a historical movement similar to the original, and, together with a new margin, will produce a similar interest rate.

• We may make changes that you have agreed to in writing.

• We may make changes that unequivocally benefit you.

If we are required to send notice of a change in terms, we will send the notice to your address listed in this agreement. (You should inform us of any change in address.)

DEFAULT: You will be in default on this agreement if any of the following occur:

(1) You engage in fraud or material misrepresentation, by your actions or failure to act, in connection with any phase of this home equity Line of Credit (except in Iowa, Missouri, and Kansas; though such fraud may cause or contribute to a default under paragraph 3 of this section);

(2) Subject to any right to cure you may have, if any, you do not meet the repayment terms or otherwise fail to perform any obligation under this Agreement or any other agreement you have with us (in Iowa, this means, as to payments, failure to make a payment within 10 days of when it is due.);

(3) Your action or inaction adversely affects the collateral or our rights in the collateral, including but not limited to: (a) failure to maintain required insurance on the dwelling; (b) your transfer of the property; (c) failure to maintain the property or use of it in a destructive manner; (d) commission of waste; (e) failure to pay taxes on the property or otherwise fail to act and thereby cause a lien to be filed against the property that is senior to our lien; (f) death; (g) the property is taken through eminent domain; (h) a judgment is filed against you and subjects you and the property to action that adversely affects our interest; or (i) a prior lien holder forecloses on the property and as a result, our interest is adversely affected.

(4) You become an Executive Officer of Bank or a related company.

COLLATERAL PROTECTION INSURANCE: Unless you provide us with evidence of the insurance coverage required by your agreement with us, we may purchase insurance at your expense to protect our interests in your collateral. This insurance may, but need not, protect your interests. The coverage that we purchase may not pay any claim that you make or any claim that is made against you in connection with the collateral. You may later cancel any insurance purchased by us, but only after providing us with evidence that you have obtained insurance as required by our agreement. If we purchase insurance for the collateral, you will be responsible for the costs of that insurance, including interest and any other charges we may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to your total outstanding balance of obligation. The costs of the insurance may be more than the cost of insurance you may be able to obtain on your own.

CASH ADVANCES: Cash advances may be obtained with your VISA® CARD at most FastBANK®, PLUS® SYSTEM, and DEBANK® automated teller (ATM) locations. ATM transactions for your card are limited to \$1,000.00 per day. Cash advances are also limited by your Credit Limit. Each ATM has a minimum withdrawal amount. Cash advances from a teller must be at least \$50.00. See the "EXPANDED ACCOUNT ACCESS" section about other cash advances.

LIMITS ON LIABILITY FOR VISA® CARD: Unless you have been grossly negligent or engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen card.

REMEDIES: The exercise of our remedies is subject to (a) any cure, reinstatement and redemption rights you may have; and (b) any notice of such rights to which you are entitled, as provided by state law. We will provide these rights, and notices of them, as required.

We may terminate your account, require you to pay the entire outstanding balance in one payment and charge you fees related to the collection of the amount owing, if you are in default in any manner described above. In that instance, we may take other action short of termination, such as charging you a fee if you fail to maintain required property insurance and we purchase insurance.

In the event that we terminate your account, we will send you notice of our decision at the address listed on the front of this agreement. (You should inform us of any change in your address.)

Even if we choose not to use one of our remedies when you default, we do not forfeit our right to do so if you default again. If we do not use a remedy when you default, we can still consider your actions as a default in the future.

SUSPENSION OF CREDIT AND REDUCTION OF CREDIT LIMIT: We may temporarily prohibit you from obtaining additional extensions of credit, or reduce your credit limit if:

(1) The value of the dwelling securing this home equity Line of Credit declines significantly below its appraised value for purposes of this line;

(2) We reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances;

(3) You are in default of a material obligation of this agreement, which shall include, but is not limited to, your ongoing obligation to supply us with information we feel we need to assess your financial condition;

(4) A governmental action prevents us from imposing the annual percentage rate provided for in this agreement;

- (5) The action of a governmental body adversely affects our security interest to the extent that the value of the security interest is less than 120% of the home equity line;
- (6) The annual percentage rate corresponding to the periodic rate reaches the maximum rate allowed under this plan (if provided for in this agreement);
- (7) A regulatory agency has notified us that continued advances would constitute an unsafe business practice; or
- (8) After a payment has been made, we reserve the right to withhold available advances in the amount of the principal portion of the payment up to 7 business days from the date we receive the payment. Any credit available before the payment is received will continue to be available for advances during this time.
- In the event that we suspend your right to additional advances or reduce your credit line, we will send you notice of our decision at the address listed in this agreement. (You should inform us of any change in your address.) If we have based our decision to suspend or reduce your credit privileges on an assessment of your financial condition or performance under this plan, and you believe that your situation has changed, you must request that we re-evaluate your situation, and reinstate your credit privileges.

JOINT ACCOUNTS: If this is a joint account, each of you will be jointly and severally liable for all amounts due under the account. Upon request by either party to the Account or upon receipt of inconsistent instructions, we may, at our option and without notice to the other party, follow the instructions of either party, honor any Check, refuse to pay any Check, or refuse any other request with respect to the Account.

CREDIT INFORMATION: You agree to supply us with whatever information we reasonably feel we need to decide whether to continue this plan. We agree to make requests for this information without undue frequency, and to give you reasonable time in which to supply the information.

You authorize us to make or have made any credit inquiries we feel are necessary. You also authorize the persons or agencies to whom we make these inquiries to supply us with the information we request.

YOUR BILLING RIGHTS KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your savings, checking or other account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If you find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make us any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We

must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.

Special Rule for Credit Card Purchases: If you have a problem with the quality of property or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

- (a) You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- (b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

EXPANDED ACCOUNT ACCESS

This is to advise you that, with U.S. Bank, N.A. and its affiliates:

- Any card or PIN issued to or selected by you under this agreement will access multiple checking, savings, Line of Credit and credit card account(s) in your name at Bank or any of its affiliates; and
- Your Account under this agreement may be accessed by any card(s) or PIN(s) that you have selected or that has been issued to you or may in the future be selected by you or issued to you by Bank or any of its affiliates.

"Access" means use of a card or account number and PIN to conduct a transaction or obtain information at ATMs or via telephone, personal computer banking, or any other available method. There are no additional fees or charges for multiple account access. The fees and terms disclosed for each account apply. You understand that at UBank ATMs this multiple account access may be available for up to five checking, five savings, and five Line of Credit or credit card accounts. At other ATMs and with other methods of access, other limitations may apply.

You can, if you wish, change this access and restrict the accounts that may be accessed by your card code or pin number.

ARBITRATION: You agree that if a dispute of any kind arises out of this agreement, either you or we can choose to have that dispute resolved by binding arbitration. If arbitration is chosen by any party, neither you nor we will have the right to litigate that claim in court or to have a jury trial on that claim, or to engage in pre-arbitration discovery, except as provided for in the arbitration rules. In addition, you will not have the right to participate as a representative or member of any class of claimants pertaining to any claim subject to arbitration. The Arbitrator's decision will generally be final and binding. Other rights that you would have if you went to court may also not be available in arbitration. It is important that you read this entire Arbitration Provision carefully before accepting the terms of this agreement. Any claim, dispute or controversy (whether in contract, regulatory, tort, or otherwise, whether pre-existing, present or future and including constitutional, statutory, common law, intentional tort and equitable claims) arising from or relating to (a) the credit or services offered or provided to you, (b) the actions of you, us or third parties or (c) the validity of this arbitration provision (individually and collectively, a "Claim") must, after an election by you or us, be resolved by binding arbitration in accordance with this arbitration provision and the Commercial Arbitration Rules of the American Arbitration Association ("AAA") in effect when the Claim is filed (or, in the event this arbitrator or these arbitration rules are no longer available, then a comparable substitute arbitration procedure and/or arbitration organization that does business on a nationwide basis). There shall be no authority for any Claims to be arbitrated on a class action basis. An arbitration can only decide one or your Claim and may not consolidate or join the claims of other persons who may have similar claims. You may obtain rules and forms by calling the AAA at 800-778-7879. Any arbitration hearing that you attend will take place in the federal judicial district where you reside. At your request, we will advance the first \$250 of the filing and hearing fees for any Claim you may file against us; the arbitrator will decide whether we or you will ultimately pay those fees. The arbitrator shall apply applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, and shall honor claims of privilege recognized at law. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction. This Arbitration Provision shall survive repayment of your extension of credit and termination of this account. This arbitration provision shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1, et seq. If any provision of this Section is ruled invalid or unenforceable, this Section shall be rendered null and void in its entirety.

To Residents of Missouri specifically, and residents of other states generally.

Oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect you (borrower(s)) and us (creditor) from misunderstanding or disappointment, any agreements we reach covering such matters are contained in this writing, which is the complete and exclusive statement of the agreement between us, except as we may later agree in writing to modify it.

This note is a "transferable record" as defined in applicable law relating to electronic transactions. Therefore, the holder of this note may, on behalf of the maker of this note, create a microfilm or optical disk or other electronic image of this note that is an authoritative copy as defined in such law. The holder of this note may store the authoritative copy of such note in its electronic form and then destroy the paper original as part of the holder's normal business practices. The holder, on its own behalf, may control and transfer such authoritative copy as permitted by such law.

SIGNATURES: By signing below, you understand we are a national banking association located in North Dakota and the interest rate and related charges are pursuant to the law of North Dakota and federal law. The law of the state where you are located and of the state where the property is located may apply to other issues. In addition, you agree to the terms on all pages of this agreement and you promise to pay any amounts you owe under this agreement. You also state that you received a completed copy of the agreement on today's date.

CAUTION - IT IS IMPORTANT THAT YOU THOROUGHLY READ THE CONTRACT BEFORE YOU SIGN IT.

Signature *George Richards*

Signature _____

By _____

AUTHENTICATION BY U.S. BANK, N.A.:

U.S. Bank, N.A. affiliate of and agent for the lender on this loan, acknowledges and agrees to the control agreement contained in the Security Interest in deposit accounts, and the subordination of its right of setoff to this security interest if and to the extent of a conflict. This is intended as an authentication.
U.S. BANK, N.A.

EXHIBIT 2

18

20090326-0003747

Prepared By:
Southwest Financial Services, Ltd.
537 E Pete Rose Way, STE 300
Cincinnati, OH 45202



Return To (name and address):
US Recordings
2925 Country Drive STE 201
St. Paul, MN 55117

Assessor's Parcel Number: 163-24-111-021EH

Fee: \$21.00
N/C Fee: \$25.00

03/26/2009 18:35:04

T200901040854

Requestor:
US RECORDINGS INC

Debbie Conway STN
Clark County Recorder Pgs: 8

State of Nevada Space Above This Line For Recording Data

75536829 NCC
03/26/09

DEED OF TRUST
(With Future Advance Clause)

☐ Master Mortgage

Recorded By

By

By
(Signature) (Date)

1. **DATE AND PARTIES.** The date of this Deed of Trust (Security Instrument) is ...03/03/2009...

..... The parties and their addresses are:

GRANTOR:
GEORGE R. EDWARDS, UNMARRIED

163-24-111-021, ENTIRE PROPERTY
☐ If checked, refer to the attached Addendum incorporated herein, for additional Grantors,
their signatures and acknowledgments.

TRUSTEE:
U.S. Bank Trust Company, National Association,
a national banking association organized under the laws of the United States
111 SW Fifth Avenue
Portland, OR 97204

LENDER:
U.S. Bank National Association ND, -
a national banking association organized under the laws of the United States
4325 17th Avenue SW
Fargo, ND 58103

NEVADA - HOME EQUITY LINE OF CREDIT DEED OF TRUST
(NOT FOR FNMA, FHLMC, FHA OR VA USE)
© 1994 Wolters Kluwer Financial Services - Bankers Systems™
Form USBODP-OT-NV 9/7/2006

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US80011

APP000539

2. **CONVEYANCE.** For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined on page 2) and Grantor's performance under this Security Instrument, Grantor irrevocably grants, bargains, conveys and sells to Trustee, in trust for the benefit of Lender, with power of sale, the following described property (if property description is in metes and bounds the name and mailing address of the person who prepared the legal description must be included) :
- See attached Exhibit "A"

The property is located in ..CLARK COUNTY..... at
(County)
A254.ROLLINGSTONE DR.,LAS.VEGAS....., Nevada ..89103-3407...
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$..50,000.00..... This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (You must specifically identify the debt(s) secured and you should include the final maturity date of such debt(s).)

Borrower(s): GEORGE R. EDWARDS
Principal/Maximum Line Amount: 50,000.00
Maturity Date: 03/02/2034
Note Date: 03/03/2009

B. All future advances from Lender to Grantor or other future obligations of Grantor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Grantor in favor of Lender after this Security Instrument whether or not this Security Instrument is specifically referenced. If more than one person signs this Security Instrument, each Grantor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Grantor, or any one or more Grantor and others. Future advances are contemplated and are governed by the provisions of NRS 106.300 to 106.400, inclusive. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

(page 2 of 7)

C. All other obligations Grantor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Grantor and Lender.

D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in Grantor's principal dwelling that is created by this Security Instrument.

5. **DEED OF TRUST COVENANTS.** Grantor agrees that the covenants in this section are material obligations under the Secured Debt and this Security Instrument. If Grantor breaches any covenant in this section, Lender may refuse to make additional extensions of credit and reduce the credit limit. By not exercising either remedy on Grantor's breach, Lender does not waive Lender's right to later consider the event a breach if it happens again.

Payments. Grantor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

Prior Security Interests. With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Grantor agrees to make all payments when due and to perform or comply with all covenants. Grantor also agrees not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written approval.

Claims Against Title. Grantor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Grantor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Grantor's payment. Grantor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Grantor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Grantor may have against parties who supply labor or materials to maintain or improve the Property.

Property Condition, Alterations and Inspection. Grantor will keep the Property in good condition and make all repairs that are reasonably necessary. Grantor shall not commit or allow any waste, impairment, or deterioration of the Property. Grantor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Grantor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Grantor will notify Lender of all demands, proceedings, claims, and actions against Grantor, and of any loss or damage to the Property.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Grantor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Grantor will in no way rely on Lender's inspection.

Authority to Perform. If Grantor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Grantor appoints Lender as attorney in fact to sign Grantor's name or pay any amount necessary for performance. Lender's right to perform for Grantor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument.

Leaseholds; Condominiums; Planned Unit Developments. Grantor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium or a planned unit development, Grantor will perform all of Grantor's duties under the covenants, by-laws, or regulations of the condominium or planned unit development.

Condemnation. Grantor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Grantor authorizes Lender to intervene in Grantor's name in any of the above described actions or claims. Grantor assigns to Lender the proceeds of any

(page 3 of 7)

award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

Insurance. Grantor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Grantor subject to Lender's approval, which shall not be unreasonably withheld. If Grantor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Grantor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Grantor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Grantor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Grantor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Grantor. If the Property is acquired by Lender, Grantor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender in the extent of the Secured Debt immediately before the acquisition.

Financial Reports and Additional Documents. Grantor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Grantor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Grantor's obligations under this Security Instrument and Lender's lien status on the Property.

6. **WARRANTY OF TITLE.** Grantor warrants that Grantor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to irrevocably grant, bargain, convey and sell the Property to Trustee, in trust, with power of sale. Grantor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **DUE ON SALE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable.
8. **DEFAULT.** Grantor will be in default if any of the following occur:
 - Fraud.** Any Consumer Borrower engages in fraud or material misrepresentation in connection with the Secured Debt that is an open end home equity plan.
 - Payments.** Any Consumer Borrower on any Secured Debt that is an open end home equity plan fails to make a payment when due.
 - Property.** Any action or inaction by the Borrower or Grantor occurs that adversely affects the Property or Lender's rights in the Property. This includes, but is not limited to, the following:
 - (a) Grantor fails to maintain required insurance on the Property; (b) Grantor transfers the Property; (c) Grantor commits waste or otherwise destructively uses or fails to maintain the Property such that the action or inaction adversely affects Lender's security; (d) Grantor fails to pay taxes on the Property or otherwise fails to act and thereby causes a lien to be filed against the Property that is senior to the lien of this Security Instrument; (e) a sole Grantor dies; (f) if more than one Grantor, any Grantor dies and Lender's security is adversely affected; (g) the Property is taken through eminent domain; (h) a judgment is filed against Grantor and subjects Grantor and the Property to action that adversely affects Lender's interest; or (i) a prior lienholder forecloses on the Property and as a result, Lender's interest is adversely affected.

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Executive Officers. Any Borrower is an executive officer of Lender or an affiliate and such Borrower becomes indebted to Lender or another lender in an aggregate amount greater than the amount permitted under federal laws and regulations.

9. **REMEDIES ON DEFAULT.** In addition to any other remedy available under the terms of this Security Instrument, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Grantor is in default. In some instances, federal and state law will require Lender to provide Grantor with notice of the right to cure, or other notices and may establish time schedules for foreclosure actions.

At the option of the Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. Lender shall be entitled to, without limitation, the power to sell the Property.

If there is a default, Trustee shall, at the request of Lender, advertise and sell the Property as a whole or in separate parcels at public auction to the highest bidder for cash and convey absolute title free and clear of all right, title and interest of Grantor at such time and place as Trustee designates. Trustee shall give notice of sale, including the time, terms and place of sale and a description of the Property to be sold as required by the applicable law.

Upon the sale of the Property and to the extent not prohibited by law, Trustee shall make and deliver a deed to the Property sold which conveys absolute title to the purchaser, and after first paying all fees, charges, and costs, shall pay to Lender all moneys advanced for repairs, taxes, insurance, liens, assessments and prior encumbrances and interest thereon, and the principal and interest on the Secured Debt, paying the surplus, if any, to Grantor. Lender may purchase the Property. The recitals in any deed of conveyance shall be prima facie evidence of the facts set forth therein.

The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Grantor's default, Lender does not waive Lender's right to later consider the event a default if it happens again.

10. **EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** If Grantor breaches any covenant in this Security Instrument, Grantor agrees to pay all expenses Lender incurs in performing such covenants or protecting its security interest in the Property. Such expenses include, but are not limited to, fees incurred for inspecting, preserving, or otherwise protecting the Property and Lender's security interest. These expenses are payable on demand and will bear interest from the date of payment until paid in full at the highest rate of interest in effect as provided in the terms of the Secured Debt. Grantor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. To the extent permitted by the United States Bankruptcy Code, Grantor agrees to pay the reasonable attorneys' fees Lender incurs to collect the Secured Debt as awarded by any court exercising jurisdiction under the Bankruptcy Code. This Security Instrument shall remain in effect until released. Grantor agrees to pay for any recodification costs of such release.

11. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste" or "hazardous substance" under any Environmental Law.

(page 5 of 7)

Grantor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
 - B. Except as previously disclosed and acknowledged in writing to Lender, Grantor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
 - C. Grantor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Grantor shall take all necessary remedial action in accordance with any Environmental Law.
 - D. Grantor shall immediately notify Lender in writing as soon as Grantor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.
12. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Grantor will not be required to pay to Lender funds for taxes and insurance in escrow.
13. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Grantor signs this Security Instrument but does not sign an evidence of debt, Grantor does so only to mortgage Grantor's interest in the Property to secure payment of the Secured Debt and Grantor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Grantor, Grantor agrees to waive any rights that may prevent Lender from bringing any action or claim against Grantor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Grantor and Lender.
14. **SEVERABILITY; INTERPRETATION.** This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
15. **SUCCESSOR TRUSTEE.** Lender, at Lender's option, may from time to time remove Trustee and appoint a successor trustee without any other formality than the designation in writing. The successor trustee, without conveyance of the Property, shall succeed to all the title, power and duties conferred upon Trustee by this Security Instrument and applicable law.
16. **NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one grantor will be deemed to be notice to all grantors.
17. **WAIVERS.** Except to the extent prohibited by law, Grantor waives all appraisement and homestead exemption rights relating to the Property.
18. **LINE OF CREDIT.** The Secured Debt includes a revolving line of credit. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until released.

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19. **APPLICABLE LAW.** This Security Instrument is governed by the laws as agreed to in the Secured Debt, except to the extent required by the laws of the jurisdiction where the Property is located, and applicable federal laws and regulations.
20. **RIDERS.** The covenants and agreements of each of the riders checked below are incorporated into and supplement and amend the terms of this Security Instrument.
[Check all applicable boxes]
☐ Assignment of Leases and Rents ☐ Other
21. ☐ **ADDITIONAL TERMS.**

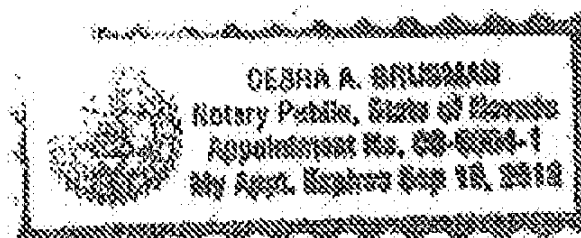
SIGNATURES: By signing below, Grantor agrees to the terms and covenants contained in this Security Instrument and in any attachments. Grantor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

George R. Edwards 3/2/09
(Signature) GEORGE R. EDWARDS (Date) (Signature) (Date)

ACKNOWLEDGMENT: Nevada COUNTY OF Clark
STATE OF .. This instrument was acknowledged before me this 2nd day of March, 2009
(Individual) by GEORGE R. EDWARDS, UNMARRIED

My commission expires: Sept. 19, 2012

Debra A. Guzman
(Notary Public)
Customer Service Manager
(Title and Rank)



Handwritten text, possibly a signature or date, located in the center-right area of the page.

RAMOND A. ARBON
Agent for State, Office of the
Attorney General
1-800-555-1234
My Agent Expires 12/31/2005

EXHIBIT "A" LEGAL DESCRIPTION

Account #: 14560224
Order Date : 02/27/2009
Reference : 20090581626510

Index #:

Parcel #: 163-24-111-021

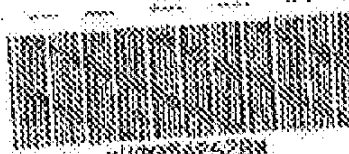
Name : GEORGE R. EDWARDS
Deed Ref : 20020712928

SITUATED IN THE STATE OF NEVADA, COUNTY OF CLARK:

LOT NINETEEN (19) OF GLENVIEW WEST TOWNHOME, AS SHOWN BY MAP THEREOF ON
FILE IN BOOK 30 OF PLATS, PAGE 65, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK
COUNTY, NEVADA.

SUBJECT TO ALL EASEMENTS, COVENANTS, CONDITIONS, RESERVATIONS, LEASES AND
RESTRICTIONS OF RECORD, ALL LEGAL HIGHWAYS, ALL RIGHTS OF WAY, ALL ZONING,
BUILDING AND OTHER LAWS, ORDINANCES AND REGULATIONS, ALL RIGHTS OF TENANTS IN
POSSESSION, AND ALL REAL ESTATE TAXES AND ASSESSMENTS NOT YET DUE AND PAYABLE.

BEING THE SAME PROPERTY CONVEYED BY DEED RECORDED IN DOCUMENT NO. 20020712928,
OF THE CLARK COUNTY, NEVADA RECORDS.



4000042628X

6612 3/19/2009 75530829/1

USB0019

APP000547

EXHIBIT 3

3009 1845

1304084

RETURN TO:
FIRST AMERICAN
TITLE

DECLARATIONS
OF COVENANTS, CONDITIONS AND RESTRICTIONS
GLENVIEW WEST TOWNHOMES

The Declarant, DIVERSIFIED PROPERTIES CORPORATION, a Nevada Corporation, is the owner of a certain subdivision and tract of land situated in the County of Clark, State of Nevada, and described as follows:

All that parcel of land described in a map entitled Glenview West Townhomes, a "Townhome Subdivision", which was filed for record in the office of the Clark County Recorder, State of Nevada on November 18, 1983, in Book 39 of Plans at Page 65 further described as document No. 1799823.

RECITALS:

1. Declarant is the owner of a certain tract of land situated in the County of Clark, State of Nevada, as described above.

2. Declarant has improved or intends to improve the property by constructing on the property, Townhome structures which have been or will be constructed substantially in accordance with plans approved by the County of Clark on December 5, 1983.

3. All of the real property, including all structures and other improvements thereon, is hereby defined and shall hereinafter be referred to as the "project".

4. Declarant hereby established, by this Declaration, a plan for individual ownership of the real property estates consisting of the area or space contained beneath each of the units in each structure and the adjoining land referred to as "Lot", and an undivided fractional interest ownership in Glenview West Townhomes Homeowners Association that being all the remaining portion of the project, which is hereinafter defined and referred to herein as the "common area".

DECLARATION:

Declarant, the fee owner of the real property described in the introduction above, hereby makes the following Declaration as to divisions, easements, rights, liens, charges, covenants, restrictions, limitations, conditions and uses to which the property may be put, hereby specifying that such Declaration shall constitute covenants to run with the land and shall be binding on Declarant, its successors and assigns, and all subsequent owners of all or any part of the project together with their grantees, successors, heirs, executors, administrators, devisees or assigns.

NOW THEREFORE, Declarant, desiring to establish a general plan for the improvement, development, use and enjoyment of the property described above hereby declares that the said property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having or acquiring any right, title or interest in the said property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

A&K000124

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ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Glenview West Townhome Association, a Nevada nonprofit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of equitable title (or legal title if equitable title has merged) in any lot which is a part of the Properties, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" or "Development" or "Premises" shall mean and refer to that certain real property heretofore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and become subject to this Declaration.

Section 4. "Common Area" shall mean all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows: All property within the boundaries of the Plat except Lots 1 through 50 and that property dedicated to any governmental entity. Additional property may hereafter be brought within the jurisdiction of the Association and designated a "Common Area".

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Diversified Properties Corporation, a Nevada Corporation, its successors and assigns if such successors or assigns should acquire more than one undeveloped lot from the Declarant for the purpose of development.

Section 7. "Unit" shall mean and refer to a residential living unit constructed upon a separately designated lot, without limiting or restricting the definition of lot referred to in Section 5 above, which also may include any improvements on a lot.

Section 8. "Mortgage" shall mean a realty mortgage and include deeds of trust; "Mortgagee" includes a beneficiary under a deed of trust; "Mortgagor" includes a trustor under a deed of trust; and "foreclosure" includes a trustee's sale proceeding pursuant to a deed of trust.

ARTICLE I

USE RESTRICTIONS

Section 1. Residential Use. All of the lots in the Development shall be known and described as, and limited in use to, residential purposes. No improvements or construction whatever, other than a private dwelling and appurtenant uses, may be erected or maintained on any of the lots unless specifically authorized, in writing, by the Board pursuant to Article X below.

Section 2. Construction. All units and structures on the lots shall be of new construction and no buildings or structures shall be moved from any other location onto any of the lots.

Section 3. Temporary Structures. No structures of a temporary character shall be permitted on the premises, and no trailers (except those permitted to be parked pursuant to Section 4 of this Article), and no tents, shacks or barns shall be permitted on the premises, either temporarily or permanently.

Section 4. Business or Offensive Activities. No noxious or offensive activity may be carried on or permitted on any part of the Properties, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood; nor shall any part of the Premises be used for business, professional, commercial, rest home (including but not limited to care or treatment of the physically or mentally sick or disabled), religious or institutional purposes. This section does not apply to the activities of the Association in furtherance of its powers and purposes as set forth in this Declaration.

Section 5. Signs. No sign of any nature whatsoever shall be displayed or placed upon any lot or on the outside of any Unit. No "For Sale" or "For Rent" signs of any nature whatsoever shall be permitted on any part of the Premises, and no other signs shall be permitted on any of the Common Areas without the prior written consent of the Board.

Section 6. Outside Lighting. Except as may be initially installed by Declarant, no spotlights, floodlights or similar type high intensity lighting shall be placed or utilized upon any lot which in any way will allow light to be reflected on any other lot or the improvements thereon or upon the Common Area or any part thereof without the written authorization of the Board. Other types of low intensity lighting which do not disturb the Owners or other occupants of the Properties shall be allowed.

Section 7. Animals, Pets. Only two dogs, two cats, a dog and a cat or two other small household pets may be kept on a lot without Board approval, provided that such household pets are not kept, bred or maintained for any commercial purposes. Two small birds may also be kept in addition to the foregoing animals provided such birds are caged and do not disturb neighboring lots. All additional small household pets are prohibited unless approved by the Board. Except as stated above, no other animals or birds of any kind shall be raised, bred or kept on the Premises or any part thereof without the written consent of the Board first obtained. Pets shall not be allowed loose or unsupervised on any part of the Properties and walking of pets shall be allowed only on such portions of the Properties as the Board may prescribe by its rules and regulations.

Section 8. Trucks, Boats, Cycles, Campers. Residents are permitted to park only passenger cars, station wagons, small trucks, motorcycles, small vans, boats, small trailers and campers on their own private parking area. No portion of any vehicle will be allowed to project into the commonly owned streets or driveways. Visitors are permitted to either temporarily park in the common area parking spaces, or on the private parking areas of the resident being visited. Except in an emergency or as may be necessary for the performance of authorized repair or maintenance of common areas, no vehicle or equipment shall be kept or parked in the streets, driveways, or on any other common area property unless specific written permission is given by the Board. No vehicle or equipment shall be stored either permanently or temporarily on the Development, whether on blocks or otherwise, which is inoperable and/or in a state of disrepair, or which is in various stages of construction, repair, reconstruction, modification, or rebuilding with respect to the vehicle or any part thereof, including without limitation, engines, frames, bodies, and other parts and accessories. If the Board determines that any vehicle (including but not limited to a motorbike or motorcycle) is creating loud or annoying noises by virtue of its operation within the Properties, such determination shall be conclusive and final that the operation of such vehicle is a nuisance and said operation, upon notice by the Board to the owner or operator thereof, shall be prohibited within the Properties. Subject to the above restrictions, all vehicles must be operated in the Development by licensed operators.

Section 9. Windows and Awnings. No reflective materials, including but not limited to, aluminum foil, reflective screens or glass, screens or similar type items shall be permitted to be installed or placed on the outside or inside of any windows or any other part of a lot which can be seen from the outside of the Development or from other portions of the Development. Further, no metal or rigid plastic awnings of any nature whatsoever shall be permitted to be placed or installed on or attached to the outside of any of the Units, or elsewhere on a lot, except those initially installed by Declarant, or approved by the Board.

Section 10. Screening Areas, Fencing. All screening areas and fences, hedges or walls shall be maintained upon the Premises in accordance with their original construction or installation, except as otherwise approved in accordance with Article X.

Section 11. Trash, Unattractive Items. All clotheslines, equipment, service areas, woodpiles, storage piles and storage areas shall be kept screened by adequate planting or fencing so as to conceal them from view of neighboring property and streets. Garbage cans shall be maintained in a neat, clean and sanitary condition in the areas therefor along the back fence line of the Owners Lot. Rubbish, trash and garbage shall not be burned on or allowed to accumulate on any lot or on the Premises. No incinerators shall be permitted on the Premises or any part thereof.

Section 12. Underground Utilities. All electric, power, telephone, water and other service and utility lines, pipes and/or other structures and media for transmission thereof shall be placed and maintained underground except above-ground service pedestals and switch cabinets, and except to the extent (if any) such underground placement may be prohibited by law, and except for such above-ground structures and/or media for transmission as may be originally constructed by Declarant or as may be otherwise approved in writing by the Board.

Section 13. Noisy Equipment. Except for emergencies, no equipment which generates disturbing sounds or loud noises, including but not limited to, lawn mowers, power hedge clippers, power chain saws and other similarly noisy equipment, shall be operated in any part of the Properties on Sundays or National Holidays.

Section 14. Antennas. No radio, television and other antennas of any kind or nature shall be placed and maintained upon any lot or the Premises or any part thereof (or the improvements located thereon) unless approved in writing by the Board.

Section 15. Renting. No portion of any lot may be rented, except to a single person or single family. The restriction set forth in this Section 15 shall apply only to rental of lots and shall not be deemed to restrict or limit the manner in which any lot is purchased or owned or the number or relationship of the person purchasing or owning any lot.

Section 16. Subdividing. None of the lots shall be resubdivided into smaller lots or conveyed or encumbered in less than the full original dimensions as shown on the Plat of this Development.

Section 17. Walls. The walls of any building or improvements and fences constructed on any lot shall not exceed the height of the original construction unless approved in writing by the Board. Setback lines shall be maintained in accordance with the original construction on each lot unless otherwise permitted by written approval of the Board.

Section 1d. Declarant Exempt. Notwithstanding anything contained herein to the contrary or otherwise, none of the use restrictions contained in this Article II nor any other restriction contained in this Declaration shall be construed or deemed to limit or prohibit any act of Declarant, or its employees, agents and subcontractors or parties designated by it in connection with the construction, completion, sale or leasing of the Units and Lots.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owners Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot. It is expressly acknowledged and agreed by all parties concerned that this Section is for the mutual benefit of all Owners of the Lots and is necessary for the protection of all Owners. Such easement of enjoyment is, however, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area.

(b) the right of the Association to suspend the voting rights and right to use the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication signed by two-thirds (2/3) of each class of members has been recorded.

(d) the right of the Association to establish uniform rules and regulations pertaining to the use of the Common Area.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with this Declaration, the Articles of Incorporation, the Bylaws, and the rules and regulations of the Board, his right to enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE IV

EASEMENTS

Section 1. Blanket Easement for Utilities. There is hereby created a blanket easement upon, across, over and under the Properties for ingress, egress, installation, replacing, repairing and maintaining all utilities including but not limited to water, sewers, telephones, cable television and electricity. By virtue of said easement, it shall be expressly permissible for the providing utility company to erect and maintain the necessary facilities and equipment on the Properties and to affix and maintain wires, circuits, conduits and related facilities and equipment on, above, across and under the roofs and exterior

walls of the Units. Notwithstanding anything to the contrary contained in this Section, no assessments shall be created nor shall any sewers, electrical lines, water lines, or other facilities for utilities be installed or relocated on the Properties except as initially created, programmed and approved by Declarant or thereafter created or approved by Declarant or the Association. This provision shall in no way affect any other recorded assessments on the Properties. Notwithstanding anything herein to the contrary, individual utilities serving a Unit shall not pass over, under, or through another Unit.

Section 2. Common Area Easements. There is hereby created a blanket easement upon and across the Common Areas and that lot area in front of each unit in favor of (1) each Lot Owner and his guests and invitees for the purpose of providing ingress and egress to the lot owned by said Owner, (2) the Association and its invitees, employees or independent contractors for the purpose of providing landscaping or other maintenance to the Common Areas, and (3) the Declarant and its invitees, employees or independent contractors for the purpose of providing landscaping or other maintenance to the Common Areas, and for any activities related to the promotion and sale of any of the Lots or any Lots within the expansion areas referred to in Article XI hereof.

Section 3. Rights of Association and Declarant. There is hereby created a blanket easement upon, across, over and under the Lots in favor of the Declarant and the Association, their respective invitees, employees or independent contractors for the purpose of maintaining or replacing any improvements upon such lots to the extent the Declarant and/or the Association have the authority under this instrument to undertake such maintenance for replacement.

Section 4. Encroachments. Each Lot, Unit and the Common Areas shall be subject to an easement for encroachments, including but not limited to encroachments of balconies, ledges, roofs, walls, fences and railings, created by construction, settling and overhangs, as designed or constructed by Declarant or its nominees. A valid easement for said encroachments and for the maintenance of same, so long as they stand, shall and does exist. In the event of any Unit or any structure is partially or totally destroyed and then rebuilt, the Owners of Units agree that similar encroachments of parts of the adjacent Units or Common Areas due to construction, settling and overhangs shall be permitted and that a valid easement for said encroachments and the maintenance thereof shall exist.

Section 5. Interference. Except as may be constructed by Declarant or its nominee or as specifically allowed by this Declaration and the Plat, no building or other structures shall be placed or erected on any easements nor interference made with the free use thereof for the purposes intended.

ARTICLE V

ASSOCIATION, MEMBERSHIP AND VOTING RIGHTS

Section 1. Purpose. The Association shall be a nonprofit corporation organized under and by virtue of the laws of the State of Nevada for the general welfare and benefit of the property Owners and the Development. The Association through its Members and Board, shall take the appropriate action to manage and maintain, repair, replace and improve the Common Areas together with improvements located thereon, to perform related activities, and to perform all other functions and duties assigned to the Association by this Declaration, all in accordance with this Declaration and with the Articles of Incorporation and Bylaws.

Section 2. Membership. Membership in the Association shall be limited to the Owners of Lots as hereinabove defined, and such membership shall be subject to all the provisions of this Declaration and to the Association's Articles of Incorporation and Bylaws, as the same may be amended from time to time. An Owner of a Lot shall automatically, upon becoming the Owner of a Lot, be a Member of the Association. An Owner shall remain a Member of the Association until such time as his ownership for any reason ceases, at which time his membership in the Association automatically shall cease. Ownership of a Lot shall be the sole qualification and criterion for membership. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. A membership in the Association shall not be transferred, pledged or alienated in any way except by the sale of such Lot and then only to such purchaser who shall automatically become a member of the Association after such conveyance, or by intestate succession, testamentary disposition, foreclosure of a mortgage of record or other legal process. Any attempt to make prohibited transfer is void and will not be reflected upon the books and records of the Association. At the discretion of the Board, no certification of membership need be issued, and if certificates are not issued, membership shall be evidenced by an official list of Members kept by the Secretary of the Association.

Section 3. Voting Rights. The Association shall have two (2) classes of voting memberships:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. In the event any such Lot is owned by two (2) or more persons, the membership as to such Lot shall be joint, and a single membership for such Lot shall belong to all Owners, and they shall designate to the Association in writing one of their number who shall have the power to vote said membership, and in the absence of such designation, and until such designation is made, the Board shall make such designation.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

ARTICLE VI

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

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Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the general benefit, recreation, health, safety and welfare of the residents in the Properties. Such purposes shall include, but shall not be limited to, and the Association's rights and powers shall include (in addition to the rights and powers set forth in this Declaration and in the Association's Articles of Incorporation and Bylaws) provision for the improvement, construction, repair, maintenance, care, upkeep and management of the Common Areas and the improvements and facilities thereon; and further, shall include the payment of any taxes and assessments, if any, which may be assessed against and levied upon any property owned by the Association, and all premiums for hazard and public liability insurance, together with all other costs and expenses related to the management and maintenance of the Common Areas and Unit exteriors.

Section 3. Basis of Assessments. The Board, subject to the provisions of this Article, shall determine and establish a budget and make assessments upon the Owners of Lots on the basis of costs and expenses incurred or estimated to be incurred by the Association. The power of each lot for said Owner and for said Owner's heirs, executors, administrators, personal representatives, successors and assigns, covenants and agrees that each Lot shall be subject to an assessment in an amount to be determined, which amount shall be the said Lot's pro rata share of the following:

(a) The actual cost to the Association of all taxes and improvement assessments (if any), water, utilities, insurance, repairs, construction, replacement and maintenance of Common Areas and the improvements and facilities located thereon, and Unit exteriors, and shall include but not be limited to charges in connection with the sprinkler systems, street paving, pathways, security guard service (if any), sewer lines, utility expense related to lots served by joint meters, and other services benefiting the Owners, and all other charges necessary or appropriate to carry out the purposes of the Association as set forth in this Declaration, the Articles of Incorporation and Bylaws of the Association, and its rules and regulations; and

(b) Such sums as the Board shall determine to be fair and prudent for the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, management and administrative costs and other charges as specified herein.

Section 4. Maximum Annual Assessments. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Six Hundred Dollars (\$600.00) per lot.

(a) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the membership in conformance with the rise, if any, of the Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above that established by the Consumer Price Index formula by a vote of members for the next succeeding one year and at the end of each such period of one year, for each succeeding period of one year, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in

person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 5. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 6. Notice and Quorum For Any Action Authorized Under Section 4 and 5. Written notice of any meetings called for the purpose of taking any action authorized under Section 4 and 5 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Except as provided in Section 12 below, both annual and special assessments must be fixed as at uniform rates for all lots and may be collected on a monthly basis.

Section 8. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 9. Individual Assessment For Restoration of Owners Lot.

(a) In the event the Owner of a lot fails to maintain his lot (including the yard, patio and landscaping thereon as required pursuant to Article VII, Section 2, but excluding those obligations of the Association pursuant to Article VII, Section 1, hereof) in a first-class, neat and clean condition, and generally in a manner satisfactory to the Board, the

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Association or the Board, through its agents, employees and/or independent contractors, shall have the right, and each Owner expressly grants and assigns the Association the right (subject to prior notice as hereinafter set forth) to enter upon such Owner's Lot and repair, maintain, rehabilitate and restore the Lot, yard, patio, and exterior of any and all buildings and/or other structures located thereon to the condition deemed satisfactory to the Board, or to remove structures therefrom which are, in the opinion of the Board or the Association, in such a state of disrepair or such a condition as to be objectionable to surrounding Lot Owners. The cost thereof shall be charged against and collected from the Owner of the Lot, the amount thereof to be paid by the Owner within thirty (30) days from the date of the invoice sent to the Owner, and said amount further shall be secured by and subject to all provisions regarding the assessment lien as provided in this Article.

(b) Prior to exercising the aforesaid right of restoration, the Board shall give written notice to the Owner of said Lot specifying the necessary repairs, maintenance, rehabilitation or restoration to be undertaken, and granting the Owner thirty (30) days to accomplish the same. If at the end of said period, the work required to be performed has not been completed (or has been completed in a manner unsatisfactory to the Board), or if, in the opinion of the Board, sufficient action has not been taken to effect same, then the Association or the Board shall have the right, as above set forth, to make such repairs, maintenance, rehabilitation or restoration.

(c) Nothing herein contained shall be construed as granting to the Association or the Board any right to enter into or inside of any building or buildings located on a Lot without the consent of the Owner thereof.

Section 10. Effect of Nonpayment of Assessments:
Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lien thereon, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve said Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Assessment for Declarant's Lots.
Notwithstanding anything herein to the contrary, the Declarant shall be responsible for and shall pay only twenty-five percent (25%) of any annual assessment for any Lot owned by Declarant until such time as the Unit thereon is occupied. After such time as the Unit on such Lot is occupied, the Declarant shall be responsible for and pay all of any annual assessments for any Lot owned by Declarant.

ARTICLE VII

MAINTENANCE

Section 1. Rights and Obligations of Association. The Board, acting for and on behalf of the Association, shall have the obligation to maintain, repair and replace the Common Areas (except any portion now or hereafter maintained by any governmental agency with jurisdiction over said portion or any portion maintained by an Owner pursuant to Article VIII below), and all landscaping, recreational facilities and other improvements located thereon, including, without limitation, sewer lines in accordance with the terms and conditions hereof. Without limiting the generality of the foregoing, the Association shall have the right at any and all times to promulgate reasonable rules and regulations concerning the landscaping, color scheme and other related matters affecting the outside appearance of the Development as a whole, and the individual Unit Owners shall be bound thereby. The powers, rights and duties of the Association and Board shall be as contained in this Declaration, and as may be adopted in its Articles of Incorporation and Bylaws not inconsistent herewith.

In addition to maintenance of the Common Areas, the Board, acting for and on behalf of the Association, shall provide exterior maintenance of each lot which is subject to assessment as follows: paint, repair, replacement and care of roofs, exterior buildings surfaces, walks and other exterior improvements. Such exterior maintenance shall not include patios, glass surfaces, landscaping on the lot, fences along the lot lines or private parking areas.

In the event that the need for maintenance or repair of a lot or the improvements thereon is caused through the willful or negligent acts of its Owner, or through the willful or negligent acts of the family, guests or invitees of the Owner of the lot needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become a part of the assessment to which such lot is subject.

Section 2. Rights and Obligations of Owners. Except for those items for which the duty to maintain or repair is imposed on the Association in accordance with Section 1 of this Article, all fixtures and equipment (including heating and air conditioning units) installed within or on a Unit or a lot, including but not limited to, patios, all windows which are a part of any Unit, fences along lot lines, private parking areas, and all landscaping on the lot, shall be maintained and kept in repair by the Owner thereof at his sole cost and expense except that the Association shall have the right to undertake the care and maintenance of all or any portion of the lots and to promulgate reasonable rules and regulations as aforesaid, and the Association shall have the right at any time to maintain and repair utility lines, pipes, wires, conduits or similar systems or facilities up to the point where they enter the exterior walls of a Unit. Each Owner shall be responsible for maintenance and repair of all yard areas, patios and private parking areas located upon his lot, and all landscaping thereon. Tergite control shall be the responsibility of the Owner. An Owner shall do no act nor any work that will impair the structural soundness or integrity of the Development or impair any easement, nor do any act nor allow any condition to exist which will adversely affect the other Units or their Owners.

Section 3. Insurance. The Board shall have the authority to and shall obtain insurance for the entire Development, including each of the Units, against loss or damage by fire, hazards covered by a standard extended coverage endorsement, and such other hazards covered by a standard extended coverage endorsement, and such other hazards as are customarily insured

against in the Las Vegas, Nevada area. Such insurance shall be in an amount sufficient to provide full replacement of any damage in an amount not less than one hundred percent (100%) of the full insurable value of the Common Area and the Units, as determined at least once each year by the Board. Such insurance coverage shall be written in the name of and the proceeds thereof shall be payable to, the Association, as Trustee for and for the use and benefit of the individual Unit Owners in their respective percentages of ownership interest in the Common Area, and to the holders of mortgages or the beneficiaries of deeds of trust covering each of the Units, as their interests may appear. Such policy of insurance shall, if possible, contain a waiver of subrogation rights by the insurer against individual Owners.

The Board shall also obtain comprehensive public liability policy covering any liability of the Association on the Development and, if available, coverage of liability of Owners of the Units on their respective private parking areas. Such insurance policies shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of a Unit Owner. The scope of coverage shall be in the kinds and amounts as the Board may determine. Coverage shall be for not less than One Million and No/100 Dollars (\$1,000,000.00) per occurrence, for personal injury and/or property damage.

Premiums for all of the above-referenced insurance shall be common expenses and assessed against each Owner as provided herein. Each Owner shall be responsible for his own insurance on the personal property contents of his Unit, any additions, decorating or fixtures or other improvements placed therein or stored elsewhere on the Property. Each Unit Owner shall further be responsible to provide his own personal liability coverage to the extent not covered by the liability insurance to be provided by the Board as set forth above.

ARTICLE VIII

SWIMMING POOL

Section 1. Swimming Pool. The swimming pool, if any, shall be deemed to be part of the Common Area and be administered by the Association. All powers of the Association as granted by the Covenants, Conditions and Restrictions to other areas of the Common Area shall also apply to the swimming pool. In addition, the Association may promulgate any reasonable rules concerning the operation of the pool including but not limited to: opening and closing dates of the pool, times of operation, conduct within the pool area, heating and maintenance of the pool. Nothing contained herein shall conflict with the authority of the Health Department of Clark County, Nevada in respect to its enforcement of its rules regarding the operation of public swimming pools.

ARTICLE IX

PARTY WALLS AND FENCES

Section 1. General Rules of Law to Apply. Each wall or fence which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the Lots shall constitute a "party wall," for the purposes hereof, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Neighboring. Notwithstanding any other provisions of this Article, in the event a party wall is damaged or destroyed as a result of the negligent or willful act or omission by an adjoining Owner, his agents, tenants, licensees, guests or family, then in such event, such Owner shall bear the whole cost of rebuilding and/or repairing such party wall.

Section 5. Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Extension or Alteration. In addition to meeting the other requirements of these restrictive covenants and of any building code or similar regulations or ordinances, any Owner proposing to modify, make additions to or rebuild his Unit in any manner which requires the extension or other alteration of any party wall shall first obtain the written consent of the adjoining Owner, and approval of the Board, and approval of the Building Department of the City of Las Vegas, and/or Clark County Nevada together with necessary building permits.

Section 7. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each Owner shall choose an arbitrator, and such arbitrators shall choose an additional arbitrator, or if the two arbitrators cannot agree as to the selection of the third arbitrator within five (5) days, then any Judge of the Superior Court of Clark County, Nevada shall choose the additional arbitrator. A determination of the matter signed by any two (2) of the three (3) arbitrators shall be binding upon the Owners, who shall share the cost of the arbitration equally. In the event one Owner fails to choose an arbitrator within the (15) days after receipt of a request in writing for arbitration from the other Owner, then said other Owner shall have the right and power to choose both arbitrators.

Section 8. Covenants Binding. These covenants shall be binding upon the heirs and assigns of any Owners, but no person shall be liable for any act or omission respecting any party wall except as took place while an Owner.

ARTICLE X

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon any lot, nor shall any exterior addition to or change or alteration herein be made until the plans and specifications showing the nature, kind, shape, height, colors, materials and locations of same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an

architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with, provided that the building, structure or other improvement to be built or placed on the Properties shall be governed by all of the Restrictions in this Declaration. The initial landscaping that is provided or approved by the Board shall not be altered or changed (except for similar replacements and rehabilitation) without the prior approval of the Board. Notwithstanding the foregoing, the Restrictions and controls set forth in this Section shall not be applicable to Declarant with respect to any original construction or landscaping undertaken by Declarant within the Properties.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, the Declarant or any Owner shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. In the event any such person employs an attorney or attorneys to enforce compliance with or specific performance of the terms and conditions of this Declaration, and prevails in such action, the Owner or Owners against whom the action is brought shall pay all attorney's fees and costs incurred in conjunction with such action. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The foregoing shall apply regardless of whether any person affected thereby (or having the right to enforce these Restrictions) had knowledge of the breach or violation.

Section 2. Severability. Invalidity of any one of these covenants or restrictions by judgement or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, and shall be binding upon each Owner and his heirs, executors, administrators, successors and assigns and all other persons claiming an interest in and to the Properties, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first thirty (30) year period by an instrument signed by not less than ninety percent (90%) of the lot Owners, and thereafter by an instrument signed by not less than seventy-five percent (75%) of the lot Owners. Any amendment must be recorded in the office of the County Recorder of Clark County, Nevada.

Section 4. Construction and Interpretation of Declaration. Except for judicial construction, the Association shall have the exclusive right to construe and interpret the provisions of this Declaration. In the absence of any adjudication to the contrary by a court of competent jurisdiction, the Association's construction or interpretation of the provisions hereof shall be final, conclusive and binding as to all persons and Properties benefited or bound by these Restrictions.

Section 5. Gender. Whenever the context of this Declaration so requires, words used in masculine gender shall include the feminine and neuter genders, words used in the neuter gender shall include the masculine and feminine genders, words in the singular shall include the plural, and words in the plural shall include the singular.

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Section 6. Captions, Titles and Headings. All captions, titles and headings of the Articles and Sections of this Declaration are for the purpose of reference and convenience only and are not to be deemed to limit, modify or otherwise affect any of the provisions hereof, or to be used in determining the intent or contents hereof.

Section 7. Jurisdiction. All Owners agree that any matter arising under this Declaration may be finally adjudged or determined in any court of courts of the State of Nevada, and such Owners hereby submit generally and unconditionally to the jurisdiction of such courts and of any of them in respect to any such matter; provided, however, as to those matters to be submitted to arbitration pursuant to any provision hereof, such arbitration provisions shall be controlling and prevail.

Section 8. Annexation.

(a) Additional residential property and common area may be annexed to the properties with the consent of two-thirds (2/3) of each class of members.

(b) Additional land within the area described in Deed Book _____ Page _____ of the land records of Clark County Nevada may be annexed by the Declarant without the consent of Members within five (5) years of the date of this instrument provided that the FHA and/or VA determines that the annexation is in accord with the general plan heretofore approved by them.

Section 9. FHA/VA Approval. As long as there is a Class B membership and provided the FHA and/or VA have approved the development for FHA and/or VA loans, the following actions will require the prior approval of the Federal Housing Administration and/or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 8th day of December, 1983.

DIVERSIFIED PROPERTIES CORPORATION,
a Nevada Corporation, Declarant

By Park K. Haws
Its President PARK K. HAWS

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

The foregoing instrument was acknowledged before me this 8th day of December, 1983, by Park K. Haws the President of DIVERSIFIED PROPERTIES CORPORATION, a Nevada Corporation, on behalf of the Corporation.

[Signature]
NOTARY PUBLIC

My commission expires:

March 10, 1984

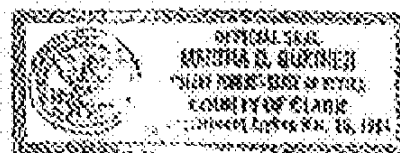


EXHIBIT 4

AFFIDAVIT OF DAVID ALESSI, ESQ. AS CUSTODIAN OF RECORDS FOR
ALESSI & KOENIG, LLC

STATE OF NEVADA)
) ss:
COUNTY OF CLARK)

NOW COMES, DAVID ALESSI, ESQ., who after first being duly sworn, deposes and says:

1. That Affiant is the Managing Partner of Alessi & Koenig, LLC and in his capacity as Managing Partner is a Custodian of the Records of Alessi & Koenig, LLC.

2. That Alessi & Koenig, LLC is licensed to do business as a law firm in the State of Nevada.

3. That on the 14th day October, 2015, Affiant was served with a Subpoena to Produce Documents, Information, or Objects or to Permit Inspection of Premises in connection with the case entitled *U.S. BANK NATIONAL ASSOCIATION ND v, GEORGE R. EDWARDS, et al.* (case no. A-12-667690-C), calling for the production of records pertaining to:

1. Copies of any and all documents in your possession concerning or relating to the real property commonly known as 4254 Rollingstone Drive, Las Vegas, NV 89103 (APN #163-24-111-021) (the "Property") from January 1, 2011 to present.

2. Copies of any and all documents in your possession concerning or relating to the foreclosure sale of the Property conducted by you on behalf of Glenview West Townhomes Association, which occurred on or about January 25, 2012.

3. Copies of any and all documents in your possession concerning or relating to any and all notices of delinquent assessment lien prepared, recorded, or mailed by you on the behalf of Glenview West Townhomes Association concerning the Property from January 1, 2011, to the present. This includes but is not limited to books, records, and

1 other tangible things which demonstrate an accounting of the purported unpaid debt on
2 the Property from January 1, 2011 to present, including the nature of the assessments, fines,
3 and penalties which make up this amount.

4 4. Copies of any and all documents in your possession concerning or relating
5 to any and all notices of default prepared, recorded, or mailed by you on the behalf of
6 Glenview West Townhomes Association, concerning the Property from January 1, 2011, to
7 the present. This includes but is not limited to books, records, and other tangible things which
8 demonstrate an accounting of the purported unpaid debt on the Property from January 1,
9 2011 to present, including the nature of the assessments, fines, and penalties which make up
10 the amount purportedly in default.
11
12

13 5. Copies of any and all documents in your possession concerning or relating
14 to any and all notices of sale prepared, recorded, or mailed by you on the behalf of
15 Glenview West Townhomes Association concerning the Property from January 1, 2011, to
16 the present. This includes but is not limited to books, records, and other tangible things
17 which demonstrate an accounting of the purported unpaid debt on the Property from
18 January 1, 2011 to present, including the nature of the assessments, fines, and penalties
19 which make up the amount
20

21 6. Copies of any and all documents evidencing correspondence between you
22 and Glenview West Townhomes Association, concerning the Property from January 1, 2011,
23 to the present. This includes but is not limited to letters, emails, and transcribed telephone
24 calls.
25

26 7. Copies of any and all documents evidencing your compliance with
27 preparing and adopting a periodic budget pursuant to NRS 116.3115 from January 1, 2011, to
28

1 the present.

2 8. Copies of any and all documents evidencing your compliance with
3 preparing and adopting a periodic budget pursuant to NRS 116.31151 from January 1,
4 2011, to the present.

5 9. Copies of any and all documents evidencing correspondence between you
6 and any mortgage lender or servicer concerning the Property from January 1, 2011, to the
7 present. This includes but is not limited to letters, emails, and transcribed telephone calls.


8 4. That Affiant has examined the original of those records and has made or caused to be
9 made a true and exact copy of them and that the reproduction of them attached hereto is true and
10 complete, except for those records which are subject to attorney-client privilege and/or other
11 valid privilege or objection.
12

13 5. That the original of those records was made at or near the time of the act, event,
14 condition, opinion or diagnosis recited therein by or from information transmitted by a person
15 with knowledge, in the course of a regularly conducted activity of Affiant or Alessi & Koenig,
16 LLC.
17

18 FURTHER AFFIANT SAYETH NAUGHT.
19

20
21
22 
DAVID ALESSI, ESQ.,
Affiant

23 SUBSCRIBED AND SWORN before me
24 this 19th day of November, 2015.

25
26 
27 Notary Public, in and for said
28 County and State.

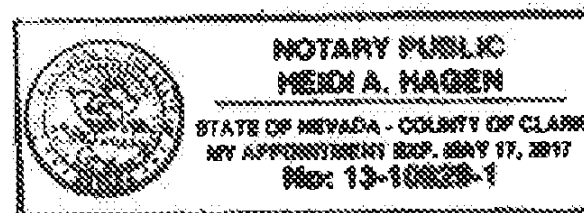


EXHIBIT 5

DAVID ALESSI*
THOMAS BAYARD*
ROBERT KOENIG**
RYAN KEEBOW***

* Admitted to the California Bar
** Admitted to the California, Nevada
and Colorado Bars
*** Admitted to the Nevada and California Bar



A Multi-Jurisdictional Law Firm

9500 W. Flamingo Road, Suite 100
Las Vegas, Nevada 89147
Telephone: 702-222-4033
Facsimile: 702-222-4043
www.alessikoenig.com

ADDITIONAL OFFICES

AGOURA HILLS, CA
PHONE: 818-735-9600

KENO NV
PHONE: 775-626-2323
&
DIAMOND BAR, CA
PHONE: 609-861-8300

November 3, 2010

**NOTICE OF INTENT TO LIEN
VIA REGULAR AND CERTIFIED MAIL**

EDWARDS GEORGE R TRUST
4254 ROLLINGSTONE DR
LAS VEGAS, NV 89103

Re: Glenview West Townhomes Association/4254 ROLLINGSTONE DR/HO #24230

Dear EDWARDS GEORGE R TRUST:

Our office has been retained by Glenview West Townhomes Association to collect the past due assessment balance on your account. The total amount due by December 3, 2010 is \$1,855.00. Any statements or invoices you receive from Glenview West Townhomes Association, or its managing agent, will not reflect the total amount due. Payment must be in the form of a cashiers check or money order, made payable to the Alessi & Koenig at the above listed NEVADA address.

Unless you, within thirty days after receipt of this notice, dispute the validity of this debt, or any portion thereof, our office will assume the debt is valid. If you notify our office in writing within the thirty-day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Upon receipt of your written request within the thirty-day period, we will provide you with the name and address of the original creditor, if different from the current creditor. Please be advised that you have the right to inspect the association records. Please note the law does not require me to wait until the end of the thirty-day period before proceeding to the next step in the collection process. I will mail the address of the original creditor within the thirty-day period to me to suspend my efforts to collect the debt until I mail the

In the event Alessi & Koenig, LLC does not receive an amount of \$1,855.00 by December 3, 2010, a Notice of Delinquent Assessment will be filed with the Clark County Recorder, resulting in additional fees and costs. Should you fail to pay the assessment, we will file a lien against the ownership of your property.

Very truly,

ALESSI & K
Mary Indalecio,

Please be advised that Alessi & Koenig, LLC is a debt collector that is attempting

U.S. Postal Service	
CERTIFIED MAIL - RECEIPT	
(Domestic Mail Only - No Insurance Coverage Provided)	
Postage and Fees Paid by Addressee	
OFFICIAL USE	
Postage	\$
Certified Fee	
Postnet Receipt Fee (Enrollment Required)	
Postnet Delivery Fee (Enrollment Required)	
Total Postage	
Sent to: EDWARDS GEORGE R TRUST	
4254 ROLLINGSTONE DR	
LAS VEGAS NV 89103	
Date: Nov 3, 2010	
City: Las Vegas	

W. FLAMINGO ROAD
NOV 3 2010
POE

A&K000008

USB0039

EXHIBIT 6

24230

AR0453

Unit

GLENVIEW WEST TOWNHOMES ASSN,
FINANCIAL TRANSACTIONS - 10/06/104254 ROLLING STONE
GEORGE EDWARDSUnit ID: 4254
STATUS:

TXN	PAYMENTS/	TRXN	DESCR	CHARGES/PAYMENT	DISTR						
BALANCE	DATE	PAYMT	AMT	CHECK #	DEP	DT	CODE	N/A	DESCRIPTION	AMOUNT	DUE
	042205	131.00	5067		042205	PP			Credit-Prepaid	(131.00)	
(131.00)											
	113006	121.00	INIT CREDIT BAL		PP				Credit-Prepaid	(121.00)	
(252.00)											
	120106		APPLY CHARGES		A1				ASSESSMENT	121.00	
(131.00)											
	120106		APPLY PREPAYMNT		A1				ASSESSMENT	(121.00)	
(131.00)											
	121106	121.00	5048		121106	PP			Credit-Prepaid	(121.00)	
(252.00)											
	010107		APPLY CHARGES		A1				ASSESSMENT	121.00	
(131.00)											
	020107		APPLY CHARGES		A1				ASSESSMENT	121.00	
(10.00)											
	020107		APPLY PREPAYMNT		A1				ASSESSMENT	(121.00)	
(10.00)											
	022007	131.00	5052		022007	A1			ASSESSMENT	(121.00)	
(141.00)											
	022007				PP				Credit-Prepaid	(10.00)	
	030107		APPLY CHARGES		A1				ASSESSMENT	121.00	
(20.00)											
	030107		APPLY PREPAYMNT		A1				ASSESSMENT	(10.00)	
(20.00)											
	031307	131.00	5053		031307	A1			ASSESSMENT	(111.00)	
(151.00)											
	031307				PP				Credit-Prepaid	(20.00)	
	032807	131.00	54		032807	PP			Credit-Prepaid	(131.00)	
(282.00)											
	040107		APPLY CHARGES		A1				ASSESSMENT	121.00	
(161.00)											
	040107		APPLY PREPAYMNT		A1				ASSESSMENT	(121.00)	
(161.00)											
	050107		APPLY CHARGES		A1				ASSESSMENT	121.00	
(40.00)											
	050107		APPLY PREPAYMNT		A1				ASSESSMENT	(121.00)	
(40.00)											
	050207	131.00	5055		050207	PP			Credit-Prepaid	(131.00)	
(171.00)											
	051807	131.00	5056		051807	PP			Credit-Prepaid	(131.00)	
(302.00)											
	060107		APPLY CHARGES		A1				ASSESSMENT	121.00	

Page 1

A&K000010

USB0041

APP000571

AR0453				
(181.00)				
060107	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(181.00)				
070107	APPLY CHARGES	A1	ASSESSMENT	121.00
(60.00)				
070107	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(60.00)				
070607	131.00 5057	070607 PP	Credit-Prepaid	(131.00)
(131.00)				
072507	131.00 5058	072507 PP	Credit-Prepaid	(131.00)
(322.00)				
080107	APPLY CHARGES	A1	ASSESSMENT	121.00
(201.00)				
080107	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(201.00)				
081707	131.00 59	081707 PP	Credit-Prepaid	(131.00)
(332.00)				
090107	APPLY CHARGES	A1	ASSESSMENT	121.00
(211.00)				
090107	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(211.00)				
100107	APPLY CHARGES	A1	ASSESSMENT	121.00
(90.00)				
100407	131.00 5060	100407 PP	Credit-Prepaid	(131.00)
(221.00)				
100407	131.00 5060	100407 PP	Credit-Prepaid	(131.00)
(352.00)				
110107	APPLY CHARGES	A1	ASSESSMENT	121.00
(231.00)				
120107	APPLY CHARGES	A1	ASSESSMENT	121.00
(110.00)				
122007	262.00 61-62	122007 PP	Credit-Prepaid	(262.00)
(372.00)				
010108	APPLY CHARGES	A1	ASSESSMENT	121.00
(251.00)				
012308	131.00 0000005063	012308 PP	Credit-Prepaid	(131.00)
(382.00)				
012308	131.00 5064	012308 PP	Credit-Prepaid	(131.00)
(513.00)				
020108	APPLY CHARGES	A1	ASSESSMENT	121.00
(392.00)				
020108	APPLY PREPAYMNT	A1	ASSESSMENT	(605.00)
(392.00)				
022008	131.00 50065	022008 PP	Credit-Prepaid	(131.00)
(523.00)				
030108	APPLY CHARGES	A1	ASSESSMENT	121.00
(402.00)				
030108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(402.00)				
040108	APPLY CHARGES	A1	ASSESSMENT	121.00
(281.00)				
040108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)
(281.00)				

		ARO453			
050108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(160.00)					
050108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(160.00)					
050608	131.00 68	050608 PP	Credit-Prepaid	(131.00)	
(291.00)					
060108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(170.00)					
060108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(170.00)					
070108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(49.00)					
070108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(49.00)					
071108	131.00 74	071108 PP	Credit-Prepaid	(131.00)	
(180.00)					
072008	131.00 66	072008 PP	Credit-Prepaid	(131.00)	
(311.00)					
080108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(190.00)					
080108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(190.00)					
081108	131.00 5077	081108 PP	Credit-Prepaid	(131.00)	
(321.00)					
090108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(200.00)					
090108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(200.00)					
100108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(79.00)					
100108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(79.00)					
103008	131.00 5080	103008 PP	Credit-Prepaid	(131.00)	
(210.00)					
103008	131.00 5083	103008 PP	Credit-Prepaid	(131.00)	
(341.00)					
110108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(220.00)					
110108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(220.00)					
113008	131.00 5086	113008 PP	Credit-Prepaid	(131.00)	
(351.00)					
120108	APPLY CHARGES	A1	ASSESSMENT	121.00	
(230.00)					
120108	APPLY PREPAYMNT	A1	ASSESSMENT	(121.00)	
(230.00)					
010109	APPLY CHARGES	A1	ASSESSMENT	130.00	
(100.00)					
010109	APPLY PREPAYMNT	A1	ASSESSMENT	(130.00)	
(100.00)					
012909	131.00 5089	012909 PP	Credit-Prepaid	(131.00)	
(231.00)					
013009	131.00 92	013009 A1	ASSESSMENT	(131.00)	
(362.00)					

020109 (232.00)	APPLY CHARGES	A1	AR0453	ASSESSMENT	130.00
020109 (232.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)
022709 (362.00)	130.00 124	022709 A1		ASSESSMENT	(130.00)
022709 (493.00)	131.00 5094	022709 A1		ASSESSMENT	(131.00)
030109 (363.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
030109 (363.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(101.00)
033009 (494.00)	131.00 5097	033009 A1		ASSESSMENT	(27.00)
033009		PP		Credit-Prepaid	(104.00)
040109 (364.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
043009 (495.00)	131.00 5101	043009 PP		Credit-Prepaid	(131.00)
050109 (365.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
053009 (496.00)	131.00 106	053009 PP		Credit-Prepaid	(131.00)
060109 (366.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
070109 (236.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
070109 (238.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)
071509 (367.00)	131.00 5108	071509 PP		Credit-Prepaid	(131.00)
071509 (498.00)	131.00 5102	071509 PP		Credit-Prepaid	(131.00)
080109 (629.00)	131.00 0	080109 PP		Credit-Prepaid	(131.00)
080109 (499.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
080109 (499.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)
090109 (369.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
090109 (369.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)
100109 (239.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
100109 (239.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)
102209 (370.00)	131.00 118	102209 PP		Credit-Prepaid	(131.00)
110109 (240.00)	APPLY CHARGES	A1		ASSESSMENT	130.00
110109 (240.00)	APPLY PREPAYMNT	A1		ASSESSMENT	(130.00)

CHARGE CODE	DESCRIPTION	AMOUNT
120109 (110.00)	APPLY CHARGES A1 AR0453 ASSESSMENT	130.00
120109 (110.00)	APPLY PREPAYMNT A1 ASSESSMENT	(130.00)
123009 0.00	EXPENSE ADJ A1 ASSESSMENT	110.00
010110 130.00	APPLY CHARGES A1 ASSESSMENT	130.00
010110 130.00	APPLY PREPAYMNT A1 ASSESSMENT	(110.00)
020110 260.00	APPLY CHARGES A1 ASSESSMENT	130.00
030110 390.00	APPLY CHARGES A1 ASSESSMENT	130.00
033010 400.00	APPLY LATE FEE 01 Late Fees	10.00
040110 530.00	APPLY CHARGES A1 ASSESSMENT	130.00
050110 660.00	APPLY CHARGES A1 ASSESSMENT	130.00
060110 790.00	APPLY CHARGES A1 ASSESSMENT	130.00
070110 920.00	APPLY CHARGES A1 ASSESSMENT	130.00
080110 1050.00	APPLY CHARGES A1 ASSESSMENT	130.00
090110 1180.00	APPLY CHARGES A1 ASSESSMENT	130.00
100110 1310.00	APPLY CHARGES A1 ASSESSMENT	130.00

B A L A N C E S U M M A R Y

CHARGE CODE	DESCRIPTION	AMOUNT
A1	ASSESSMENT	1,300.00
01	Late Fees	10.00
TOTAL:		1,310.00

130
1440

EXHIBIT 7

When recorded return to:

ALESSI & KOENIG, LLC
9500 W. Flamingo Rd., Suite 100
Las Vegas, Nevada 89147
Phone: (702) 222-4033

A.P.N. 163-24-111-021

Trustee Sale # 24230-4254

NOTICE OF DELINQUENT ASSESSMENT (LIEN)

In accordance with Nevada Revised Statutes and the Association's Declaration of Covenants, Conditions and Restrictions (CC&Rs) of the official records of Clark County, Nevada, Glenview West Townhomes Association has a lien on the following legally described property.

The property against which the lien is imposed is commonly referred to as 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103 and more particularly legally described as: LOT 19 Book 30 Page 65 in the County of Clark.

The owner(s) of record as reflected on the public record as of today's date is (are): EDWARDS GEORGE R TRUST

The mailing address(es) is: 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103

The total amount due through today's date is: \$2,330.00. Of this total amount \$2,280.00 represent Collection and/or Attorney fees, assessments, interest, late fees and service charges. \$50.00 represent collection costs. Note: Additional monies shall accrue under this claim at the rate of the claimant's regular monthly or special assessments, plus permissible late charges, costs of collection and interest, accruing subsequent to the date of this notice.

Date: December 20, 2010

By:

Mary Indalecio - Legal Assistant
Alessi & Koenig, LLC on behalf of Glenview West Townhomes Association

State of Nevada
County of Clark
SUBSCRIBED and SWORN before me December 20, 2010

(Seal)

(Signature)

NOTARY PUBLIC

A&K000018

USB0047

EXHIBIT 8

Inst #: 201103290002690
Fees: \$14.00
N/C Fee: \$0.00
03/28/2011 09:54:46 AM
Receipt #: 720888
Requestor:
ALESSI & KOENIG LLC (JUNES
Recorded By: EAH Pgs: 1
DEBBIE CONWAY
CLARK COUNTY RECORDER

When recorded mail to:

THE ALESSI & KOENIG, LLC
9500 West Flamingo Rd., Ste 100
Las Vegas, Nevada 89147
Phone: 702-222-4033

A.P.N. 163-24-111-021

Trustee Sale No. 24230-4254

NOTICE OF DEFAULT AND ELECTION TO SELL UNDER HOMEOWNERS ASSOCIATION LIEN

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE! You may have the right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account. The sale may not be set until ninety days from the date this notice of default recorded, which appears on this notice. The amount due is \$3,800.00 as of March 2, 2011 and will increase until your account becomes current. To arrange for payment to stop the foreclosure, contact: Glenview West Townhomes Association, c/o Alessi & Koenig, 9500 W. Flamingo Rd, Ste 100, Las Vegas, NV 89147.

THIS NOTICE pursuant to that certain Assessment Lien, recorded on January 4, 2011 as document number 0005412, of Official Records in the County of Clark, State of Nevada. Owner(s): EDWARDS GEORGE R TRUST, of LOT 19, as per map recorded in Book 38, Pages 65, as shown on the Plan, Recorded on as document number as shown on the Subdivision map recorded in Maps of the County of Clark, State of Nevada. PROPERTY ADDRESS: 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103. If you have any questions, you should contact an attorney. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure. REMEMBER YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION. NOTICE IS HEREBY GIVEN THAT The Alessi & Koenig is appointed trustee agent under the above referenced lien, dated January 4, 2011, executed by Glenview West Townhomes Association to secure assessment obligations in favor of said Association, pursuant to the terms contained in the Declaration of Covenants, Conditions, and Restrictions (CC&Rs). A default in the obligation for which said CC&Rs has occurred in that the payment(s) have not been made of homeowners assessments due from and all subsequent assessments, late charges, interest, collection and/or attorney fees and costs.

Dated: March 2, 2011

Mary Indalecio, Alessi & Koenig, LLC on behalf of Glenview West Townhomes Association

A&K000048

USB0077

EXHIBIT 9

When recorded mail to:
Alessi & Koenig, LLC
9500 West Flamingo Rd., Suite 205
Las Vegas, NV 89147
Phone: 702-222-4033

APN: 163-24-111-021

TSN 24230-4254

NOTICE OF TRUSTEE'S SALE

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL The Alessi & Koenig at 702-222-4033. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION, AT 1-877-829-9907 IMMEDIATELY.

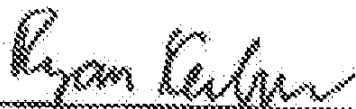
NOTICE IS HEREBY GIVEN THAT:

On November 16, 2011, Alessi & Koenig as duly appointed Trustee pursuant to a certain lien, recorded on January 4, 2011, as instrument number 0005412, of the official records of Clark County, Nevada, WILL SELL THE BELOW MENTIONED PROPERTY TO THE HIGHEST BIDDER FOR LAWFUL MONEY OF THE UNITED STATES, OR A CASHIER'S CHECK at 4:00 P.M. at 939 S. 4th Street, Las Vegas Nevada 89101.

The street address and other common designation, if any, of the real property described above is purported to be: 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103. The owner of the real property is purported to be: EDWARDS GEORGE R TRUST

The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designations, if any, shown herein. Said sale will be made, without covenant or warranty, expressed or implied, regarding title, possession or encumbrances, to pay the remaining principal sum of a note, homeowner's assessment or other obligation secured by this lien, with interest and other sum as provided therein; plus advances, if any, under the terms thereof and interest on such advances, plus fees, charges, expenses, of the Trustee and trust created by said lien. The total amount of the unpaid balance of the obligation secured by the property to be sold and reasonable estimated costs, expenses and advances at the time of the initial publication of the Notice of Sale is \$5,370.00. Payment must be in cash, a cashier's check drawn on a state or national bank, a check drawn by a state bank or federal credit union, or a check drawn by a state or federal savings and loan association, savings association, or savings bank specified in section 5102 of the Financial Code and authorized to do business in this state.

Date: September 16, 2011



By: Ryan Korbow, Esq on behalf of Glenview West Townhomes Association

A&K000049

USB0080

1 MICHAEL F. BOHN, ESQ.
Nevada Bar No.: 1641
2 mbohn@bohnlawfirm.com
LAW OFFICES OF
3 MICHAEL F. BOHN, ESQ., LTD.
2260 Corporate Circle, Suite 480
4 Henderson, Nevada 89074
(702) 642-3113 / (702) 642-9766 FAX
5 Attorney for defendant/appellant

6
7
8 SUPREME COURT
9 STATE OF NEVADA

10 RESOURCES GROUP, LLC, a Nevada
11 Limited Liability Company,

CASE NO.: 84992

12 Appellant,

13 vs.

14 U.S. BANK NATIONAL
ASSOCIATION, ND, a national
15 association,

16 Respondent.

17
18 **JOINT APPENDIX VOLUME 3 PART 3**

19
20 Michael F. Bohn, Esq.
Law Office of Michael F. Bohn, Esq., Ltd.
2260 Corporate Circle, Suite 140
21 Henderson, Nevada 89074
(702) 642-3113/ (702) 642-9766 FAX
22 Attorney for Defendant/Appellant

EXHIBIT 10

Sing City Realty LLC
3rd Party Bidder

The declarant upon instructions of Alessi & Koenig LLC, Trustee under Notice of Trustee Sale identified as Sale Number 24230-4254 did on the 25th Day of January, 2012 Conducted a trustee's sale in foreclosure at the advertised time and place of sale, as described in the Notice of Trustee's Sale.

Sale # 24230-4254
APN: 163-24-111-021
4254 Rollingstone Dr, Las Vegas, NV 89103

- That, on said date of sale, did sell said property to:

4254 Rollingstone Dr. Trust

Purchaser being the highest bidder, with high bid of \$ 5331²²

- That tax statements are to be mailed to the buyer at:

P.O. Box 36208
Las Vegas NV 89133

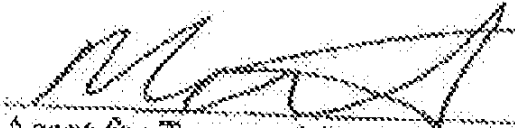
Funds Received \$ 5331

Final Bid Amount \$ 5331

Refund Due \$ 0

No competitive bidding occurred at the sale and the property was sold to the beneficiary for a bid of \$ _____

The declarant certifies, under penalty of perjury, that the foregoing is true and correct.


Agent for Trustee, Matt Mitchell
Executed this 25th day of January, 2012

A&K000057

USB0088

EXHIBIT 11

Inst #: 201201310001704
Fees: \$17.00 M/C Fee: \$0.00
RPTT: \$28.05 Ex: #
01/31/2012 09:09:48 AM
Receipt #: 1052023
Requestor:
ALESSI & KOENIG LLC (JUNES
Recorded By: DXI Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

When recorded mail to and
Mail Tax Statements to:
4254 Rolling Stone Dr Trust
PO Box 36208
Las Vegas, NV 89133

A.P.N. No.163-24-111-021

TS No. 24230-4254

TRUSTEE'S DEED UPON SALE

The Grantee (Buyer) herein was: 4254 Rolling Stone Dr Trust
The Foreclosing Beneficiary herein was: Clearview West Townhomes Association
The amount of unpaid debt together with costs (Real Property Transfer Tax Value): \$5,331.00
The amount paid by the Grantee (Buyer) at the Trustee's Sale: \$5,331.00
The Documentary Transfer Tax: \$28.05
Property address: 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103
Said property is in [] unincorporated area: City of LAS VEGAS
Trustor (Former Owner that was foreclosed on): EDWARDS GEORGE R TRUST

Alessi & Koenig, LLC (herein called Trustee), as the duly appointed Trustee under that certain Notice of Delinquent Assessment Lien, recorded January 4, 2011 as instrument number 0005412, in Clark County, does hereby grant, without warranty expressed or implied to: 4254 Rolling Stone Dr Trust (Grantee), all its right, title and interest in the property legally described as: LOT 19, as per map recorded in Book 30, Pages 65 as shown in the Office of the County Recorder of Clark County Nevada.

TRUSTEE STATES THAT:

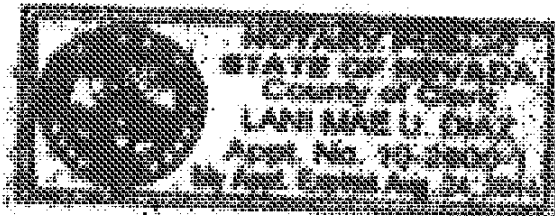
This conveyance is made pursuant to the powers conferred upon Trustee by NRS 116 et seq., and that certain Notice of Delinquent Assessment Lien, described herein. Default occurred as set forth in a Notice of Default and Election to Sell which was recorded in the office of the recorder of said county. All requirements of law regarding the mailing of copies of notices and the posting and publication of the copies of the Notice of Sale have been complied with. Said property was sold by said Trustee at public auction on January 25, 2012 at the place indicated on the Notice of Trustee's Sale.

Ryan Kerbow, Esq.
Signature of AUTHORIZED AGENT for Clearview West Townhomes Association

State of Nevada }
County of Clark }

SUBSCRIBED and SWORN to before me Jan. 27, 2012

WITNESS my hand and official seal.
(Seal)



(Signature)

#A111
#10-2800-1

A&K000058

USB0089

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

a. 183-24-111-021

b.

c.

d.

2. Type of Property:

a. ☐ Vacant Land

b. ☐ Single Fam. Res.

c. ☒ Condo/Twnhse

d. ☐ 2-4 Plex

e. ☐ Apt. Bldg

f. ☐ Comm/Indl

g. ☐ Agricultural

h. ☐ Mobile Home

i. ☐ Other

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____

Date of Recording: _____

Notes: _____

3.a. Total Value/Sales Price of Property

\$ 5,331.00

b. Deed in Lieu of Foreclosure Only (value of property)

c. Transfer Tax Value:

\$ 5,331.00

d. Real Property Transfer Tax Due

\$ 28.06

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section _____

b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: 100.00 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity: Grantor

Signature _____ Capacity: _____

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Alessi & Koerig, LLC

Address: 8600 W Flamingo # 205

City: Las Vegas

State: NV

Zip: 89147

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: 4254 Rolling Stones Dr Trust

Address: PO Box 26208

City: Las Vegas

State: NV

Zip: 89133

COMPANY/PERSON REQUESTING RECORDING (Required if not seller or buyer)

Print Name: Alessi & Koerig, LLC

Address: 8600 W Flamingo # 205

City: Las Vegas

Escrow # N/A Foreclosure

State: NV

Zip: 89147

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

A&K000059

USB0090

EXHIBIT 12

1 **McCARTHY & HOLTHUS, LLP**
2 Kristin A. Schuler-Hintz (NSB# 7171)
3 Thomas N. Beckom, Esq (NSB# 12554)
4 9510 West Sahara Avenue, Suite 200
5 Las Vegas, NV 89117
6 Telephone: (702) 685-0329
7 Facsimile: (866) 339-5691

8 Attorneys for U.S. BANK

9 **IN THE EIGHTH JUDICIAL DISTRICT COURT FOR THE STATE OF NEVADA**

10 **IN AND FOR THE COUNTY OF CLARK**

11 **U.S. BANK NATIONAL ASSOCIATION ND,**
12 **A NATIONAL ASSOCIATION**

Case No. A-12-667690-C

Dept. No. XVI

13 Plaintiff,

14 v.

U.S. BANK'S EXPERT DESIGNATION

15 GEORGE R. EDWARDS, an individual, ANY
16 AND ALL PERSON UNKNOWN,
17 CLAIMING TO BE PERSONAL
18 REPRESENTATIVES OF GEORGE R.
19 EDWARDS ESTATE OR DULY
20 APPOINTED, QUALIFIED, AND ACTING
21 EXECUTOR OF THE WILL OF THE
22 ESTATE OF GEORGE R. EDWARDS;
23 RESOURCES GROUP, LLC a Nevada
24 Limited-Liability Company; GLENVIEW
25 WEST TOWNHOMES ASSOCIATION, a
Nevada non-profit corporation; DOES 4
through 10, inclusive, and ROES 1 through 10,
inclusive

Defendants.

And all related claims

Pursuant to Rule 16.1 of the Nevada Rules of Civil Procedure, Defendant, U.S. BANK
NATIONAL ASSOCIATION ND, A NATIONAL ASSOCIATION ("U.S. BANK"), by and

1 through it's undersigned counsel of record Thomas N. Beckom, Esq of the law firm of McCarthy
2 Holthus hereby submits the following expert designation.

3 II.

4 LIST OF WITNESSES

- 5 1. George "Chip" Holmes
6 EAGLE APPRAISAL
7 3565 S. Las Vegas Blvd Suite 366
8 Las Vegas, NV 89109

9 Mr. Holmes is an expert appraiser. Mr. Holmes will testify as to the value of the property.
10 A copy of his expert report and required materials is attached.

11 DATED: July 29, 2016

12 McCarthy & Holthus, LLP

13 By: /s/ Thomas N. Beckom Esq
14 Thomas N. Beckom, Esq
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George "Chip" Holmes
3565 S. Las Vegas Blvd., STE 366
Las Vegas, NV 89109

July 28, 2016

McCarthy & Holthus

Re: Property: 4254 Rollingstone Dr
Las Vegas, NV 89103
Borrower: N/A
File No.: 216825

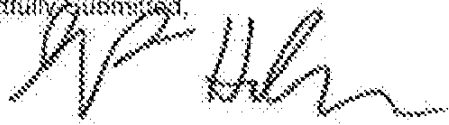
To Whom It May Concern,

At your request, I have made an appraisal on the above referenced property.

The property rights appraised are fee simple title ownership, assuming no indebtedness against the property. The purpose of this report is to estimate the MARKET VALUE of the subject property as of the effective date. MARKET VALUE, as used in this report as defined in the STATEMENT OF ASSUMPTIONS, LIMITING CONDITIONS & SCOPE of WORK as defined in this general purpose form used for non-lending purposes.

This appraisal is subject to the assumptions and limiting conditions listed elsewhere in this report. Enclosed please find information pertinent to the subject property and the local market. This report is invalid without all of the included forms, addendums, and exhibits.

Respectfully Submitted,



George Holmes
NV Lic #A.0006387-RES

RESIDENTIAL APPRAISAL SUMMARY REPORT

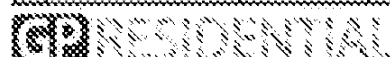
File No.: 216825

Property Address: 4264 Rollingstone Dr		City: Las Vegas		State: NV		Zip Code: 89103	
County: Clark		Legal Description: Glenview West Towne Plat Book 30 Page 66 Lot 19					
Assessor's Parcel #: 165-24-111-021		Tax Year: 2016 R.E. Taxes: \$ 619.17 Special Assessments: \$ 0					
Current Owner of Record: Browne Valley Court Trust		Occupant: <input type="checkbox"/> Owner <input checked="" type="checkbox"/> Tenant <input type="checkbox"/> Vacant <input type="checkbox"/> Manufactured Housing					
Project Type: <input checked="" type="checkbox"/> PUD <input type="checkbox"/> Condominium <input type="checkbox"/> Cooperative <input checked="" type="checkbox"/> Other (describe) Single Family Residential		HOA: \$ 121.00 per year <input checked="" type="checkbox"/> per month					
Market Area Name: Glenview West		Map Reference: 65-E-1		Census Tract: 0029.64			
The purpose of this appraisal is to develop an opinion of: <input checked="" type="checkbox"/> Market Value (as defined), or <input type="checkbox"/> other type of value (describe)							
This report reflects the following value (if not Current, see comments): <input type="checkbox"/> Current (the Inspection Date is the Effective Date) <input checked="" type="checkbox"/> Retrospective <input type="checkbox"/> Prospective							
Approaches developed for this appraisal: <input checked="" type="checkbox"/> Sales Comparison Approach <input type="checkbox"/> Cost Approach <input type="checkbox"/> Income Approach (See Reconciliation Comments and Scope of Work)							
Property Rights Appraised: <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Leased Fee <input type="checkbox"/> Other (describe)							
Intended Use: To establish retrospective market value for attorney as of 1/25/2012.							
Intended User(s) (by name or type): McCarthy & Holthus							
Client: McCarthy & Holthus		Address: 3565 S. Las Vegas Blvd., STE 306, Las Vegas, NV 89163					
Appraiser: George Holmes		Address: 3565 S. Las Vegas Blvd., STE 306, Las Vegas, NV 89163					
Location: <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural		Predominant Occupancy: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant (0-5%) <input checked="" type="checkbox"/> Vacant (>5%)		One-Unit Housing PRICE AGE 5(000) (yrs) 49 Low 1		Present Land Use One-Unit 55% 2-4 Unit 0% Multi-Unit 10% Commercial 20% Other 15%	
Built up: <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		Growth rate: <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		Property values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		Demand/supply: <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	
Marketing time: <input type="checkbox"/> Under 3 Mos. <input checked="" type="checkbox"/> 3-6 Mos. <input type="checkbox"/> Over 6 Mos.		Market Area Boundaries, Description, and Market Conditions (including support for the above characteristics and trends):		The subject's market area is defined as Desert Inn to the North, Russell to the South, Buffalo to the West and I-15 to the East. No apparent adverse factors noted. The subject neighborhood is comprised primarily of average quality tract home dwellings exhibiting an overall average to good level of apparent general maintenance. Convenience to area support services, employment centers, and major traffic routes & freeways is considered adequate. MLS statistics for the subject's defined market area of similar size, type, and designed properties.			
Dimensions: Public Records		Site Area: 1,307 sq/ft		Zoning Classification: R-3			
Zoning Description: Single Family Residential		Zoning Compliance: <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (grandfathered) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning		Are CGRs applicable? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown			
Have the documents been reviewed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Ground Rent (if applicable) \$		N/A/ N/A			
Highest & Best Use as Improved: <input checked="" type="checkbox"/> Present use, or <input type="checkbox"/> Other use (explain)		Actual Use as of Effective Date: Single Family Residential Use as appraised in this report: Single Family Residential					
Summary of Highest & Best Use: A highest and best use analysis was performed and subject property as improved to the current use is legally permissible, physically possible, financially feasible and maximally productive.							
Utilities		Public Other		Provider/Description		Off-site Improvements Type Public Private	
Electricity		<input checked="" type="checkbox"/>		City		Street Asphalt	
Gas		<input checked="" type="checkbox"/>		City		Curb/Gutter Concrete	
Water		<input checked="" type="checkbox"/>		City		Sidewalk Concrete	
Sanitary Sewer		<input checked="" type="checkbox"/>		City		Street Lights Electric Pole	
Storm Sewer		<input checked="" type="checkbox"/>		City		Alley None/Typical	
Other site elements: <input type="checkbox"/> Inside Lot <input type="checkbox"/> Corner Lot <input checked="" type="checkbox"/> Cul de Sac <input checked="" type="checkbox"/> Underground Utilities <input type="checkbox"/> Other (describe)		Topography Appears Flat					
FEMA Spec Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone: X		FEMA Map # 32003C2251F		FEMA Map Date 11/16/2011		Size Typical	
Site Comments: There were no apparent adverse easements or encroachments. No title report or survey was provided for review. The subject site is a typical conforming site in a typical detached home development for the area.		Shape Basically Rectangular		Drainage Appears Adequate		View Typical Residential	
General Description		Exterior Description		Foundation		Basement <input checked="" type="checkbox"/> None	
# of Units 1 <input type="checkbox"/> Acc. Unit		Foundation Concrete Slab		Slab Concrete		Area Sq. Ft. N/A	
# of Stories 1		Exterior Walls Stucco/Avg		Crawl Space None		% Finished N/A	
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/>		Roof Surface Comp/Avg		Basement None		Ceiling	
Design (Style) 1-Story Townhouse		Gutters & Downsp. Over Hang/Avg		Sump Pump <input checked="" type="checkbox"/> N/A		Walls	
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Und. Cons.		Window Type Double Pane/Avg		Dampress <input type="checkbox"/> N/A		Floor	
Actual Age (Yrs.) 26		Storm Screens Screens/Avg		Settlement None Observed		Outside Entry	
Effective Age (Yrs.) 26		Interior Description		Amenities		Cooling Central Yes	
Floors No Interior Inspection		Appliances		Fireplace(s) # 1		Other	
Walls No Interior Inspection		Refrigerator <input checked="" type="checkbox"/> Stairs <input type="checkbox"/> None		Patio Concrete		Car Storage <input type="checkbox"/> None	
Trim/Finish No Interior Inspection		Range/Oven <input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> None		Deck None		Garage # of cars (1 Tot.)	
Bath Floor No Interior Inspection		Disposal <input checked="" type="checkbox"/> Scuttle <input checked="" type="checkbox"/> None		Porch None		Attach.	
Bath Wainscot No Interior Inspection		Dishwasher <input checked="" type="checkbox"/> Downway <input type="checkbox"/> None		Fence Block		Detach.	
Doors No Interior Inspection		Fan/Hood <input checked="" type="checkbox"/> Floor <input type="checkbox"/> None		Pool None		Blt. In	
		Microwave <input checked="" type="checkbox"/> Heater <input type="checkbox"/> None				Carport 1 1 car/assn	
		Washer/Dryer <input checked="" type="checkbox"/> Finished <input type="checkbox"/> None				Driveway	
						Surface Concrete	
Finished area above grade contains: 4 Rooms 2 Bathrooms 2 Bath(s) 849 Square Feet of Gross Living Area Above Grade							
Additional features: Upgrade options include similar amenities for a property in this price class in the subject market area.							
Describe the condition of the property (including physical, functional and external obsolescence): There were no apparent physical, functional or external inadequacies noted on inspection. The Age-Life method was used for typical depreciation. The subject appears to be in overall average condition and of average quality when compared to other homes of similar age in the area. C3-UAD as defined by condition ratings which describe the property as "The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated."							

RESIDENTIAL APPRAISAL SUMMARY REPORT

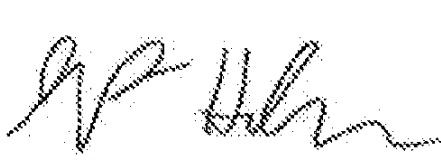
File No. 216835

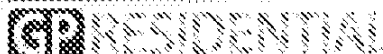
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.									
Data Source(s): Assessor/Public Records									
1st Prior Subject Sale/Transfer		Analysis of sale/transfer history and/or any current agreement of sale/transfer: The subject was sold on 1/25/2012 for \$5,331 Doc#20120131-01704.							
Date: 1/31/12									
Price: \$5,331									
Source(s): Public Records									
2nd Prior Subject Sale/Transfer									
Date:									
Price:									
Source(s):									
SALES COMPARISON APPROACH TO VALUE (if developed) The Sales Comparison Approach was not developed for this appraisal.									
FEATURE		SUBJECT		COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address: 4254 Rollingstone Dr Las Vegas, NV 89103		7108 Sprucewood St Las Vegas, NV 89147		4505 Via Madrigal Las Vegas, NV 89109		4202 Rollingstone Dr Las Vegas, NV 89103			
Proximity to Subject		Less than 1 mile from subject		Less than 1 mile from subject		Less than 1 mile from subject			
Sale Price		\$ N/A		\$ 52,000		\$ 53,000		\$ 50,000	
Sale Price/GLA		\$ /sq ft		\$ 59.89/sq ft		\$ 58.65/sq ft		\$ 59.52/sq ft	
Data Source(s)		Owner		MLS#1206166/Public Records		MLS#1146348/Public Records		MLS#1143879/Public Records	
Verification Source(s)		Public Records		Doc#20111238-01688		Doc#20111227-00938		Doc#20110721-04173	
VALUE ADJUSTMENTS		DESCRIPTION		+(-) \$ Adjust		DESCRIPTION		+(-) \$ Adjust	
Sales or Financing		N/A		Cash		Cash		FHA	
Concessions		N/A		Traditional Sale		Traditional Sale		Foreclosure	
Date of Sale/Time		N/A		COE-12/30/11		COE-11/27/11		COE-7/21/11	
Rights Appraised		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Location		Suburban		Suburban		Suburban		Suburban	
Site		1,307 sq/ft		3,920 sq/ft -3,900		3,920 sq/ft -3,900		1,307 sq/ft	
View		Typical Residential		Typical Residential		Typical Residential		Typical Residential	
Design (Style)		1-Story Townhouse		1-Story Townhouse		1-Story Townhouse		1-Story Townhouse	
Quality of Construction		Stucco-Comp/Q4		Stucco-Comp/Q4		Stucco-Comp/Q4		Stucco-Comp/Q4	
Age		28		36		31		28	
Condition		UAD-C3		UAD-C3		UAD-C3		UAD-C3	
Above Grade		Total Rooms Baths		Total Rooms Baths		Total Rooms Baths		Total Rooms Baths	
Room Count		4 2 2		4 2 1 +5,000		4 2 2		4 2 2	
Gross Living Area		840 sq ft		854 sq ft		989 sq ft -3,700		840 sq ft	
Basement & Finished		N/A		N/A		N/A		N/A	
Rooms Below Grade		N/A		N/A		N/A		N/A	
Functional Utility		Average		Average		Average		Average	
Heating/Cooling		FWA/Central		FWA/Central		FWA/Central		FWA/Central	
Energy Efficient Items		Standard		Standard		Standard		Standard	
Garage/Carport		1 Car Carport		1 Car Garage -5,000		1 Car Garage -5,000		1 Car Carport	
Porch/Patio/Deck		Covered Patio		Covered Patio		Covered Patio		Covered Patio	
Upgrades/Condition		Some Updates		Some Updates		Some Updates		Some Updates	
Days on Market		DOM		DOM-18		DOM-211		DOM-42	
Net Adjustment (Total)				+ - \$ -3,900		+ - \$ -12,600		+ - \$	
Adjusted Sale Price				Net 7.8 %		Net 21.7 %		Net 5.5 %	
of Comparables				Gross 25.7 % \$ 48,100		Gross 21.7 % \$ 45,400		Gross 23.3 % \$ 50,000	
Summary of Sales Comparison Approach SEE ADDITIONAL COMPARABLES PAGE FOR SALES #4, #5 & #6.									
<p>** All comparables are considered to be the most recent, relevant comparables available as of the effective date of this report. Comparables were chosen for being among the most similar to the subject in size, style, lot size, age, and amenities. Selected and used comparables that were vocationally, physically, and functionally the most similar to the subject property. Comparables were obtained through the GLVAR MLS service, supplemented by assessor records.</p> <p>**The appraiser selected comparables in the subjects neighborhood which were between 700 and 1,100 sq/ft, 1-Story Town Homes, between 26 and 36 years old, and which closed with in the previous 7 months from the effective date.</p> <p>** The appraiser's opinion of reasonable exposure time linked to this value opinion is 30-60 days, assuming an offering price in the \$45,000 to \$50,000 range.</p> <p>** Lot size adjustments were applied at \$2 per sq/ft for differences of more than 1,500 sq/ft.</p> <p>** GLA adjustments were applied at \$25 per sq/ft for differences of more than 100 sq/ft.</p> <p>** Upgrade and update adjustments were made based on appraiser observations and listing agent comments.</p> <p>** All other adjustments were made based on differences in amenities between the subject and the comparables per MLS listing agent's comments and appraiser observations. When applied, these adjustments were deemed necessary and appear reasonable based on the appraiser's knowledge of the area and market indicators.</p> <p>The appraiser made an exterior only inspection which involves the use of an extraordinary assumption that no adverse conditions exist that may affect the livability, soundness, or structural integrity, and all subject data used from assessor records and MLS, which if found to be false, could affect the appraisers opinion of value and conclusions.</p> <p>The client assigned the report effective date, the appraiser has completed assignment developing an unimpaired opinion of market value employing the use of an assumption that no detrimental conditions existed as of the effective date and reserves the right to modify report and opinion of value if court deems effective date inappropriate or misleading to appraisal problem or assignment.</p>									
Indicated Value by Sales Comparison Approach \$ 48,000									



RESIDENTIAL APPRAISAL SUMMARY REPORT

File No: 216825

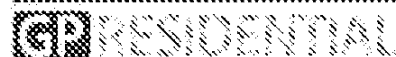
COST APPROACH	COST APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Cost Approach was not developed for this appraisal. Provide adequate information for replication of the following cost figures and calculations: Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value):	
	ESTIMATED REPRODUCTION OR REPLACEMENT COST NEW Source of cost data: Quality rating from cost service: Effective date of cost data: Comments on Cost Approach (gross living area calculations, depreciation, etc.):	OPINION OF SITE VALUE: SWELLING Sq. Ft. @ \$ Sq. Ft. @ \$ Sq. Ft. @ \$ Sq. Ft. @ \$ Sq. Ft. @ \$ Sq. Ft. @ \$ Garage/Carport Sq. Ft. @ \$ Total Estimate of Cost-New Less Physical Functional External Depreciation Depreciated Cost of Improvements "As-is" Value of Site Improvements Estimated Remaining Economic Life (if required): Years
	INDICATED VALUE BY COST APPROACH = \$	
	INCOME APPROACH TO VALUE (if developed) <input checked="" type="checkbox"/> The Income Approach was not developed for this appraisal. Estimated Monthly Market Rent \$ X Gross Rent Multiplier = \$ Indicated Value by Income Approach Summary of Income Approach (including support for market rent and GRM):	
PUD	PROJECT INFORMATION FOR PUDs (if applicable) <input checked="" type="checkbox"/> The Subject is part of a Planned Unit Development. Legal Name of Project: Glenview West Describe common elements and recreational facilities: Amenities include but are not limited to community pool, spa, greenbelts and CC&R's.	
	Indicated Value by Sales Comparison Approach \$ 48,000 Cost Approach (if developed) \$ Income Approach (if developed) \$ Final Reconciliation The direct sales comparison analysis is considered the most reflective of Buyer & Seller expectations within the subjects market, thus given primary emphasis. The Cost Approach and Income Approach are not applicable as defined by "Market Value" as they do not reflect the actions of buyers & sellers in the market. (See Certifications section for Definition of Market Value)	
RECONCILIATION	This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a Hypothetical Condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a Hypothetical Condition that the repairs or alterations have been completed, <input type="checkbox"/> subject to the following required inspection based on the Extraordinary Assumption that the condition or deficiency does not require alteration or repair: No personal property was included in this report.	
	<input type="checkbox"/> This report is also subject to other Hypothetical Conditions and/or Extraordinary Assumptions as specified in the attached addenda. Based on the degree of inspection of the subject property, as indicated below, defined Scope of Work, Statement of Assumptions and Limiting Conditions, and Appraiser's Certifications, my (our) Opinion of the Market Value (or other specified value type), as defined herein, of the real property that is the subject of this report is: \$ 48,000, as of: January 25, 2012, which is the effective date of this appraisal. If indicated above, this Opinion of Value is subject to Hypothetical Conditions and/or Extraordinary Assumptions included in this report. See attached addenda.	
ATTACHMENTS	A true and complete copy of this report contains 13 pages, including exhibits which are considered an integral part of the report. This appraisal report may not be properly understood without reference to the information contained in the complete report. Attached Exhibits: <input checked="" type="checkbox"/> Scope of Work <input checked="" type="checkbox"/> Limiting Cond./Certificate <input type="checkbox"/> Narrative Addendum <input checked="" type="checkbox"/> Photograph Addenda <input type="checkbox"/> Sketch Addendum <input checked="" type="checkbox"/> Map Addenda <input checked="" type="checkbox"/> Additional Sales <input type="checkbox"/> Cost Addendum <input type="checkbox"/> Flood Addendum <input type="checkbox"/> Manuf. House Addendum <input type="checkbox"/> Hypothetical Conditions <input type="checkbox"/> Extraordinary Assumptions <input type="checkbox"/> Appraiser License <input type="checkbox"/> E & O Insurance	
	Client Contact: _____ Client Name: McCarthy & Hohnus E-Mail: _____ Address: _____	
SIGNATURES	APPRAISER  Appraiser Name: George Holmes Company: Eagle Appraisal Phone: 702 273-0292 Fax: _____ E-Mail: chg@eagleappraisal.com Date of Report (Signature): July 28, 2016 License or Certification #: A.0006387-RES State: NV Designation: Licensed Residential Appraiser Expiration Date of License or Certification: 12/31/2017 Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input checked="" type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: July 28, 2016	SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: _____ Company: _____ Phone: _____ Fax: _____ E-Mail: _____ Date of Report (Signature): _____ License or Certification #: _____ State: _____ Designation: _____ Expiration Date of License or Certification: _____ Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: _____



ADDITIONAL COMPARABLE SALES

File No. 216825

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	4254 Rollingsstone Dr Las Vegas, NV 89103	4211 Rollingsstone Dr Las Vegas, NV 89103			4427 Via San Rafael Las Vegas, NV 89103			3937 Calle Esquina Las Vegas, NV 89103		
Proximity to Subject		Less than 1 mile from subject			Less than 1 mile from subject			Less than 1 mile from subject		
Sale Price	\$ N/A	\$ 48,900			\$ 63,500			\$ 63,900		
Sale Price/GLA	\$ /sq.ft.	\$ 48.89/sq.ft.			\$ 64.21/sq.ft.			\$ 64.61/sq.ft.		
Data Source(s)	Owner	MLS#1149482/Public Records			MLS#1141874/Public Records			MLS#1163319/Public Records		
Verification Source(s)	Public Records	Doc#20110708-03871			Doc#20110729-03628			Doc#20110825-00023		
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+	(-) \$ Adjust.	DESCRIPTION	+	(-) \$ Adjust.	DESCRIPTION	+	(-) \$ Adjust.
Sales or Financing	N/A	Cash			Cash			Cash		
Concessions	N/A	Foreclosure			Traditional Sale			REO		
Date of Sale/Time	N/A	COE-7/8/11			COE-7/29/11			COE-8/25/11		
Rights Appraised	Fee Simple	Fee Simple			Fee Simple			Fee Simple		
Location	Suburban	Suburban			Suburban			Suburban		
Site	1,307 sq.ft.	871 sq.ft.?			3,920 sq.ft.			4,792 sq.ft.		
View	Typical Residential	Typical Residential			Typical Residential			Typical Residential		
Design (Style)	1-Story Townhouse	1-Story Townhouse			1-Story Townhouse			1-Story Townhouse		
Quality of Construction	Stucco-Comp/Q4	Stucco-Comp/Q4			Stucco-Comp/Q4			Stucco-Comp/Q4		
Age	28	28			32			31		
Condition	UAD-C3	UAD-C3			UAD-C3			UAD-C3		
Above Grade	Total Bdrms Baths	Total Bdrms Baths			Total Bdrms Baths			Total Bdrms Baths		
Room Count	4 2 2	4 2 2			4 2 2			4 2 2		
Gross Living Area	840 sq.ft.	960 sq.ft.			989 sq.ft.			989 sq.ft.		
Basement & Finished	N/A	N/A			N/A			N/A		
Rooms Below Grade	N/A	N/A			N/A			N/A		
Functional Utility	Average	Average			Average			Average		
Heating/Cooling	FWA/Central	FWA/Central			FWA/Central			FWA/Central		
Energy Efficient Items	Standard	Standard			Standard			Standard		
Garage/Carport	1 Car Carport	1 Car Carport			1 Car Garage			1 Car Garage		
Porch/Patio/Deck	Covered Patio	Covered Patio			Covered Patio			Covered Patio		
Upgrades/Condition	Some Updates	Some Updates			Some Updates			Some Updates		
Days on Market	DOM	DOM-20			DOM-46			DOM-9		
Net Adjustment (Total)		+	X	- \$ -3,000	+	X	- \$ -12,600	+	X	- \$ -18,900
Adjusted Sale Price of Comparables		Net 64.4 %			Net 103 %			Net 20.8 %		
		Gross 43.900			Gross 19.8 %			Gross 28.8 %		
Summary of Sales Comparison Approach		See form above.								



File No. 216825

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM (Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Condition Ratings and Definitions

C1

The improvements have been recently constructed and have not been previously occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

Note: Newly constructed improvements that feature recycled or previously used materials and/or components can be considered new dwellings provided that the dwelling is placed on a 100 percent new foundation and the recycled materials and the recycled components have been rehabilitated/remanufactured into like-new condition. Improvements that have not been previously occupied are not considered "new" if they have any significant physical depreciation (that is, newly constructed dwellings that have been vacant for an extended period of time without adequate maintenance or upkeep).

C2

The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with components that meet current standards. Dwellings in this category are either almost new or have been recently completely renovated and are similar in condition to new construction.

Note: The improvements represent a relatively new property that is well maintained with no deferred maintenance and little or no physical depreciation, or an older property that has been recently completely renovated.

C3

The improvements are well maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well maintained.

Note: The improvement is in its first-cycle of replacing short-lived building components (appliances, floor coverings, HVAC, etc.) and is being well maintained. Its estimated effective age is less than its actual age. It also may reflect a property in which the majority of short-lived building components have been replaced but not to the level of a complete renovation.

C4

The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

Note: The estimated effective age may be close to or equal to its actual age. It reflects a property in which some of the short-lived building components have been replaced, and some short-lived building components are at or near the end of their physical life expectancy; however, they still function adequately. Most minor repairs have been addressed on an ongoing basis resulting in an adequately maintained property.

C5

The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability is somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

Note: Some significant repairs are needed to the improvements due to the lack of adequate maintenance. It reflects a property in which many of its short-lived building components are at the end of or have exceeded their physical life expectancy but remain functional.

C6

The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabilitation, including many or most major components.

Note: Substantial repairs are needed to the improvements due to the lack of adequate maintenance or property damage. It reflects a property with conditions severe enough to affect the safety, soundness, or structural integrity of the improvements.

Quality Ratings and Definitions

Q1

Dwellings with this quality rating are usually unique structures that are individually designed by an architect for a specified user. Such residences typically are constructed from detailed architectural plans and specifications and feature an exceptionally high level of workmanship and exceptionally high-grade materials throughout the interior and exterior of the structure. The design features exceptionally high-quality exterior refinements and ornamentation, and exceptionally high-quality interior refinements. The workmanship, materials, and finishes throughout the dwelling are of exceptionally high quality.

Q2

Dwellings with this quality rating are often custom designed for construction on an individual property owner's site. However, dwellings in this quality grade are also found in high-quality tract developments featuring residence constructed from individual plans or from highly modified or upgraded plans. The design features detailed, high quality exterior ornamentation, high-quality interior refinements, and detail. The workmanship, materials, and finishes throughout the dwelling are generally of high or very high quality.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Quality Ratings and Definitions (continued)

Q3

Dwellings with this quality rating are residences of higher quality built from individual or readily available designer plans in above-standard residential tract developments or on an individual property owner's site. The design includes significant exterior ornamentation and interiors that are well finished. The workmanship exceeds acceptable standards and many materials and finishes throughout the dwelling have been upgraded from "stock" standards.

Q4

Dwellings with this quality rating meet or exceed the requirements of applicable building codes. Standard or modified standard building plans are utilized and the design includes adequate fenestration and some exterior ornamentation and interior refinements. Materials, workmanship, finish, and equipment are of stock or builder grade and may feature some upgrades.

Q5

Dwellings with this quality rating feature economy of construction and basic functionality as main considerations. Such dwellings feature a plain design using readily available or basic floor plans featuring minimal fenestration and basic finishes with minimal exterior ornamentation and limited interior detail. These dwellings meet minimum building codes and are constructed with inexpensive, stock materials with limited refinements and upgrades.

Q6

Dwellings with this quality rating are of basic quality and lower cost; some may not be suitable for year-round occupancy. Such dwellings are often built with simple plans or without plans, often utilizing the lowest quality building materials. Such dwellings are often built or expanded by persons who are professionally unskilled or possess only minimal construction skills. Electrical, plumbing, and other mechanical systems and equipment may be minimal or non-existent. Older dwellings may feature one or more substandard or non-conforming additions to the original structure.

Definitions of Not Updated, Updated, and Remodeled

Not Updated

Little or no updating or modernization. This description includes, but is not limited to, new homes.

Residential properties of fifteen years of age or less often reflect an original condition with no updating, if no major components have been replaced or updated. Those over fifteen years of age are also considered not updated if the appliances, fixtures, and finishes are predominantly dated. An area that is 'Not Updated' may still be well maintained and fully functional, and this rating does not necessarily imply deferred maintenance or physical/functional deterioration.

Updated

The area of the home has been modified to meet current market expectations. These modifications are limited in terms of both scope and cost.

An updated area of the home should have an improved look and feel, or functional utility. Changes that constitute updates include refurbishment and/or replacing components to meet existing market expectations. Updates do not include significant alterations to the existing structure.

Remodeled

Significant finish and/or structural changes have been made that increase utility and appeal through complete replacement and/or expansion.

A remodeled area reflects fundamental changes that include multiple alterations. These alterations may include some or all of the following: replacement of a major component (cabinet(s), bathtub, or bathroom tile), relocation of plumbing/gas fixtures/appliances, significant structural alterations (relocating walls, and/or the addition of) square footage). This would include a complete gutting and rebuild.

Explanation of Bathroom Count

Three-quarter baths are counted as a full bath in all cases. Quarter baths (baths that feature only a toilet) are not included in the bathroom count. The number of full and half baths is reported by separating the two values using a period, where the full bath count is represented to the left of the period and the half bath count is represented to the right of the period.

Example:

3.2 indicates three full baths and two half baths.

UNIFORM APPRAISAL DATASET (UAD) DEFINITIONS ADDENDUM

(Source: Fannie Mae UAD Appendix D: UAD Field-Specific Standardization Requirements)

Abbreviations Used in Data Standardization Text

Abbreviation	Full Name	Fields Where This Abbreviation May Appear
A	Adverse	Location & View
ac	Acres	Area, Site
AdjPrk	Adjacent to Park	Location
AdjPwr	Adjacent to Power Lines	Location
ArmLth	Arms Length Sale	Sale or Financing Concessions
AT	Attached Structure	Design (Style)
B	Beneficial	Location & View
ba	Bathroom(s)	Basement & Finished Rooms Below Grade
br	Bedroom	Basement & Finished Rooms Below Grade
BsyRd	Busy Road	Location
c	Contracted Date	Date of Sale/Time
Cash	Cash	Sale or Financing Concessions
Comm	Commercial Influence	Location
Conv	Conventional	Sale or Financing Concessions
cp	Carport	Garage/Carport
CrtOrd	Court Ordered Sale	Sale or Financing Concessions
CtySky	City View Skyline View	View
CtyStr	City Street View	View
cv	Covered	Garage/Carport
DOM	Days On Market	Data Sources
DT	Detached Structure	Design (Style)
dw	Driveway	Garage/Carport
e	Expiration Date	Date of Sale/Time
Estate	Estate Sale	Sale or Financing Concessions
FHA	Federal Housing Authority	Sale or Financing Concessions
g	Garage	Garage/Carport
ga	Attached Garage	Garage/Carport
gbi	Built-in Garage	Garage/Carport
gd	Detached Garage	Garage/Carport
Glfcse	Golf Course	Location
Glfcvw	Golf Course View	View
GR	Garden	Design (Style)
HR	High Rise	Design (Style)
in	Interior Only Stairs	Basement & Finished Rooms Below Grade
Ind	Industrial	Location & View
Listing	Listing	Sale or Financing Concessions
Lndfl	Landfill	Location
LtdSght	Limited Sight	View
MR	Mid-rise	Design (Style)
Mtn	Mountain View	View
N	Neutral	Location & View
NonArm	Non-Arms Length Sale	Sale or Financing Concessions
o	Other	Basement & Finished Rooms Below Grade
O	Other	Design (Style)
op	Open	Garage/Carport
Prk	Park View	View
Pstrl	Pastoral View	View
PwrLn	Power Lines	View
PubTrn	Public Transportation	Location
Relo	Relocation Sale	Sale or Financing Concessions
REQ	REQ Sale	Sale or Financing Concessions
Res	Residential	Location & View
RH	USDA - Rural Housing	Sale or Financing Concessions
rr	Recreational (Rec) Room	Basement & Finished Rooms Below Grade
RT	Row or Townhouse	Design (Style)
s	Settlement Date	Date of Sale/Time
SD	Semi-detached Structure	Design (Style)
Short	Short Sale	Sale or Financing Concessions
sf	Square Feet	Area, Site, Basement
sqm	Square Meters	Area, Site
Unk	Unknown	Date of Sale/Time
VA	Veterans Administration	Sale or Financing Concessions
w	Withdrawn Date	Date of Sale/Time
wo	Walk Out Basement	Basement & Finished Rooms Below Grade
Woods	Woods View	View
Wtr	Water View	View
WtrFr	Water Frontage	Location
wu	Walk Up Basement	Basement & Finished Rooms Below Grade
Avg	Average	Condition
SFR	Single Family Residence	

UAD Version 9/2011 (Updated 1/2014)

Form UADDEFIN1A - "TOTAL" appraisal software by a la mode, inc. - 1-800-ALAM

APP000597

Assumptions, Limiting Conditions & Scope of Work

File No.: 216825

Property Address: 4254 Rollingsstone Dr City: Las Vegas State: NV Zip Code: 89103
 Client: McCarthy & Holthus Address:
 Appraiser: George Holmes Address: 3565 S. Las Vegas Blvd. STE 366 Las Vegas, NV 89183

STATEMENT OF ASSUMPTIONS & LIMITING CONDITIONS

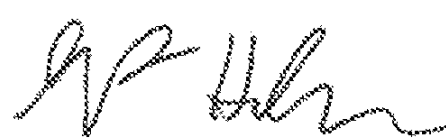
- The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
- The appraiser may have provided a sketch in the appraisal report to show approximate dimensions of the improvements, and any such sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size. Unless otherwise indicated, a Land Survey was not performed.
- If so indicated, the appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
- The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
- If the cost approach is included in this appraisal, the appraiser has estimated the value of the land in the cost approach at its highest and best use, and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used. Unless otherwise specifically indicated, the cost approach value is not an insurance value, and should not be used as such.
- The appraiser has noted in the appraisal report any adverse conditions (including, but not limited to, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property, or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property, or adverse environmental conditions (including, but not limited to, the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
- The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
- The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice, and any applicable federal, state or local laws.
- If this appraisal is indicated as subject to satisfactory completion, repairs, or alterations, the appraiser has based his or her appraisal report and valuation conclusion on the assumption that completion of the improvements will be performed in a workmanlike manner.
- An appraiser's client is the party (or parties) who engage an appraiser in a specific assignment. Any other party acquiring this report from the client does not become a party to the appraiser-client relationship. Any persons receiving this appraisal report because of disclosure requirements applicable to the appraiser's client do not become intended users of this report unless specifically identified by the client at the time of the assignment.
- The appraiser's written consent and approval must be obtained before this appraisal report can be conveyed by anyone to the public, through advertising, public relations, news, sales, or by means of any other media, or by its inclusion in a private or public database.
- An appraisal of real property is not a 'home inspection' and should not be construed as such. As part of the valuation process, the appraiser performs a non-invasive visual inventory that is not intended to reveal defects or detrimental conditions that are not readily apparent. The presence of such conditions or defects could adversely affect the appraiser's opinion of value. Clients with concerns about such potential negative factors are encouraged to engage the appropriate type of expert to investigate.

The Scope of Work is the type and extent of research and analyses performed in an appraisal assignment that is required to produce credible assignment results, given the nature of the appraisal problem, the specific requirements of the intended user(s) and the intended use of the appraisal report. Reliance upon this report, regardless of how acquired, by any party or for any use, other than those specified in this report by the Appraiser, is prohibited. The Opinion of Value that is the conclusion of this report is credible only within the context of the Scope of Work, Effective Date, the Date of Report, the Intended User(s), the Intended Use, the stated Assumptions and Limiting Conditions, any Hypothetical Conditions and/or Extraordinary Assumptions, and the Type of Value, as defined herein. The appraiser, appraisal firm, and related parties assume no obligation, liability, or accountability, and will not be responsible for any unauthorized use of this report or its conclusions.

Additional Comments (Scope of Work, Extraordinary Assumptions, Hypothetical Conditions, etc.):

Certifications

File No.: 218825

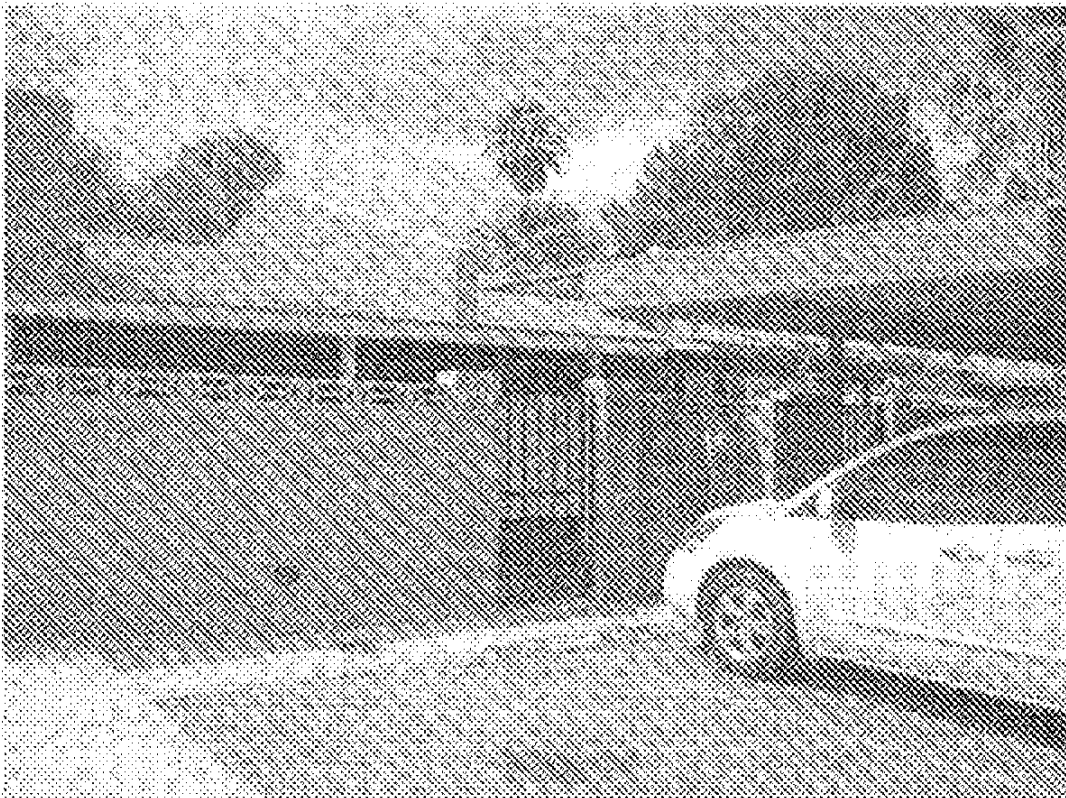
Property Address: 4254 Rollingstone Dr City: Las Vegas State: NV Zip Code: 89103	
Client: McCarthy & Holthus Address: 3565 S. Las Vegas Blvd., STE 366, Las Vegas, NV 89163	
Appraiser: George Holmes	
APPRAISER'S CERTIFICATION I certify that, to the best of my knowledge and belief: - The statements of fact contained in this report are true and correct. - The credibility of this report, for the stated use by the stated user(s), of the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions. - I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved. - I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment. - My engagement in this assignment was not contingent upon developing or reporting predetermined results. - My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal. - My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice that were in effect at the time this report was prepared. - I did not base, either partially or completely, my analysis and/or the opinion of value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property, or of the present owners or occupants of the properties in the vicinity of the subject property. - Unless otherwise indicated, I have made a personal inspection of the property that is the subject of this report. - Unless otherwise indicated, no one provided significant real property appraisal assistance to the person(s) signing this certification.	
Additional Certifications: None	
DEFINITION OF MARKET VALUE *: Market value means the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: 1. Buyer and seller are typically motivated; 2. Both parties are well informed or well advised and acting in what they consider their own best interests; 3. A reasonable time is allowed for exposure in the open market; 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. * This definition is from regulations published by federal regulatory agencies pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) of 1989 between July 5, 1990, and August 24, 1990, by the Federal Reserve System (FRS), National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Office of Thrift Supervision (OTS), and the Office of Comptroller of the Currency (OCC). This definition is also referenced in regulations jointly published by the OCC, OTS, FRS, and FDIC on June 7, 1994, and in the Interagency Appraisal and Evaluation Guidelines, dated October 27, 1994. USPAP.	
Client Contact: E-Mail: Address:	Client Name: McCarthy & Holthus
APPRAISER  Appraiser Name: George Holmes Company: Eagle Appraisal Phone: 702.273.0292 Fax: E-Mail: gholmes@appraiserlasvegas.org Date Report Signed: July 28, 2016 License or Certification #: A.0006387-RES State: NV Designation: Licensed Residential Appraiser Expiration Date of License or Certification: 12/31/2017 Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input checked="" type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection: July 28, 2016	
SUPERVISORY APPRAISER (if required) or CO-APPRAISER (if applicable) Supervisory or Co-Appraiser Name: Company: Phone: Fax: E-Mail: Date Report Signed: License or Certification #: State: Designation: Expiration Date of License or Certification: Inspection of Subject: <input type="checkbox"/> Interior & Exterior <input type="checkbox"/> Exterior Only <input type="checkbox"/> None Date of Inspection:	
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Subject Photo Page

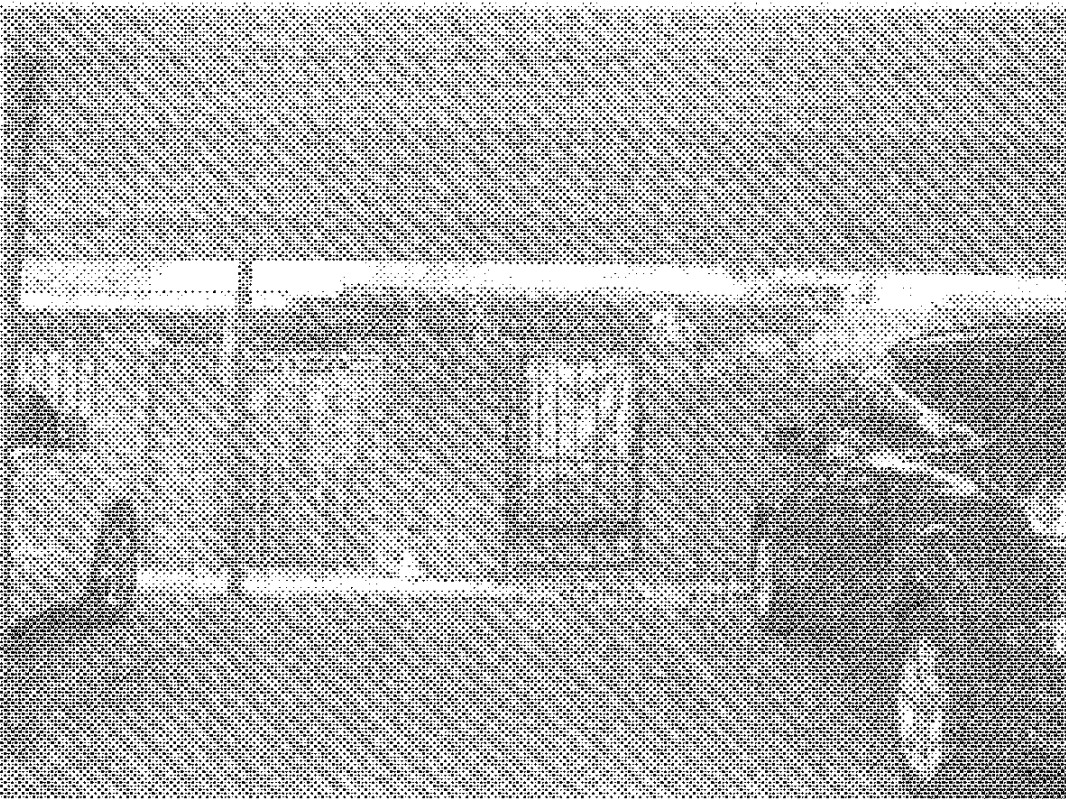
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Property Address	4254 Rollingstone Dr				
City	Las Vegas	County	Clark	State	NV Zip Code 89103
Lender/Client	McCarthy & Holthus				



Subject Front
4254 Rollingstone Dr



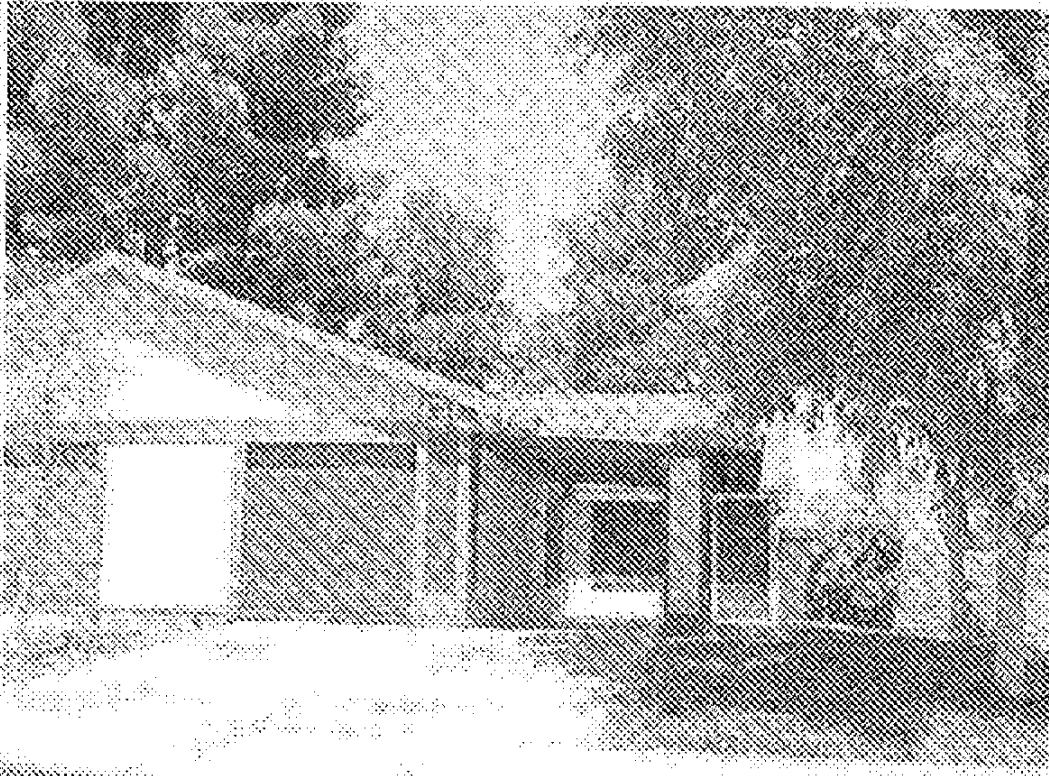
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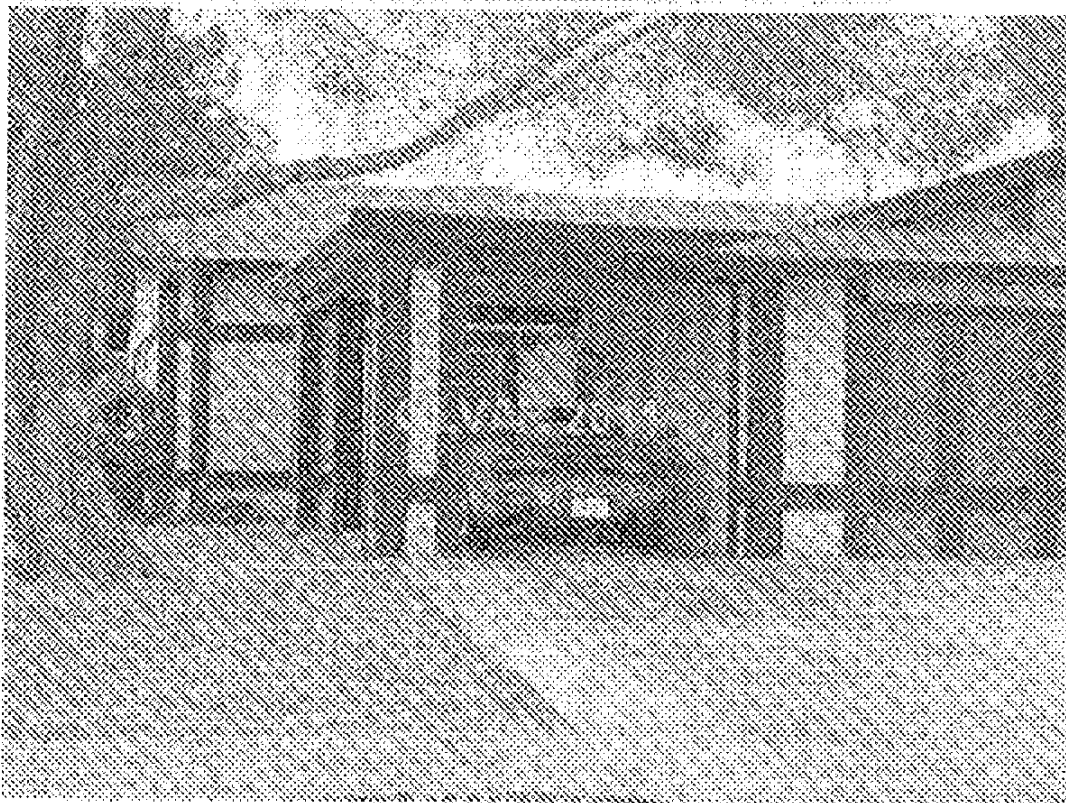
Subject Street

Comparable Photo Page

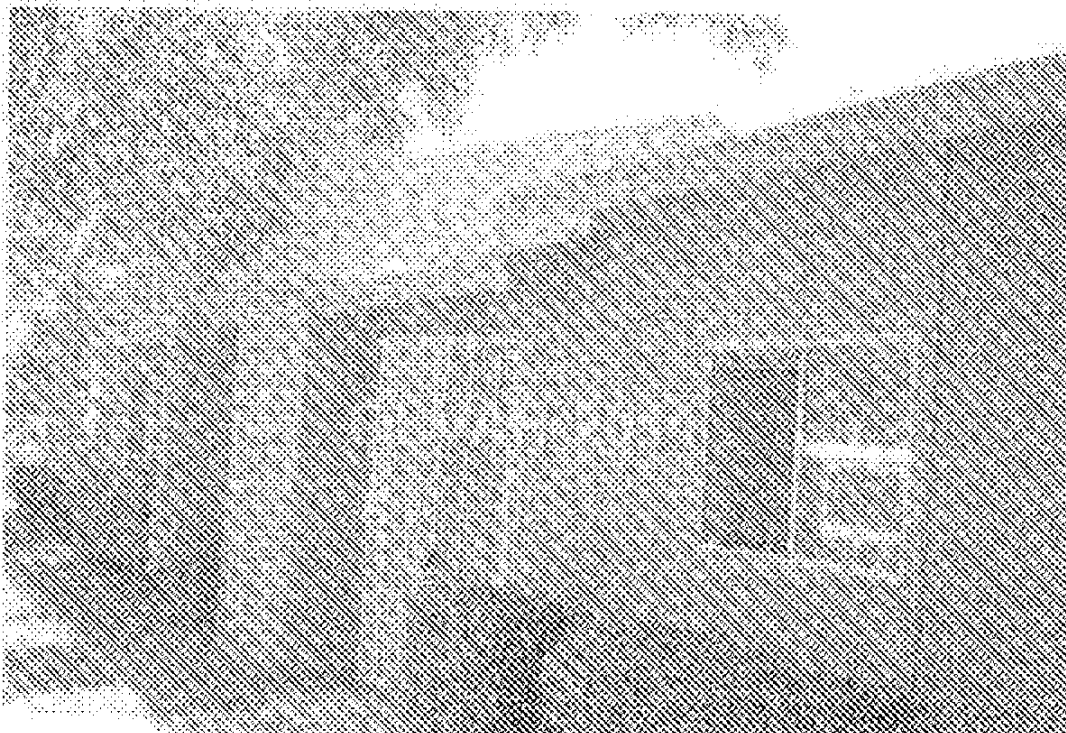
Buyer/Client	N/A
Property Address	4224 Rollingshore Dr
City	Las Vegas
County	Clark
State	NV
Zip Code	89103
Lender/Client	McCarthy & Hollman



Comparable 1
7108 Sprucewood St



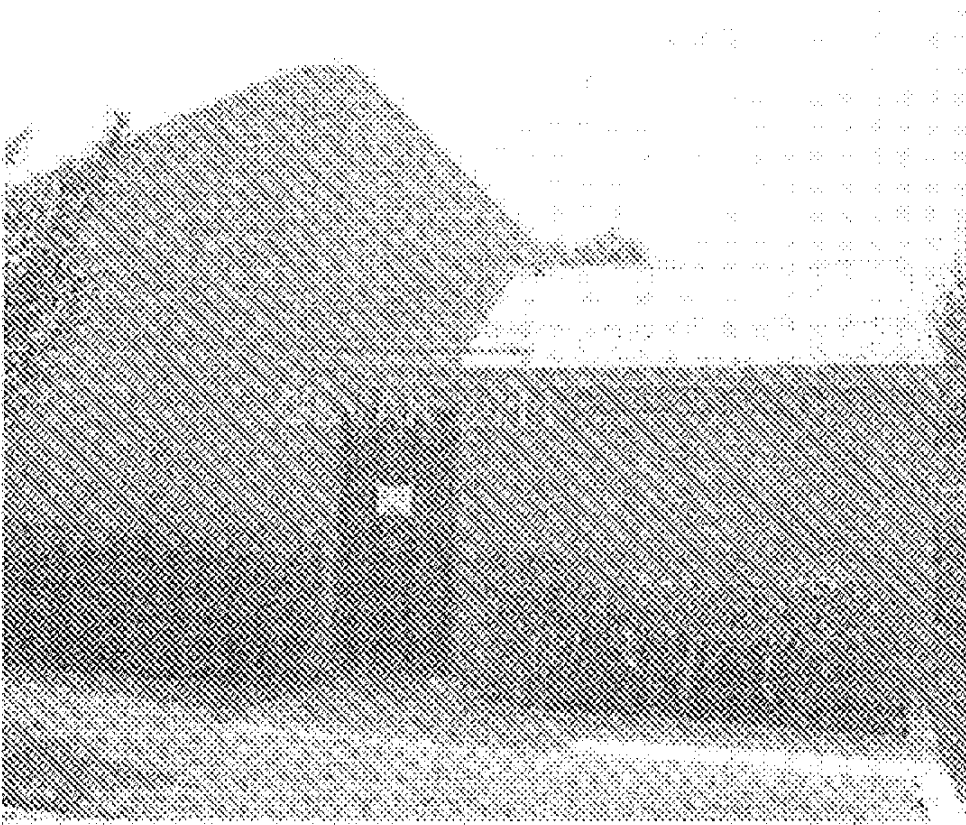
Comparable 2
4505 Via Madrigal



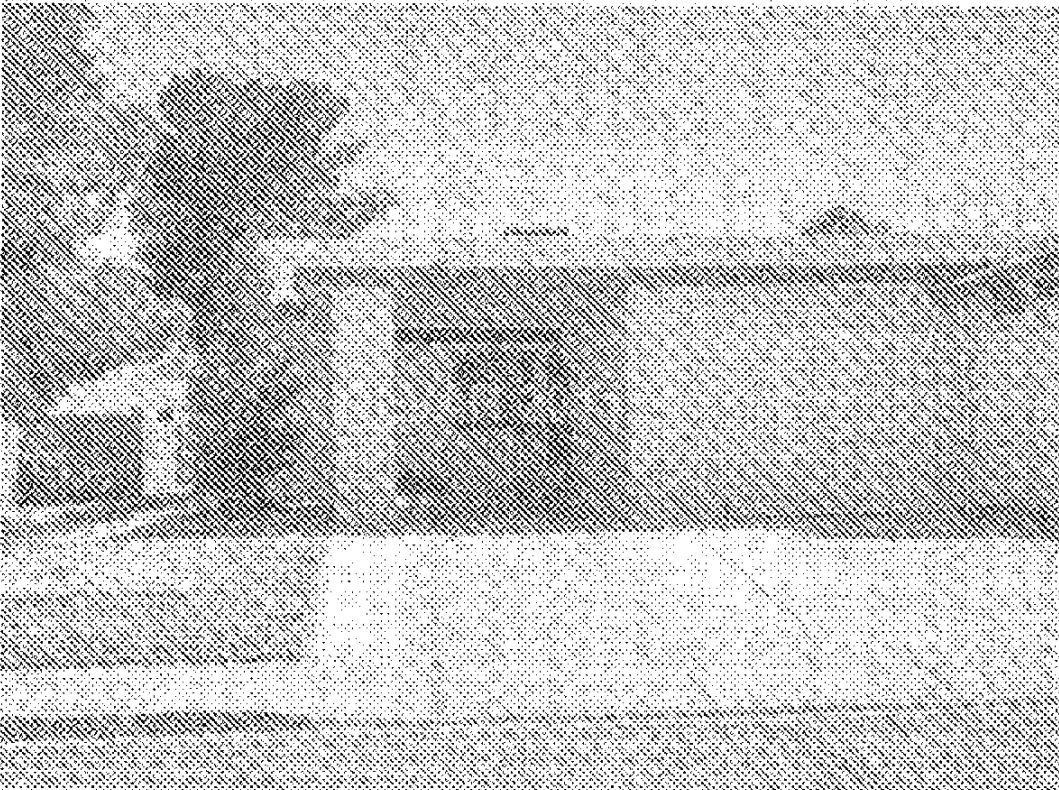
Comparable 3
4202 Rollingshore Dr

Comparable Photo Page

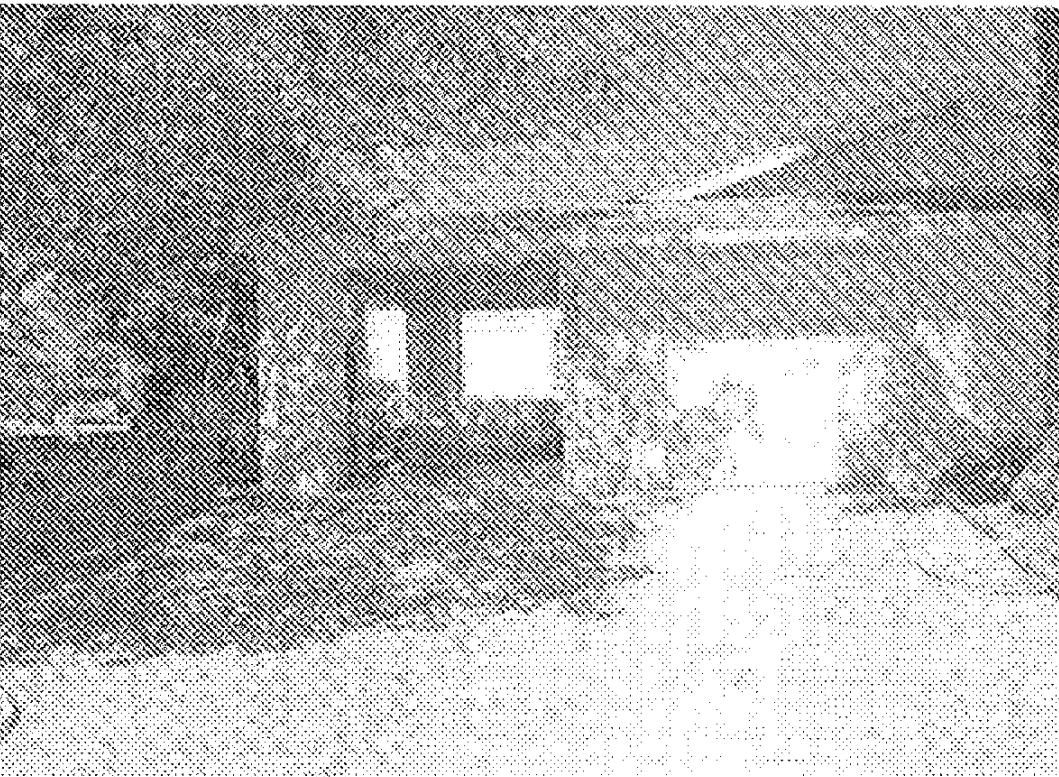
Borrower/Client	N/A			
Property Address	4254 Rollingstone Dr			
City	Las Vegas	County	Clark	State NV Zip Code 89103
Lender/Client	McCarthy & Holthus			



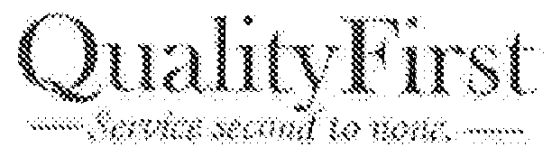
Comparable 4
4211 Rollingstone Dr



Comparable 5
4427 Via San Rafael



Comparable 6
3937 Calle Esquina



Bill To: McCarthy Holthus
Attn: Nayeli Suarez
1770 4th Ave.
San Diego, CA 92101

Thank you for your business!

George “Chip” Holmes

EAGLE APPRAISAL

3565 S. Las Vegas Blvd, STE 366
Las Vegas, NV 89109
702-920-4500

State of Nevada – Licensed Residential Appraiser – A.0006387-RES

Areas of competency include Single Family Residential, Condominiums, Las Vegas Strip High Rise Condos, Multifamily Properties (2-4 units), and residential land appraisals. Previously designated as an expert witness by US Bankruptcy Court and Eighth Judicial District Court in the state of Nevada. Qualified to provide forensic appraisals requiring a current or retrospective effective date for residential real estate portfolios, estate value, tax, divorce, bankruptcy or case involving a professional appraiser's opinion of value.

Appraisal Experience

Eagle Appraisal, Las Vegas, NV February 2006-Present
Summitworks Appraisal Services, Pahrump, NV August 2004-February 2006
Hofer Appraisal Services, Henderson, NV April 2002-August 2004

Higher Education

Stanford University, B.S. Chemistry
Relevant Course Work: Micro-Economics, Macro-Economics, Statistics and Probability, Calculus, and Accounting.

Expert Witness Court Testimony

US Bankruptcy Court, District of Nevada, July 7, 2015 Case# NV-14-102022
Wilmington Trust vs. Edward Webb, June 14, 2016 Case# A-14-700347-C

Deposition Testimony

Deutsche Bank vs. SFR Investments Pool, May 25, 2016, Case# 2:14-cv-01131-APG-VCF
Ventures Trust vs. Saticoy Bay LLC, July 25, 2016, Case# 2:15-cv-01773-JAD-CWH

Appraiser Education

- Expert Witness for Commercial Appraisers-12/hrs-12/2015
- Live Webinar-Adjustments: Supported or Not Supported?-5/hrs-5/16
- Live Webinar-Analyze This!:Applications of Appraisal Analysis-4/hrs-5/16
- Introduction to Legal Descriptions-2/hrs-12/2015
- Mobile appraiser workflow-7/hrs-10/2015
- Controlling your data with TOTAL-3/hrs 10/2015
- Essential Elements of Disclosures and Disclaimers-5/hrs-12/2013
- 2-4 Family Finesse-7/hrs- 12/2013
- Environmental Issues for Appraisers-5/hrs-12/2013
- Modern Green Building Concepts-6/hrs-12/2013

- Mortgage Fraud-7hrs-12/2011
- Private Appraisal Assignments-7/hrs-12/2011
- Construction Details and Trends-7/hrs-12/2011
- Ad Valorem Tax Consultation-2/hrs-12/201
- REO and Foreclosures-5/hrs-12/2009
- Oddball Appraisals-7/hrs-12/2009
- The Evolution of Finance & The Mortgage Market-4/hrs-12/2009
- Relocation Appraisals-7/hrs-12/2009
- Introduction to Business Appraising-16/hrs11/2007
- Appraising Small Residential Income Properties-8/hrs-11/2007
- Appraising Small Residential Income Properties II-8/hrs-11/2007
- Nevada Appraisal Law-4/hrs-4/2002
- Highest and Best Use Analysis-15/hrs-4/2002
- Professional & Technical Compliance with USPAP I&II-4/2002
- Applied Residential Appraisal Techniques-15/hrs-4/2002
- Fundamentals of Real Estate Appraisal-45/hrs-4/2002
- Biennial Updates-7/hrs Uniform Standards of Professional Appraisal Practice(USPAP)

Clients

• McCarthy & Holthus	• Valuation Source
• Wells Fargo Home Mortgage	• New Home Resource
• BofA Private Wealth Management	• Dias Law Group
• Reynolds & Associates	• Hawkins, Boley and AlDabbagh
• American Portfolio Mortgage Corp.	• Icon Bank
• Frank Sorrentino	• Golden Appraisals
• JP Morgan Chase Bank	• Edward F. Gonciarz Attorney
• Alexander Valuation Group	• Meadows Bank
• Springer and Steinberg	• Nevada State Bank
• Ryland Mortgage	• Quality First Real Estate
• Stonegate Real Estate Services	• Pentagon Federal Credit Union
• Long Blumberg LLP	• Midland Bank
• Deluca & Associates	• Spanish Hills Comm Assoc
• Clark County Coroner	• Castro & Baker, LLP
• Metropolitan Bank	• Emery Federal Credit Union
• Stephens, Gourley & Bywater	• Millennium Consulting Group
• Patelco Credit Union	• Zip Realty
• Jara & Associates	• Jonathan Goldsmith Esq.
• Kolesar & Leatham	• Bank of Nevada

Interests and Activities

Eagle Scout, Sigma Chi, Golf, Chess, Fantasy Sports

EXHIBIT 13



Exterior BPO Form

Address: 4254 ROLLINGSTON DR LAS VEGAS NV, 89103, CLARK
Borrower Name: GEORGE R EDWARDS Inspection Date: 5/10/2010 Effective Date: 5/10/2010
Property ID/APN: / 163-24-111-021 Loan #: 3000706195 Order ID: 100599571
Reference #: mis Reference #(2): tax Reference #(3):

Completed By: (company, name, address, phone, fax)

R M Realty, Inc. DBA 10120 S. Eastern Ave. HENDERSON NV P:702-497-8544 F:702-871-9374
Coldwell Banker Bryan Kyle 89052 Email:bryan.kyle@cbvegas.com
Premier Realty

Agent's / Broker's distance from the subject: 5.36 Miles

I. General Conditions

Property Type: Townhouse
Occupancy: Occupied
Property Condition: Good
Condition Comments:

Subject is older and unique townhome type property and appears to be well maintained. Frame stucco exterior appears to be recently painted and composition shingle roof shows no signs of deferred maintenance. Common areas and landscape are also well maintained.

Estimated Exterior Repair Cost: \$0
Total Estimated Repairs: \$0
Estimated Repair Time: 0 Days

HOA? Yes Fees: \$ 130/mo. Assoc. Name: Glenview Phone: 702-365-6720
Fees Include: PoolGreenbelt

II. Subject Sales and Listing History

Is Subject Currently Listed? No

Current List Price:

Original List Price:

List Date:

MLS #:

Listing Agent:

Listing Agent Phone:

Listing Agency:

Prior history (most recent transaction or expired listing first):

Date Listed	Date Sold	List Price	Sale Price	Notes
none				

III. Neighborhood Market Data

Location: Suburban
Local Economy Is: Stable
Housing Supply Is: Stable
Number of Listings Is: Stable
Market For This Type of Property: Remained Stable
Normal Marketing Days: 90
Range of Value in Subject's Area: Low: \$47,000.00 Average: \$58,000.00 High: \$66,500.00
Pride Of Ownership: Good - Agent feels there will Not be a Resale Problem
Neighborhood Comments:

Centrally located mature neighborhood surrounded by single family homes and condominiums. Subject is well maintained and there was no visible deferred maintenance. Subject is very near to schools and other amenities.

IV. Current Listings

USB0264

	Subject	Listing #1	Listing #2	Listing #3
Street Address	4254 ROLLINGSTON DR	4252 Rollingstone	4292 Rollingstone	4765 Woodlake
Zip Code	89103	89103	89103	89103
Miles To Subject		.01	.04	1.69
List Price \$		\$47,825.00	\$58,400.00	\$49,900.00
Days on Market		7	19	9
Age (# of Years)	26	26	26	32
Condition	Good	Good	Good	Good
Style/Design	townhome	townhome	townhome	townhome
Living SQ. Feet	840	784	784	854
Bedrooms	2	2	2	2
Bathrooms/Half Baths	2/0	1/0	1/0	1/0
Basement	No	No	No	No
Total Room #	4	4	4	4
Garage	0 Attached	0 Attached	0 Attached	0 Attached
Lot Size	0 Sq Ft.	0 Sq Ft.	0 Sq Ft.	0 Sq Ft.
Other				

Comments: (Why the comparable listing is superior or inferior to the subject)

Listing # 1: Owner occupied and well maintained in same complex. One bath unit. Window treatments and all appliances. Pending cash sale.

Listing # 2: Owner occupied in same complex. Clean and well maintained. Needs new carpet. One bath unit near pool.

Listing # 3: Tile flooring and counters. Small converted garage. Security shutters. Pending cash sale.

V. Recent Sales

	Subject	Sold #1	Sold #2	Sold #3
Street Address	4254 ROLLINGSTON DR	4224 Rollingstone	7118 Forest Vista	4390 Pinegrove
Zip Code	89103	89103	89103	89103
Miles To Subject		.04	1.62	1.59
List Price \$		\$47,700.00	\$39,600.00	\$49,000.00
Sale Price \$		\$47,700.00	\$55,500.00	\$63,300.00
Type of Financing	Conv	Conv	CASH	CASH
Date of Sale		4/22/2010	2/25/2010	2/12/2010
Type of Sale		REO	REO	REO
Days on Market		360	46	53
Age (# of Years)	26	26	34	34
Condition	Good	Good	Good	Good
Style/Design	townhome	townhome	townhome	townhome
Living SQ. Feet	840	784	1024	1024
Bedrooms	2	2	3	3
Bathrooms/Half Baths	2/0	1/0	2/0	2/0
Basement	No	No	No	No
Total Room #	4	4	5	5
Garage	0 Attached	0 Attached	0 Attached	0 Attached
Lot Size	0 Sq Ft.	0 Sq Ft.	0 Sq Ft.	0 Sq Ft.
Other				
Adjustment ¹ \$+/- (See notes Below)		+7000	-2000	-7000
Adjusted Value ²		\$4700	\$3500	\$56300

¹ This is the Amount that should be added to or subtracted from the comparables Sale Price (Due to difference in features location etc.) to estimate the value of the Subject. If the Comp is inferior to the Subject then the adjustment will be positive.

² Estimated value of the Subject, based upon the sales price of the comparable Sold + or - adjustments.

Reasons for Adjustments (Why the comparable is superior or inferior to the subject).

Sold # 1: Good condition in same subject complex. Needs carpet and paint. All appliances. One bedroom unit near pool.

Sold # 2: New tile flooring. Needs interior paint. 8 years older. Good comparable neighborhood.

USB0265

Sold # 3: Hardwood floors. Upgrade laminate kitchen counters. New vinyl floors in bathrooms. Ceiling fans and blinds. 1 car garage. Very clean.

VI. Marketing Strategy

	"As-Is" Value	"Repaired" Value	"QuickSale" Value
Suggested List Price	\$55,000.00	\$55,000.00	\$45,000.00
Probable Sales Price	\$54,000.00	\$54,000.00	\$44,000.00

Comments Regarding Pricing Strategy:

Average of only sold comparables available. Adjustments were made for condition, age and location of property. Investors are buying these properties.

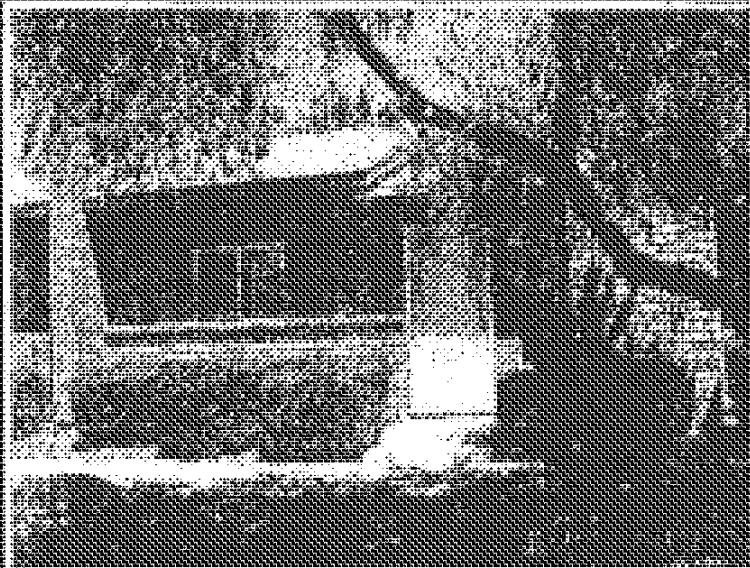
Unique Property Conditions.

6 total comparable townhome sales in entire subject zip code last 90 days. Comparables used outside of subject complex are located in only other townhome complex within 5 miles of subject. 100% of area comparable sales are REO. Of 15 available comparable townhomes, one is not REO. Under these circumstances it was necessary to use REO comparables for an accurate valuation.

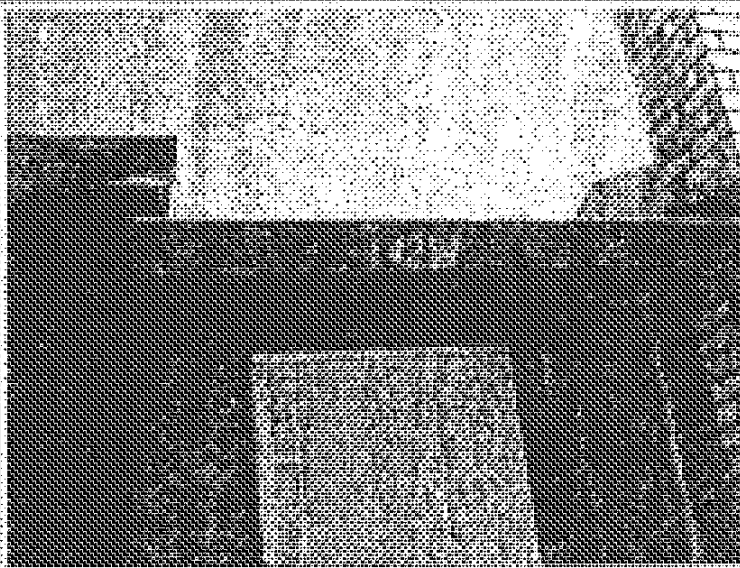
The attached Broker Price Opinion (BPO) has been completed outside of The Uniform Standards of Professional Appraisal Practice (USPAP). The BPO is an evaluation tool and is not considered an appraisal of the market value of the property - it is an opinion of the probable sales price. SingleSource completes BPO requests for property listing, REO analysis, loan due diligence, modifications, etc to aid our servicing customers. SingleSource BPO reports are not eligible or appropriate for loan origination purposes.

USB0266

Property Images



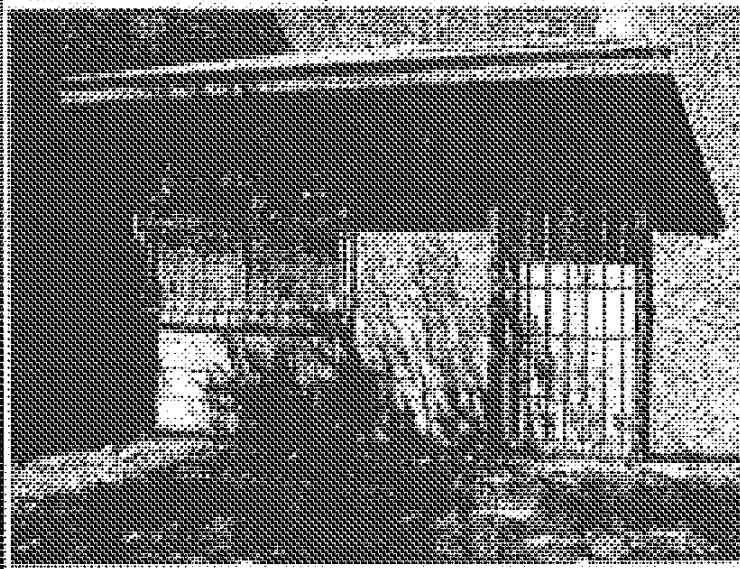
Subject: Front



Subject: Address



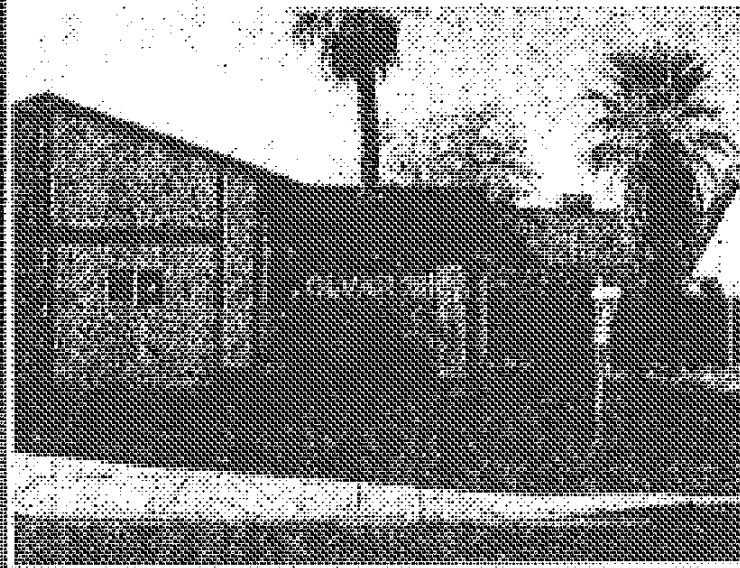
Subject: Street



Listing 1: Front



Listing 2: Front

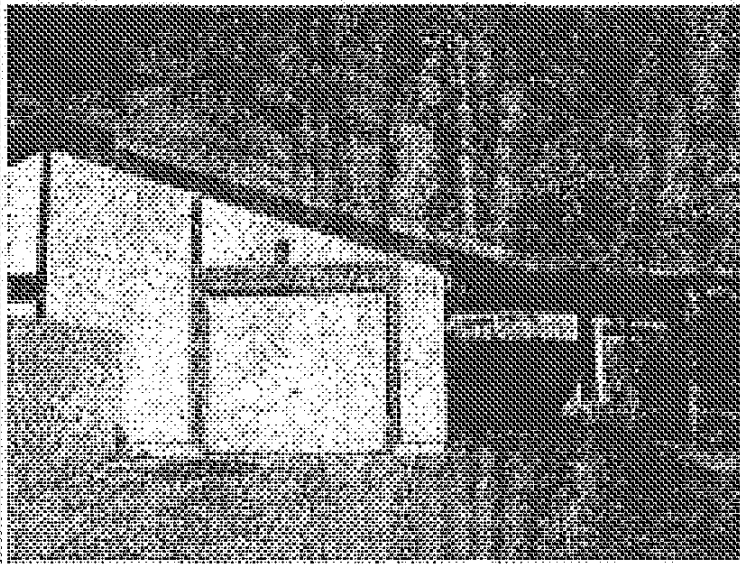


Listing 3: Front

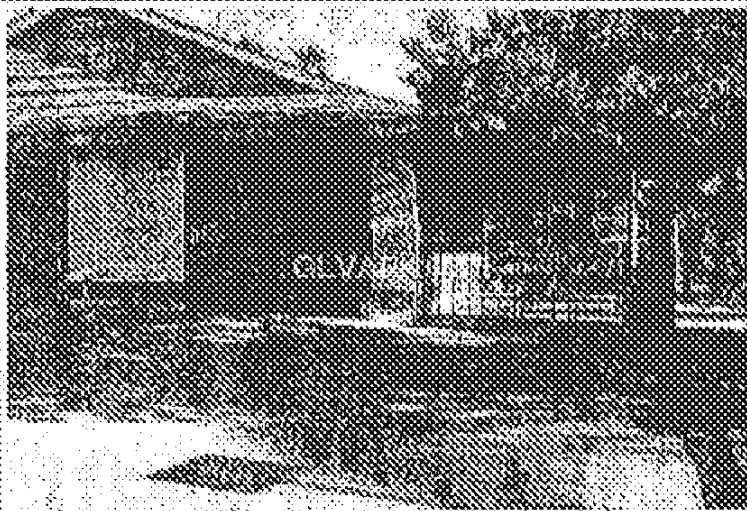
USB0267



Sale 1: Front



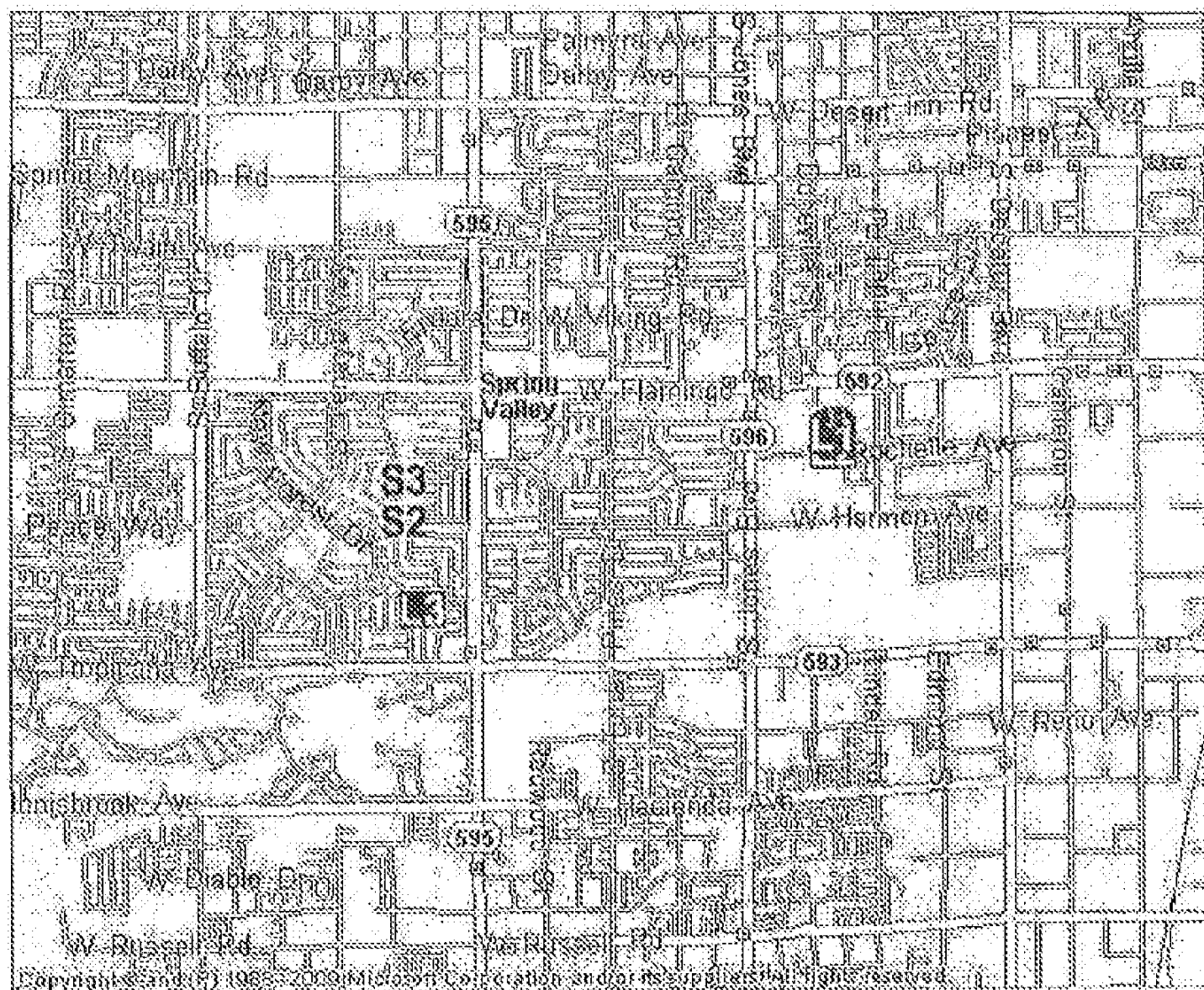
Sale 2: Front



Sale 3: Front

Comparable Map

USB0268



- Comparables
- 4252 Rollingstone
 - 4252 Rollingstone
 - 4765 Woodlake

Subject Property: 4254 ROLLINGSTONE DR

Distance	Recent Sales
0mi.	S1 4224 Rollingstone
0mi.	S2 7118 Forest Vista
1.6mi	S3 4390 Pinegrove

Distance
0mi.
1.5mi.
1.8mi.

USB0269



Exterior SPO Form

Address: 4254 ROLLINGSTONE DR LAS VEGAS NV, 89103, CLARK
Borrower Name: GEORGE EDWARDS Inspection Date: 3/25/2011 Effective Date: 3/28/2011
Property ID/APN: / 163-24-111-021 Loan #: 3000706195 Order ID: 110383853
Reference #: Tax Record. Reference #(2): MLS Reference #(3):

Completed By: (company, name, address, phone, fax)

Thomas D'Anna LLC Thomas D'Anna 6929 Cedar Basin Ave. LAS VEGAS NV P:702-339-0772 F:702-457-4812
89142 Email:tommyd222@yahoo.com

Agent's / Broker's distance from the subject: 10.9 Miles

I. General Conditions

Property Type: SFR
Occupancy: Unknown
Property Condition: Good
Condition Comments:

Subject is a 2 bedroom with 2 bathrooms, 1 level town home. There is no current or recent history in the MLS to comment on any features or upgrades for this property. Due to the subject's location, size, and current market conditions, normal search parameters (used larger homes, went back 6 months, values of adjustments) had to be expanded. Most of the available comps in the subjects area that are town homes are over 25% bigger then the subject.

Estimated Exterior Repair Cost: \$0
Total Estimated Repairs: \$0
Estimated Repair Time: 0 Days

HOA? Yes Fees: \$ 121/mo. Assoc. Name: Glenview West Phone: 702-365-6720
Fees Include: PoolGreenbelt

II. Subject Sales and Listing History

Is Subject Currently Listed? No

Current List Price:

Original List Price:

List Date:

MLS #:

Listing Agent:

Listing Agent Phone:

Listing Agency:

Prior history (most recent transaction or expired listing first):

Date Listed	Date Sold	List Price	Sale Price	Notes
	8/1/1987		58380	Y/Resale in mrkt Range
	4/1/1984		55200	Z/1st tm sale mrkt rng

III. Neighborhood Market Data

Location: Urban
Local Economy Is: Stable
Housing Supply Is: Stable
Number of Listings Is: Stable
Market For This Type of Property: Decreased 3 % in the past 5 months.
Normal Marketing Days: 90
Range of Value in Subject's Area: Low: \$33,000.00 Average: \$60,000.00 High: \$78,000.00
Pride Of Ownership: Good - Agent feels there will Not be a Resale Problem
Neighborhood Comments:

This property is located in an older community with an HOA. The subjects HOA has a community pool and monthly HOA fees of \$121.00 a month.

USB0270

IV. Current Listings

	Subject	Listing #1	Listing #2	Listing #3
Street Address	4254 ROLLINGSTONE DR	4292 Rollingstone Dr	6161 Meadow Vista Lane	6117 Meadow View Lane
Zip Code	89103	89103	89103	89103
Miles To Subject		.64	.92	.82
List Price \$		\$45,000.00	\$52,000.00	\$49,900.00
Days on Market		343	120	95
Age (# of Years)	27	27	36	35
Condition	Good	Good	Good	Good
Style/Design	sfr	sfr	sfr	sfr
Living SQ. Feet	840	784	1068	1193
Bedrooms	2	2	3	2
Bathrooms/Half Baths	2/0	1/0	2/0	1/1
Basement	No	No	No	No
Total Room #	6	5	7	6
Garage	0 Attached	1 Carport	0 Attached	1 Carport
Lot Size	0.03 Acres	0.07 Acres	0.04 Acres	0.03 Acres
Other	None	None	None	None

Comments: (Why the comparable listing is superior or inferior to the subject)

Listing # 1: Short sale listing 1 includes hardwood flooring, a covered patio, and kitchen pantry. Adjustments: +250 bathroom, +2000 GLA, -500 car port, -400 lot.

Listing # 2: REO listing 2 includes tile and laminate flooring, mature landscaping, and a wood fence. Adjustments: -9000 GLA, +900 age, -500 bedroom, -100 lot.

Listing # 3: Short sale listing 3 includes tile flooring, a patio, ceiling fans, a kitchen breakfast bar, a garden window, and blinds. Adjustments: -13500 GLA, +800 age, -500 carport.

V. Recent Sales

	Subject	Sold #1	Sold #2	Sold #3
Street Address	4254 ROLLINGSTONE DR	4252 Rollingstone Dr	4297 Rollingstone Dr	4236 Rollingstone Dr
Zip Code	89103	89103	89103	89103
Miles To Subject		.01	.06	.04
List Price \$		\$47,825.00	\$51,300.00	\$45,900.00
Sale Price \$	58380	\$51,000.00	\$51,000.00	\$45,900.00
Type of Financing	Conv	Conv	Conv	Conv
Date of Sale	8/1/1987	9/17/2010	12/30/2010	1/12/2011
Type of Sale	Arms Length	Short Sale	REO	REO
Days on Market		6	53	4
Age (# of Years)	27	27	27	27
Condition	Good	Good	Good	Good
Style/Design	sfr	sfr	sfr	sfr
Living SQ. Feet	840	784	960	960
Bedrooms	2	2	2	3
Bathrooms/Half Baths	2/0	1/0	2/0	2/0
Basement	No	No	No	No
Total Room #	6	5	6	7
Garage	0 Attached	1 Carport	0 Attached	0 Attached
Lot Size	0.03 Acres	0.09 Acres	0.09 Acres	0.09 Acres
Other	None	None	None	None
Adjustment ¹ \$+/- (See notes Below)		1150	-5100	-5100
Adjusted Value ²		52150	45900	40800

¹ This is the Amount that should be added to or subtracted from the comparables Sale Price (Due to difference in features location etc.) to estimate the value of the Subject. If the Comp is inferior to the Subject then the adjustment will be positive.

USB0271

² Estimated value of the Subject, based upon the sales price of the comparable Sold + or - adjustments.

Reasons for Adjustments (Why the comparable is superior or inferior to the subject).

Sold # 1: Short sale 1 included tile flooring, ceiling fans, a covered patio, tile counter tops, and blinds. Adjustments: +2000 GLA, +250 bathroom, -500 carport, -600 lot.

Sold # 2: REO sale 2 included tile flooring, a wood burning fireplace, a covered patio, laminate counter tops, and blinds. Adjustments: -600 lot, -4500 GLA.

Sold # 3: REO sale 3 included a wood burning fireplace, a covered patio, mature landscaping, and laminate counter tops. Adjustments: -600 lot, -4500 GLA.

VI. Marketing Strategy

	"As-Is" Value	"Repaired" Value	"QuickSale" Value
Suggested List Price	\$48,000.00	\$48,000.00	\$40,000.00
Probable Sales Price	\$48,000.00	\$48,000.00	\$40,000.00

Comments Regarding Pricing Strategy:

The Las Vegas Valley has an increased amount of distressed properties like short sales and REO's. Recently we have seen a decline in REO's but an increase in short sales. Approximately 85% of almost any neighborhood are distressed sales or listings. By not using these comps normal search parameters would have to be changed to complete this BPO. Parameters like distance, values, and sales dates would be expanded. If distressed properties are not used an inflated value will be provided and the property would have an extended marketing time and need to be reduced to compete with distressed homes.

Unique Property Conditions.

None noted from exterior inspection.

The attached Broker Price Opinion (BPO) has been completed outside of The Uniform Standards of Professional Appraisal Practice (USPAP). The BPO is an evaluation tool and is not considered an appraisal of the market value of the property - it is an opinion of the probable sales price. SingleSource completes BPO requests for property listing, REO analysis, loan due diligence, modifications, etc to aid our servicing customers. SingleSource BPO reports are not eligible or appropriate for loan origination purposes.

USB0272

Nevada BPO Supplement

Nevada law requires that a Broker Price Opinion ("BPO") prepared by a Nevada real estate licensee includes certain information. This form supplements any preprinted form or electronic submission required by the person or entity requesting the BPO. The BPO is not complete without this Supplement.

The BPO has been prepared by Thomas D'Anna ("Licensee"), who is duly licensed (License No.: 0073503LLC) and in good standing. Licensee is affiliated with Thomas D'Anna LLC ("Broker").

1. The BPO has been prepared for SingleSource Property Solutions, LLC. ("Recipient") regarding real property located at 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103, APN 163-24-111-021 ("Property").

2. Licensee is informed that Recipient's interest in the property is: Third Party BPO.

3. The intended purpose of this BPO is: To determine the approximate market value of the aforementioned real property.

4. The basis used to determine the BPO, including, without limitation, any applicable market data and the computation of capitalization: The basis used to determine this BPO includes using the MLS, tax records, and previous experience evaluating real estate in the subject's market area. Computation of capitalization is not applicable.

5. Assumptions or limiting conditions used to determine the BPO: No assumptions or limiting conditions used.

6. Licensee has the following existing or contemplated interest in the Property (including, without limitation, the possibility of representing the seller or purchaser): Licensee has no existing or contemplated interest in this property.

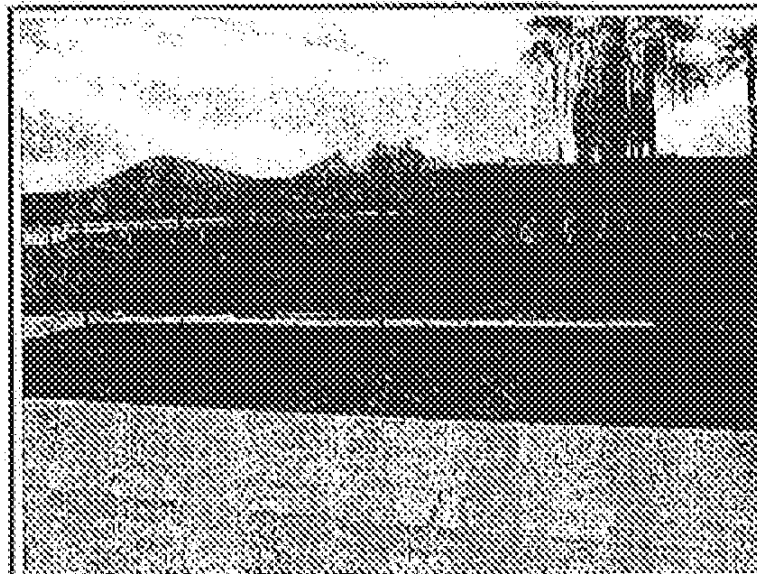
By entering my name and the date of Addendum completion below, I certify that the information provided above is accurate to the best of my knowledge. I understand that entering my name and date below will act as my electronic signature of this Addendum.

Issue Date: 3/24/2011

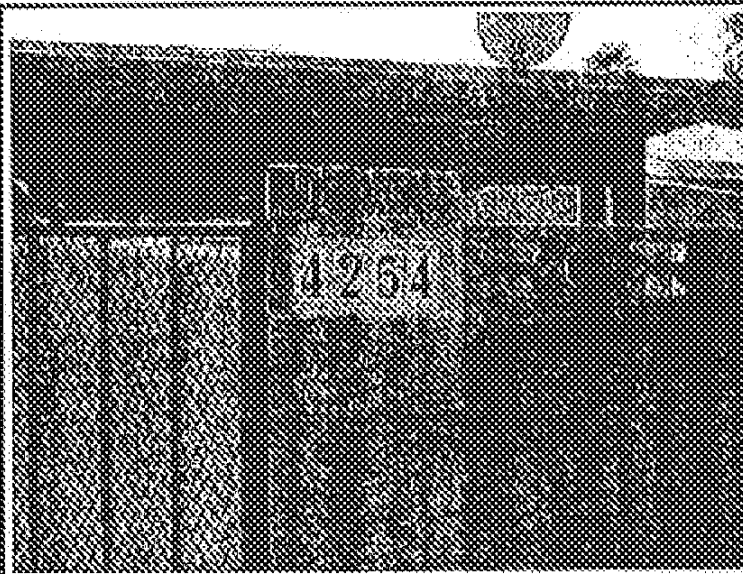
Licensee Name: Thomas D'Anna

Notwithstanding any preprinted language to the contrary, This opinion is not an appraisal of the market value of the property. In an appraisal is desired, the services of a licensed Or certified appraiser must be obtained

Property Images

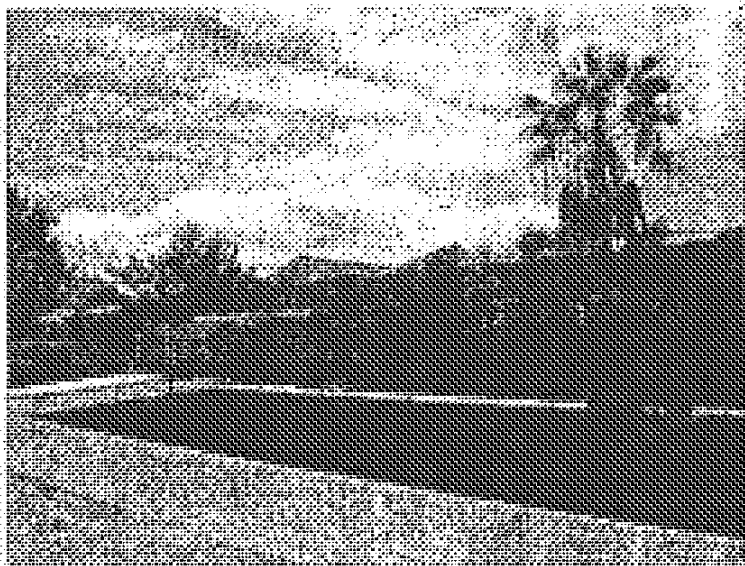


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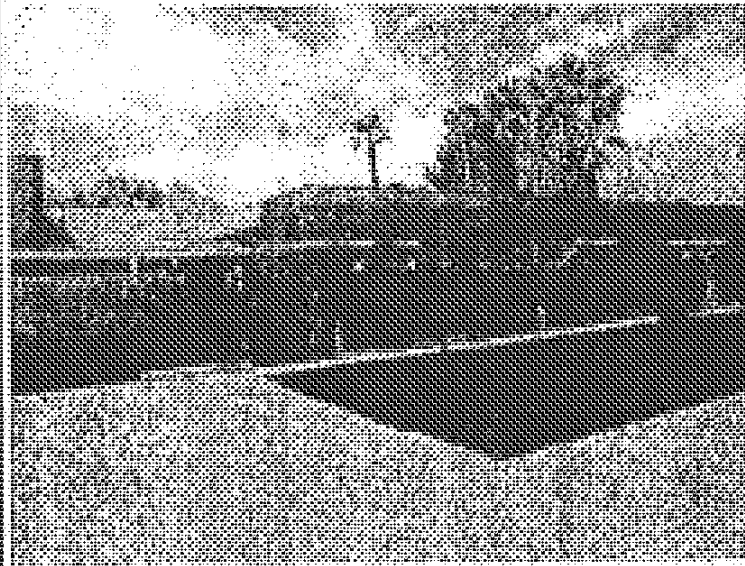


Subject: Address

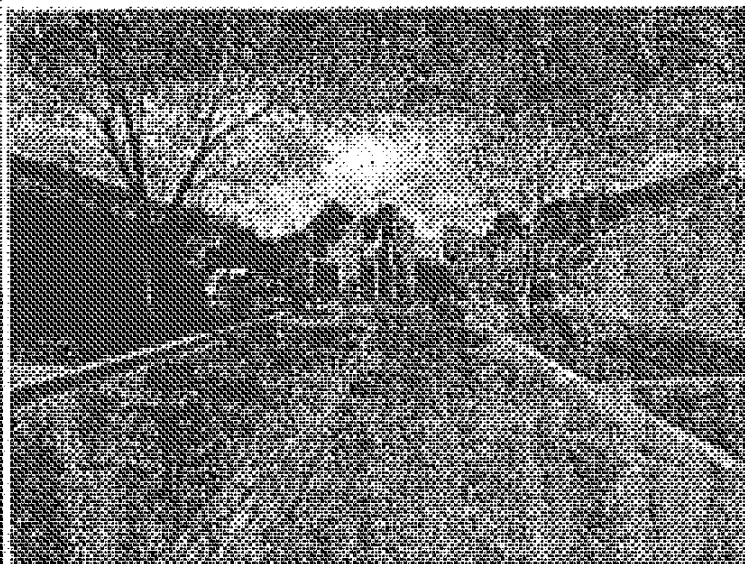
USB0273



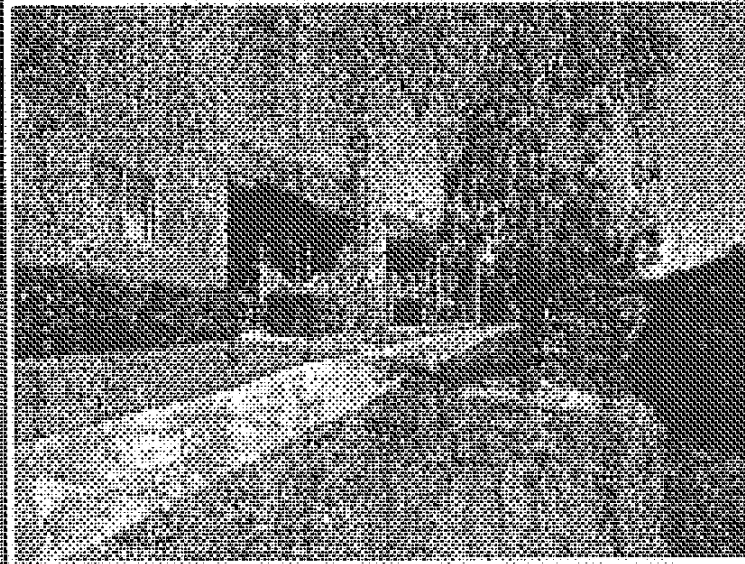
Subject: Side



Subject: Other_Side 2

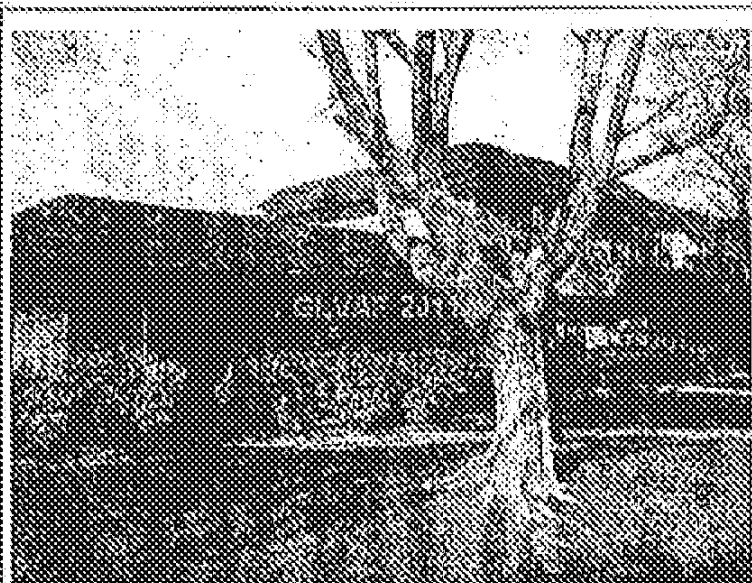


Subject: Street

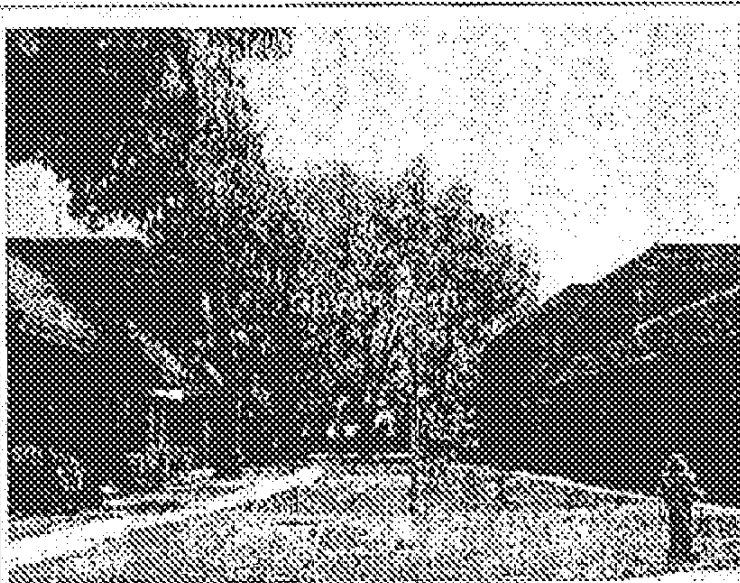


Listing 1: Front

USB0274



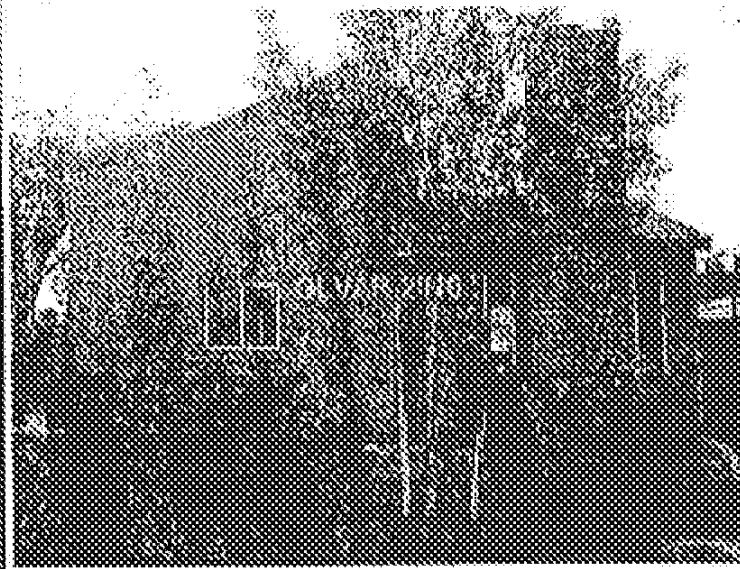
Listing 2: Front



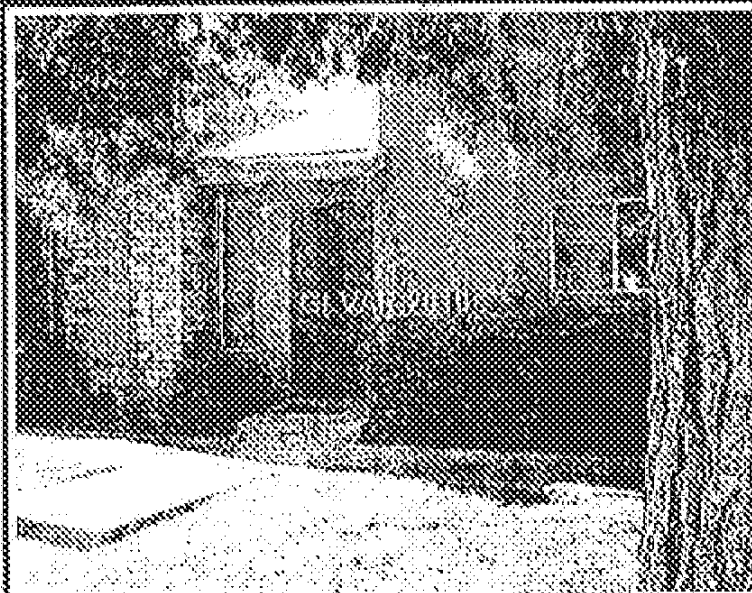
Listing 3: Front



Sale 1: Front



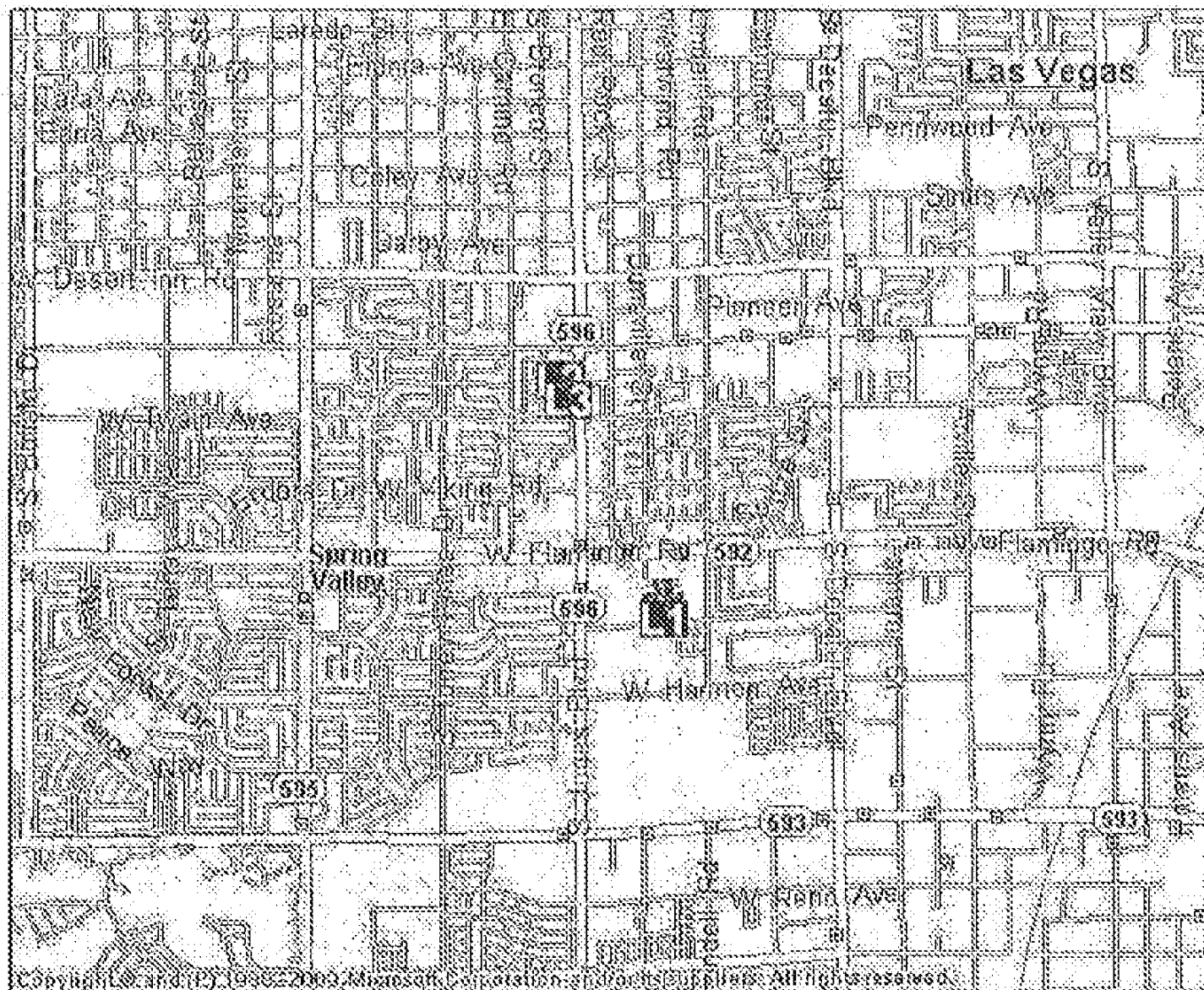
Sale 2: Front



Sale 3: Front

Comparable Map

USB0275



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Comparables	Distance	Recent Sales	Distance
4252 Rollingstone Dr	0.04mi	S1 4252 Rollingstone Dr	0.01mi
6161 Meadow Vista Lane	0.02mi	S2 4297 Rollingstone Dr	0.06mi
6117 Meadow View Lane	0.02mi	S3 4298 Rollingstone Dr	0.04mi

USB0276



Exterior BPO Form

Address: 4254 ROLLINGSTONE DR LAS VEGAS NV, 89103, CLARK
Borrower Name: GEORGE R EDWARDS Inspection Date: 2/4/2012 Effective Date: 2/6/2012
Property ID/APN: 120222052 / 163-24-111-021 Loan #: 3000705195 Order ID: 120222052
Reference #: MLS Reference #(2): TAX Reference #(3):

Completed By: (company, name, address, phone, fax)

Craig Tann, LTD Craig Tann 8337 W. Sunset Rd. LAS VEGAS NV P:702-868-7197 F:702-317-3816
89113 Email:craigtanngroup@gmail.com

Agent's / Broker's distance from the subject: 6 Miles

I. General Conditions

Property Type: SFR
Occupancy: Unknown
Property Condition: Average
Condition Comments:
THE SUBJECT APPEARS MAINTAINED FROM THE EXTERIOR WITH NO NOTED REPAIRS NEEDED,
Estimated Exterior Repair Cost: \$0
Total Estimated Repairs: \$0
Estimated Repair Time: 0 Days
HOA? Yes Fees: \$ 140/mo. Assoc. Name: GLENVIEW Phone: 702-362-6252
Fees include: Other -- MCMT

II. Subject Sales and Listing History

Is Subject Currently Listed? No

Current List Price:

Original List Price:

List Date:

MLS #:

Listing Agent:

Listing Agent Phone:

Listing Agency:

Prior history (most recent transaction or expired listing first):

Date Listed	Date Sold	List Price	Sale Price	Notes
	08/01/1987		58380	LAST SALE

III. Neighborhood Market Data

Location: Suburban
Local Economy Is: Slow
Housing Supply Is: Stable
Number of Listings Is: Stable
Market For This Type of Property: Decreased 4.5 % in the past 6 months.
Normal Marketing Days: 125
Range of Value in Subject's Area: Low: \$40,000.00 Average: \$55,000.00 High: \$79,500.00
Pride Of Ownership: Average -- Agent feels there will Not be a Resale Problem
Neighborhood Comments:
THE AREA IS MAINTAINED AND ESTABLISHED, CLOSE TO AREA PARKS, SCHOOLS AND SHOPPING CENTERS, NO NEGATIVE FACTORS NOTED IN THE AREA,

USB0277

IV. Current Listings

	Subject	Listing #1	Listing #2	Listing #3
Street Address	4254 ROLLINGSTONE DR	4283 Rollingstone Dr	4258 Rollingstone Dr	4602 Via San Rafael
Zip Code	89103	89103	89103	89103
Miles To Subject		.05	.01	.94
List Price \$		\$47,900.00	\$45,000.00	\$69,900.00
Days on Market		54	114	16
Age (# of Years)	28	28	28	33
Condition	Average	Average	Average	Average
Style/Design	TOWNHOUSE	TOWNHOUSE	TOWNHOUSE	TOWNHOUSE
Living SQ. Feet	840	960	784	1036
Bedrooms	2	2	2	3
Bathrooms/Half Baths	2/0	2/0	1/0	2/0
Basement	No	No	No	No
Total Room #	4	4	4	5
Garage	0 Attached	0 Attached	0 Attached	1 Attached
Lot Size	.03 Acres	0.02 Acres	0.03 Acres	0.09 Acres
Other	PATIO	PATIO	PATIO	PATIO

Comments: (Why the comparable listing is superior or inferior to the subject)

Listing # 1: EQUAL FLOORPLAN, TILE FLOORS, CEILING FANS AND MAINTAINED. SHORT SALE.

Listing # 2: EQUAL FLOORPLAN, CEILING FANS, PEN FLOORPLAN, NEW CARPET AND PAINT AND A PATIO, SHORT SALE

Listing # 3: SUPERIOR FLOORPLAN, TILE FLOORS, CEILING FANS, OPEN FLOORPLAN, TILE COUNTERS, AND A PATIO,

USB0278

V. Recent Sales

	Subject	Sold #1	Sold #2	Sold #3
Street Address	4254 ROLLINGSTONE DR	4565 Via San Marco	4609 Via Torino	4674 Via orino
Zip Code	89103	89103	89103	89103
Miles To Subject		.92	.87	.68
List Price \$		\$64,900.00	\$67,888.00	\$69,900.00
Sale Price \$		\$60,000.00	\$65,888.00	\$67,000.00
Type of Financing	CASH	CASH	CASH	FHA
Date of Sale		10/27/2011	11/4/2011	1/20/2012
Type of Sale	Short Sale	REO	REO	REO
Days on Market		4	89	79
Age (# of Years)	28	32	33	33
Condition	Average	Average	Average	Average
Style/Design	TOWNHOUSE	TOWNHOUSE	TOWNHOUSE	TOWNHOUSE
Living SQ. Feet	840	900	989	989
Bedrooms	2	3	2	2
Bathrooms/Half Baths	2/0	3/0	2/0	2/0
Basement	No	No	No	No
Total Room #	4	5	4	4
Garage	0 Attached	1 Attached	1 Attached	1 Attached
Lot Size	.03 Acres	0.09 Acres	0.11 Acres	0.09 Acres
Other	PATIO	PATIO	PATIO	PATIO
Adjustment ¹ \$ +/- (See notes Below)		-1000	-6000	-6000
Adjusted Value ²		59000	59888	61000

¹ This is the Amount that should be added to or subtracted from the comparables Sale Price (Due to difference in features location etc.) to estimate the value of the Subject. If the Comp is inferior to the Subject then the adjustment will be positive.

² Estimated value of the Subject, based upon the sales price of the comparable Sold + or - adjustments.

Reasons for Adjustments (Why the comparable is superior or inferior to the subject).

Sold # 1: EQUAL FLOORPLAN, TILE FLOORS, CEILING FANS, OPEN FLOORPLAN AND MAINTAINED.

Sold # 2: SUPERIOR FLOORPLAN, WOOD FLOORS, OPEN FLOORPLAN, TILE COUNTERS AND A PATIO.

Sold # 3: SUPERIOR FLOORPLAN, TILE FLOORS, OPEN FLOORPLAN, CEILING FANS AND A PATIO,

VI. Marketing Strategy

	"As-Is" Value	"Repaired" Value	"QuickSale" Value
Suggested List Price	\$62,500.00	\$62,500.00	\$52,500.00
Probable Sales Price	\$60,000.00	\$60,000.00	\$50,000.00

Comments Regarding Pricing Strategy:

SLOW MARKET CONDITIONS, HUGE INCREASE IN SHORT SALES AND SOME REO'S, WITH VERY FEW FAIR MARKET PROPERTIES, ALSO MUCH LONGER DAYS ON THE MARKET DUE TO THE LONG PROCESS OF SHORT SALE APPROVAL. THE MARKET IS VERY AGGRESSIVE DUE TO THE AMOUNT OF SHORT SALES.

Unique Property Conditions.

ARRIVED AT THE SUBJECT VALUE USING MLS, CURRENT MARKET CONDITIONS, DAYS ON MARKET, HIGH REO AND SHORT SALES, WHICH IS CAUSING VALUES TO DEPRECIATE, ALL FACTORS TAKEN INTO CONSIDERATION, AGGRESSIVE PRICING IS NEEDED, TO SHORTEN MARKETING TIME.

The attached Broker Price Opinion (BPO) has been completed outside of The Uniform Standards of Professional Appraisal Practice (USPAP). The BPO is an evaluation tool and is not considered an appraisal of the market value of the property -- it is an opinion of the probable sales price. SingleSource completes BPO requests for property listing, REO analysis, loan due diligence, modifications, etc to aid our servicing customers. SingleSource BPO reports are not eligible or appropriate for loan origination purposes.

USB0279

Nevada BPO Supplement

Nevada law requires that a Broker Price Opinion ("BPO") prepared by a Nevada real estate licensee includes certain information. This form supplements any preprinted form or electronic submission required by the person or entity requesting the BPO. The BPO is not complete without this Supplement.

The BPO has been prepared by Craig Tann ("Licensee"), who is duly licensed (License No.:) and in good standing. Licensee is affiliated with Craig Tann, LTD ("Broker").

1. The BPO has been prepared for SingleSource Property Solutions, LLC. ("Recipient") regarding real property located at 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103, APN 163-24-111-021 ("Property").

2. Licensee is informed that Recipient's interest in the property is: Third Party BPO.

3. The intended purpose of this BPO is: To determine the approximate market value of the aforementioned real property.

4. The basis used to determine the BPO, including, without limitation, any applicable market data and the computation of capitalization: CURRENT MLS DATA, AND CLARK COUNTY STATS

5. Assumptions or limiting conditions used to determine the BPO: NONE

6. Licensee has the following existing or contemplated interest in the Property (including, without limitation, the possibility of representing the seller or purchaser): NONE

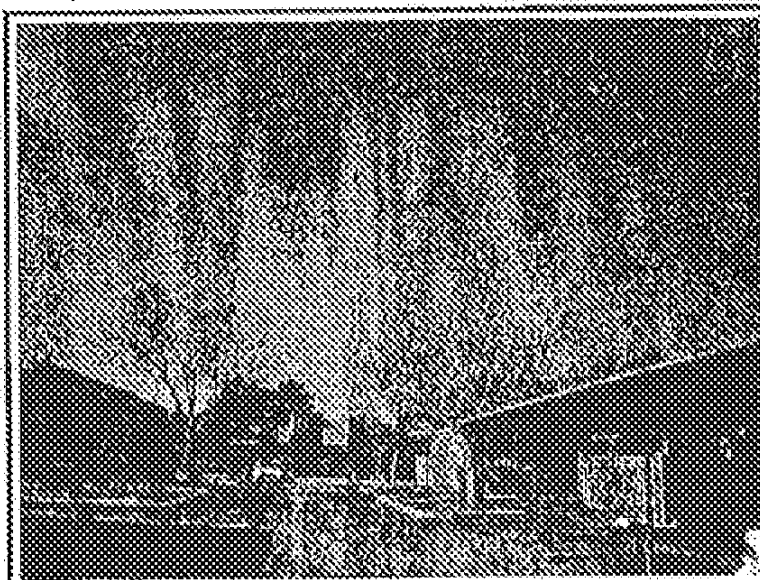
By entering my name and the date of Addendum completion below, I certify that the information provided above is accurate to the best of my knowledge. I understand that entering my name and date below will act as my electronic signature of this Addendum.

Issue Date: 05/01/2002

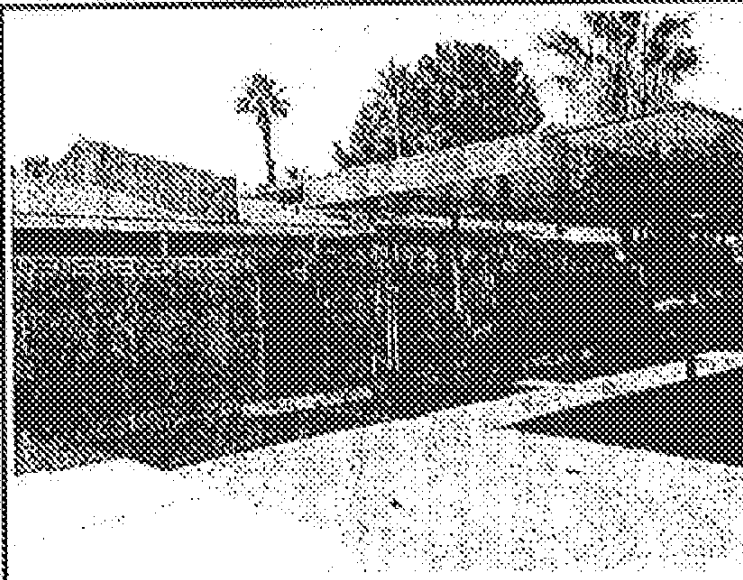
Licensee Name: CRAIG TANN

Notwithstanding any preprinted language to the contrary, This opinion is not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed Or certified appraiser must be obtained

Property Images

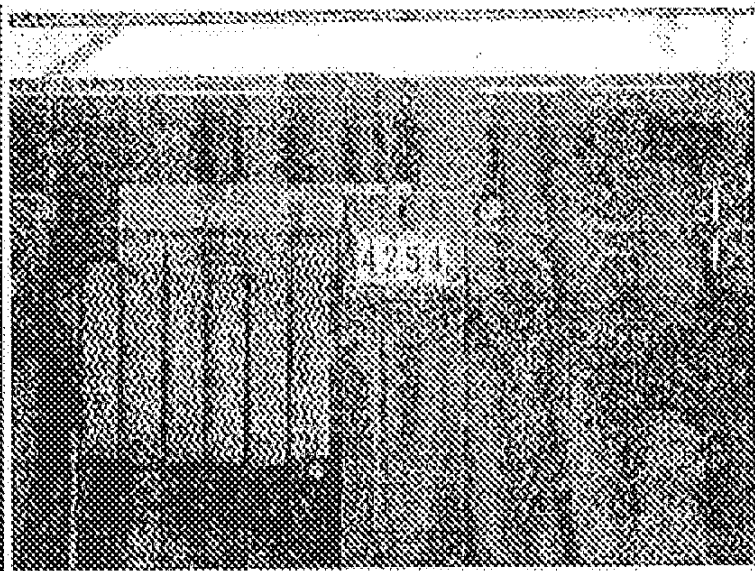


Subject: Street



Subject: Front

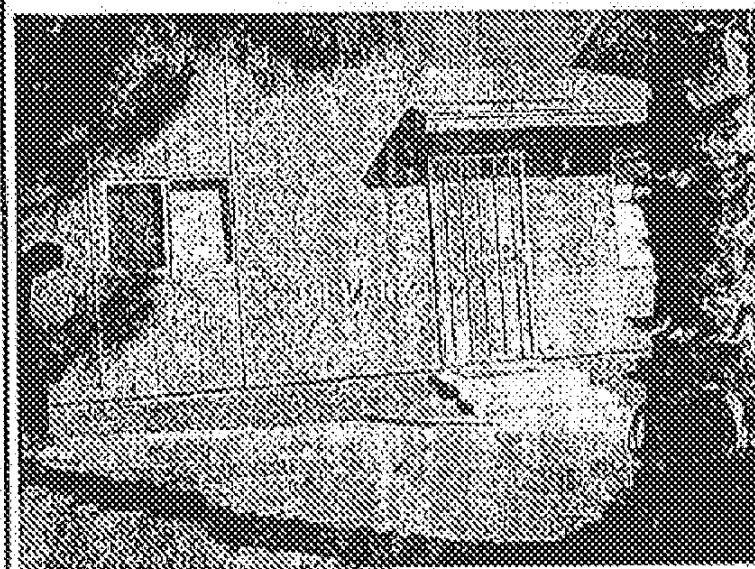
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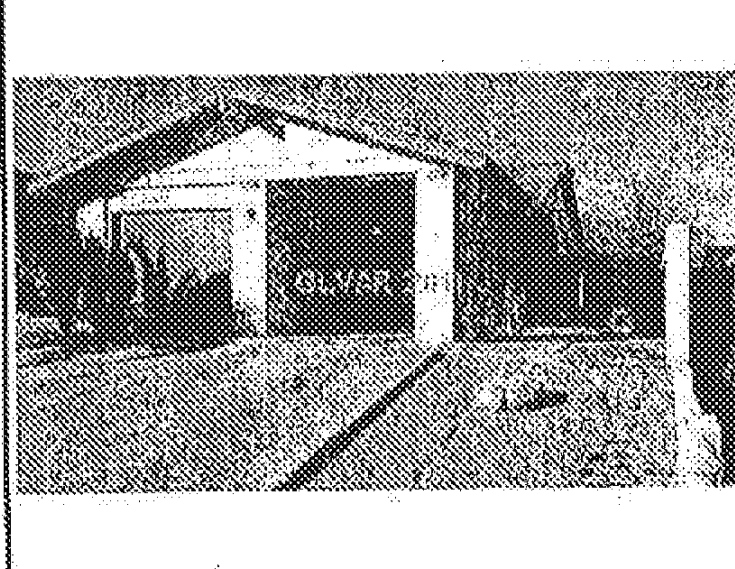
Subject: Address



Listing 1: Front



Listing 2: Front

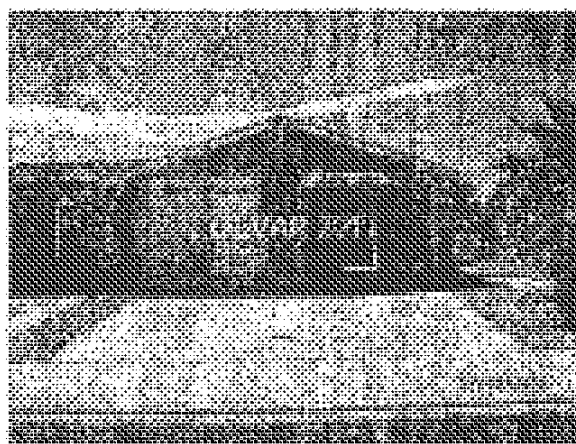


Listing 3: Front

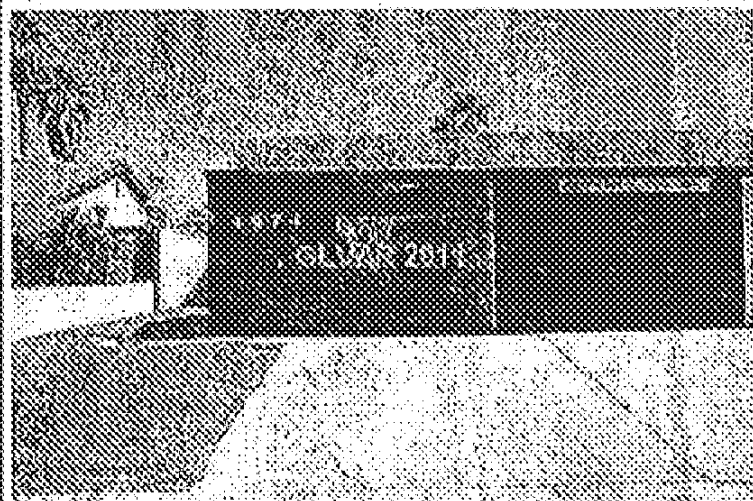
USB0281



Sale 1: Front



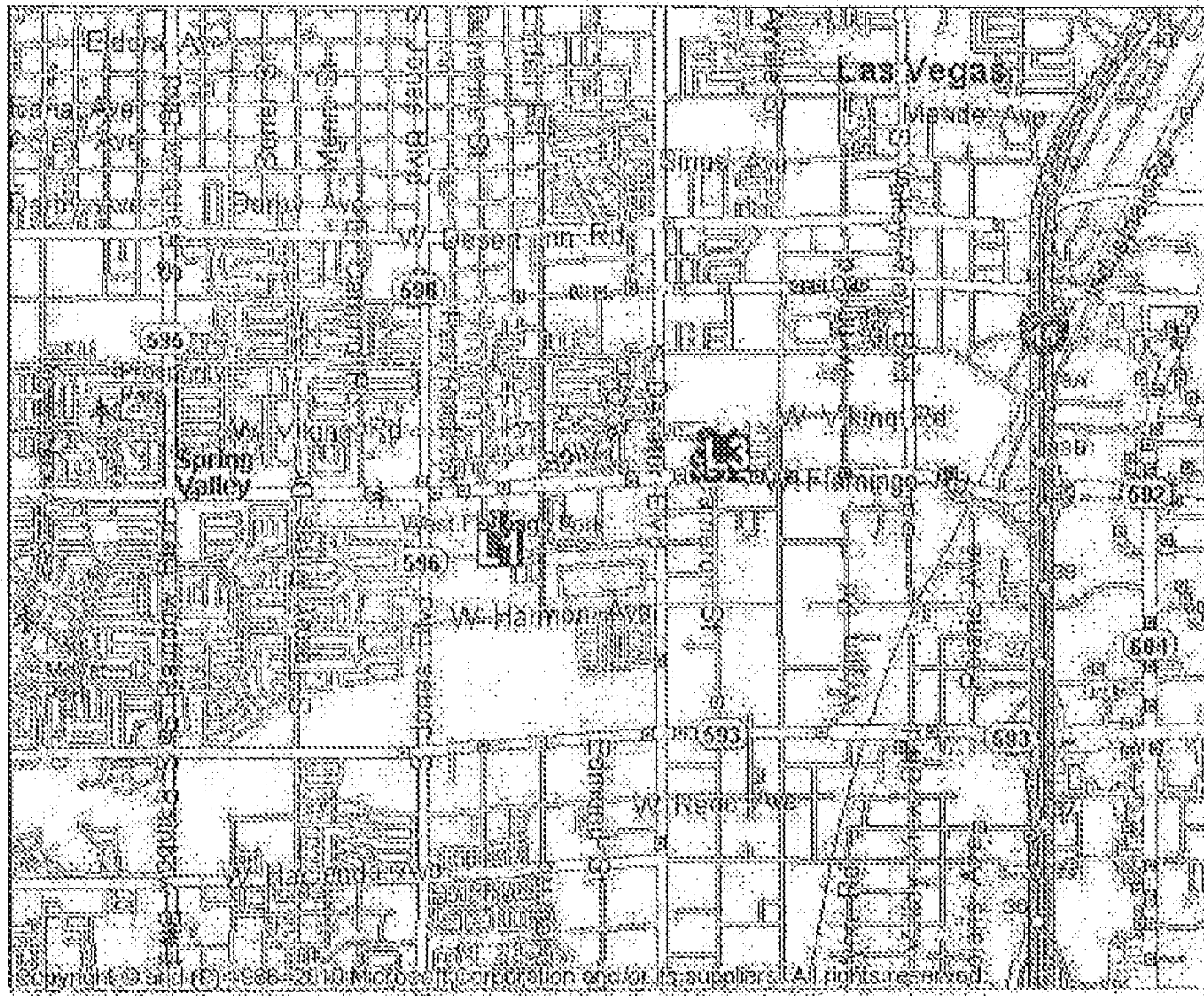
Sale 2: Front



Sale 3: Front

Comparable Map

USB0282

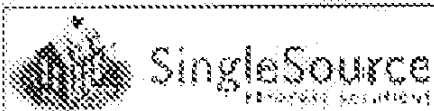


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★ Subject Property: 4254 ROLLINGSTONE DR

Comparables	Distance	Recent Sales	Distance
4283 Rollingstone Dr	0.05mi	S1 4665 Via San Marco	0.92mi
4256 Rollingstone Dr	0.01mi	S2 4809 Via Torino	0.87mi
4802 Via San Rafael	0.04mi	S3 4674 Via Torino	0.89mi


USB0283



Exterior BPO

Property Address:	4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103				
Borrower	EDWARDS	Inspection Date	11/5/2013	Effective Date	11/7/2013
APN	163-24-111-021	Loan #	3000706195	Order ID	131173882
Company	Fadra K. Kyle LLC dba First Serve Realty		Name	Bryan Kyle	
Phone	702-497-8544	Fax	702-869-5784	Email	bryankyle@firstserverealty.com
Address	7936 W. SAHARA AVE LAS VEGAS NV 89117		Distance from the Subject		4.85 Miles

I. General Conditions

Property Type	Townhouse	
Occupancy	Tenant	
# Of Units	1	
Data Source	Tax Records	
Property Condition	Good	
HOA	Yes	
HOA Fees	\$130	
HOA Assoc. Name	Glenview West	
Phone	702-362-6262	
Fees Include	Pool, Greenbelt, Other	
Monthly Rental Value	\$725	

Subject Description

Subject is a one story townhome located in a well maintained and desirable community. Construction is typical frame stucco and composition shingle roof in good condition. Subject unit faces community swimming pool. Common areas are well maintained.

Repairs

Category	Cost	Category	Cost
Exterior Paint	\$	Foundation	\$
Siding / Trim Repair	\$	Fencing	\$
Exterior Doors	\$	Landscaping	\$
Windows	\$	Pool	\$
Garage	\$	Other	\$
Roof / Gutters	\$	Other	\$
Fire Damage	\$	Other	\$

Total Estimated Exterior Repairs

\$0

Subject Condition and Repair Comments

No repairs needed.

USB0284

II. Subject Sales and Listing History							
Currently Listed?	No	By:	//				
List Date	Orig List Price	Current List Price		MLS#			
	\$	\$					
Prior History (36 Month)							
Original List Price	Original List Date	DOM	Date Listed	Date Sold	List Price	Sale Price	Notes
					\$	\$	
					\$	\$	
					\$	\$	
Analysis of Current and Prior Listing History:							
None							
III. Neighborhood Market Data							
Location	Suburban	Local Economy Is	Improving	Housing Supply Is	Shortage		
Number of Listing Is	Increasing		Normal Marketing Time		Under 3 Months		
Total # of Active Listings in the subject's specific MLS district					972		
Total # of Sales in the subject's specific MLS district in the past 12 months					2273		
# of REO Sales in the subject's specific MLS district in the past 12 months					206		
# of Boarded Properties on Subject Street					0		
# of Rentals on the market in the subject's specific MLS district					454		
Predominant Occupancy					Owner		
Market for this type of property		Increased 11 % in the past 6 months.					
Market for this type of property REO%		14					
Market for this type of property Short Sale %		28					
Range of Value is this area:		Low: \$35,000		High: \$145,000			
Pride of Ownership		Good					
Does agent feel there will be a Resale Problem?		No					
Reason there will be a Resale Problem:							
none							
Neighborhood Comments:							
This is a typical suburban area with a mix of single family and multi family homes. All homes noted appear to be well maintained and in good condition. Subject townhouse community appears well managed and well maintained. All common areas including landscape and pool appear to be in good condition. Neighborhood is convenient to all amenities.							


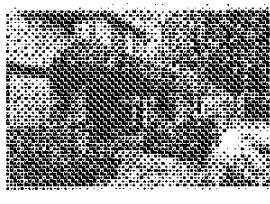


USB0285

IV. Marketing Strategy				
C E O		90-120 Day Value	Repaired Value	30 Day Value
	Suggested List Price	\$82,500	\$82,500	\$75,000
	Probable Sales Price	\$80,000	\$80,000	\$73,000
Comments Regarding Pricing Strategy				
Probable sales price is bracketed by adjusted comparable sales. All comparables are very recent arms length sales located in similar townhouse communities and within one mile of subject. All comparables are same style and condition.				
Unique Property Conditions				

The attached Broker Price Opinion (BPO) has been completed outside of The Uniform Standards of Professional Appraisal Practice (USPAP). The BPO is an evaluation tool and is not considered an appraisal of the market value of the property - It is an opinion of the probable sales price. SingleSource completes BPO requests for property listing, REO analysis, loan due diligence, modifications, etc to aid our servicing customers. SingleSource BPO reports are not eligible or appropriate for loan origination purposes.





USB0286

V. Current Listings

	Subject	Listing #1	Listing #2	Listing #3
				
Street Address	4254 ROLLINGSTONE DR	6228 Meadow Vista	6187 Meadow View	6139 Meadowgrass
City	LAS VEGAS	LAS VEGAS	LAS VEGAS	LAS VEGAS
State	NV	NV	NV	NV
Zip Code	89103	89103	89103	89103
Miles to Subject		0.91	0.77	0.81
Community Name	Glenview West	Century Meadows	Century Meadows	Century Meadows
Data Source	Tax Records	MLS	MLS	MLS
MLS Number		1383927	1367251	1396833
Original List Date		9/17/2013	7/24/2013	10/31/2013
Original List Price		89,900	85,000	92,900
Current List Price		89,900	85,000	92,000
Listing Type		Arms Length	Arms Length	Arms Length
Days On Market		52	107	8
Year Built	1984	1975	1976	1975
Condition	Good	Good	Good	Good
View	Residential	Residential	Residential	Residential
Style/Design	Townhouse	townhouse	townhouse	townhouse
# of Units	1	1	1	1
Gross Living Area	840	1,043	1,048	1,048
Bedrooms	2	2	3	3
Baths/Half Baths	2 1/2	1 1	2 1	2 0
Basement	No	No	No	No
Basement Finished	Slab	Slab	Slab	Slab
Total Room #	8	4	5	5
Garage/Carport	0 Carport	0 Carport	0 Carport	0 Carport
Lot Size	0 Acres	0 Acres	0 Acres	0 Acres
Other	none	none	none	none
Comments on Listing Comparables				
Listing # 1	Owner occupied and well maintained in similar townhouse community. Same style and condition with larger living area-8000.			
Listing # 2	Same style and condition located in similar neighborhood. Clean and well maintained with Larger living area and three bedrooms-10000. Pending sale.			
Listing # 3	Tenant occupied and well maintained in same area. Same style townhouse with larger living area and three bedrooms-10000.			

USB0287

VI. Recent Sales

	Subject	Sale #1	Sale #2	Sale #3
				
Street Address	4254 ROLLINGSTONE DR	6166 Meadow View	3999 Calle Del Sol	4547 Via Madrigal
City	LAS VEGAS	LAS VEGAS	LAS VEGAS	LAS VEGAS
State	NV	NV	NV	NV
Zip Code	89103	89103	89103	89103
Miles to Subject		0.77	0.85	0.98
Community Name	Glenview West	Century Meadows	Park Villas	Park Villas
Data Source	Tax Records	MLS	MLS	MLS
MLS Number		1386004	1382316	1331091
Original List Price		\$92,500	\$96,999	\$85,000
Original List Date		9/25/2013	9/10/2013	3/20/2013
List Price at Sale		\$92,500	\$96,999	\$85,000
Sale Price		\$85,000	\$91,000	\$85,000
Closing Date		10/18/2013	10/14/2013	10/22/2013
Type of Financing		CASH	CASH	CASH
Type of Sale		Arms Length	Arms Length	Arms Length
Days On Market		23	34	216
Year Built	1984	1976	1979	1980
Condition	Good	Good	Good	Good
View	Residential	Residential	Residential	Residential
Style/Design	townhouse	townhouse	townhouse	townhouse
# of Units	1	1	1	1
Gross Living Area	2400	1,048	989	1,036
Bedrooms	2	3	2	2
Baths/Half Baths	2 0	2 0	2 0	2 0
Basement	No	No	No	No
Basement Finished	Sub	Slab	Slab	Slab
Total Room #	4	5	4	5
Garage/Carport	0 Carport	0 Carport	1 Attached	1 Attached
Lot Size	0 Acres	0 Acres	0 Acres	0 Acres
Other	none	none	none	none
Overall Adjustment		\$-10,000	\$-10,000	\$-11,000
Adjusted Value		\$75,000	\$81,000	\$74,000
Comments on Sale Comparables				
Sale #1	Same style and condition townhouse located in nearby similar community. Clean and well maintained with larger living area and three bedrooms-10000.			
Sale #2	Tenant occupied and well maintained in similar community. Same style and condition with larger living area-6000 and 1 car garage-4000			
Sale #3	Clean and well maintained in nearby townhouse community. same style and condition with larger living area-7000 and 1 car garage-4000.			

USB0288

Nevada BPO Supplement

Nevada law requires that a Broker Price Opinion ("BPO") prepared by a Nevada real estate licensee includes certain information. This form supplements any preprinted form or electronic submission required by the person or entity requesting the BPO. The BPO is not complete without this Supplement.

The BPO has been prepared by Bryan Kyle ("Licensee"), who is duly licensed (License No.: BS.0016368) and in good standing. Licensee is affiliated with Fadra K. Kyle LLC dba First Serve Realty ("Broker").

1. The BPO has been prepared for SingleSource Property Solutions, LLC. ("Recipient") regarding real property located at 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103, APN 163-24-111-021 ("Property").

2. Licensee is informed that Recipient's interest in the property is: Third Party BPO.

3. The intended purpose of this BPO is: To determine the approximate market value of the aforementioned real property.

4. The basis used to determine the BPO, including, without limitation, any applicable market data and the computation of capitalization: Las Vegas Nevada area MLS and Clark County Nevada tax records.

5. Assumptions or limiting conditions used to determine the BPO: None

6. Licensee has the following existing or contemplated interest in the Property (including, without limitation, the possibility of representing the seller or purchaser): None

By entering my name and the date of Addendum completion below, I certify that the information provided above is accurate to the best of my knowledge. I understand that entering my name and date below will act as my electronic signature of this Addendum.

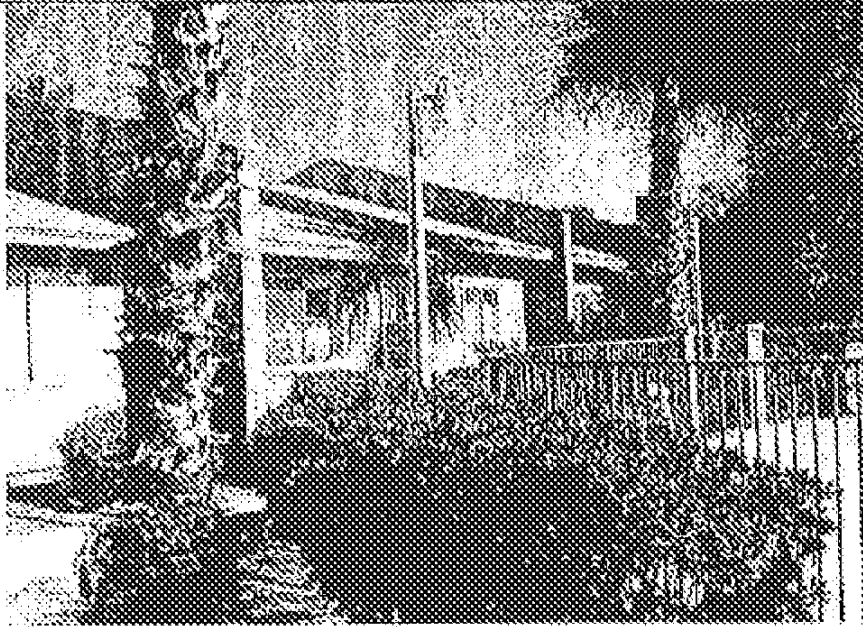
Issue Date: 11/6/2013

Licensee Name: Bryan Kyle

Notwithstanding any preprinted language to the contrary, This opinion is not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed Or certified appraiser must be obtained

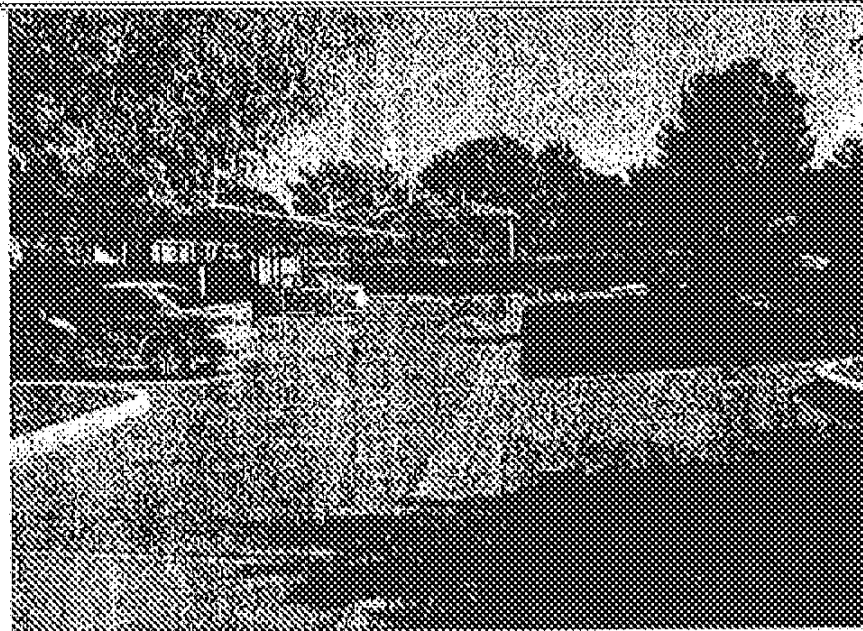
USB0289

VII. Subject Photograph Addendum



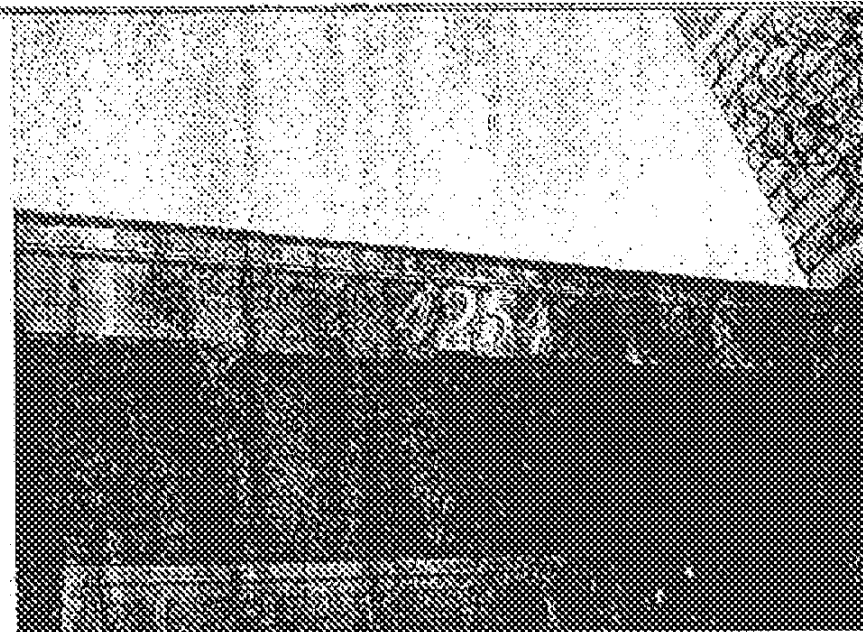
Subject Front

Subject Front



Subject Street

Subject Street

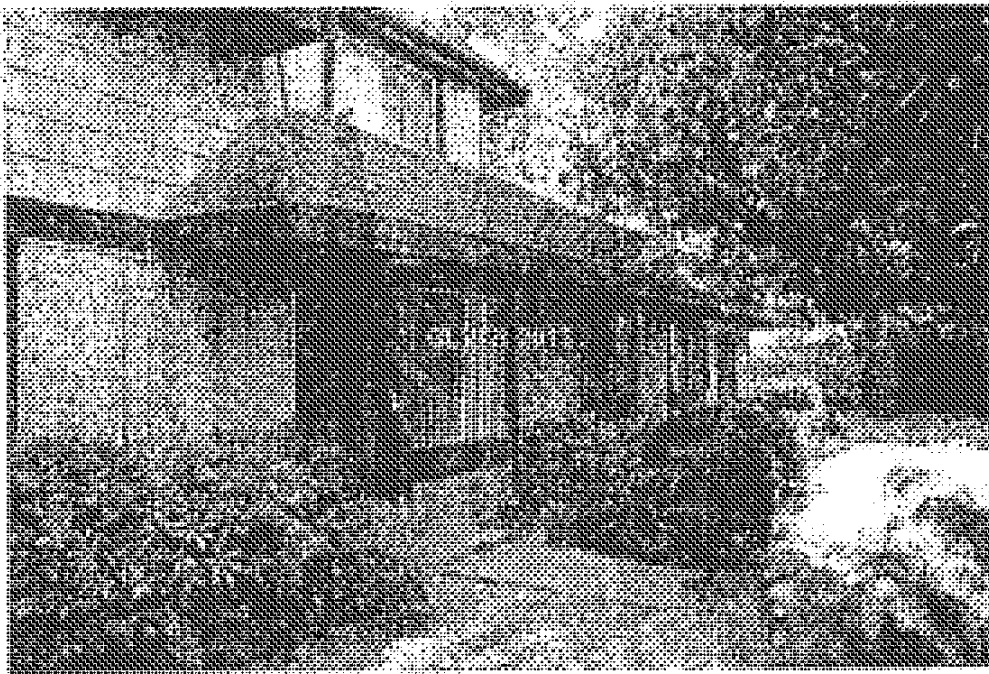


Subject Address

Subject Address

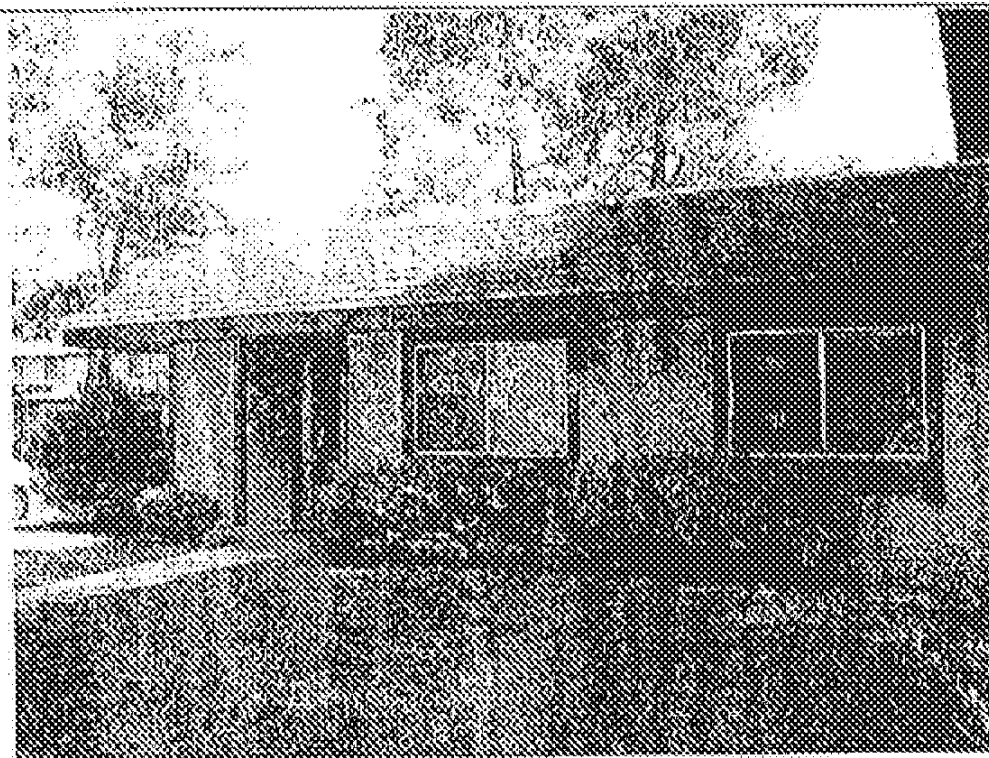
VIII. Current Listings Photograph Addendum

USB0290



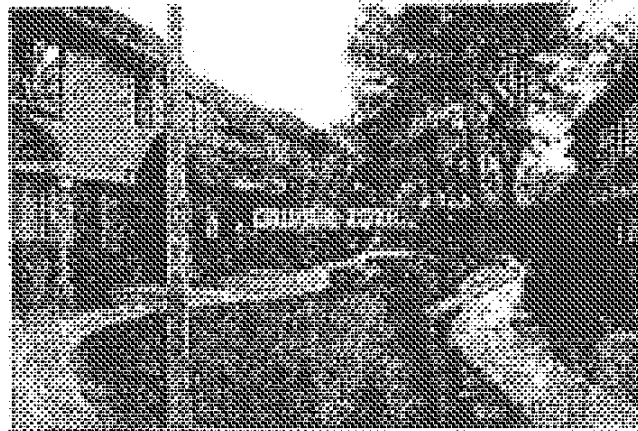
Current Listing 1

6228 Meadow Vista
 LAS VEGAS, NV 89103
 Orig List Date: 9/17/2013
 List Price: \$89,900
 Sq. Ft.: 1,043
 Miles to Subject 0.91



Current Listing 2

6187 Meadow View
 LAS VEGAS, NV 89103
 Orig List Date: 7/24/2013
 List Price: \$85,000
 Sq. Ft.: 1,048
 Miles to Subject 0.77

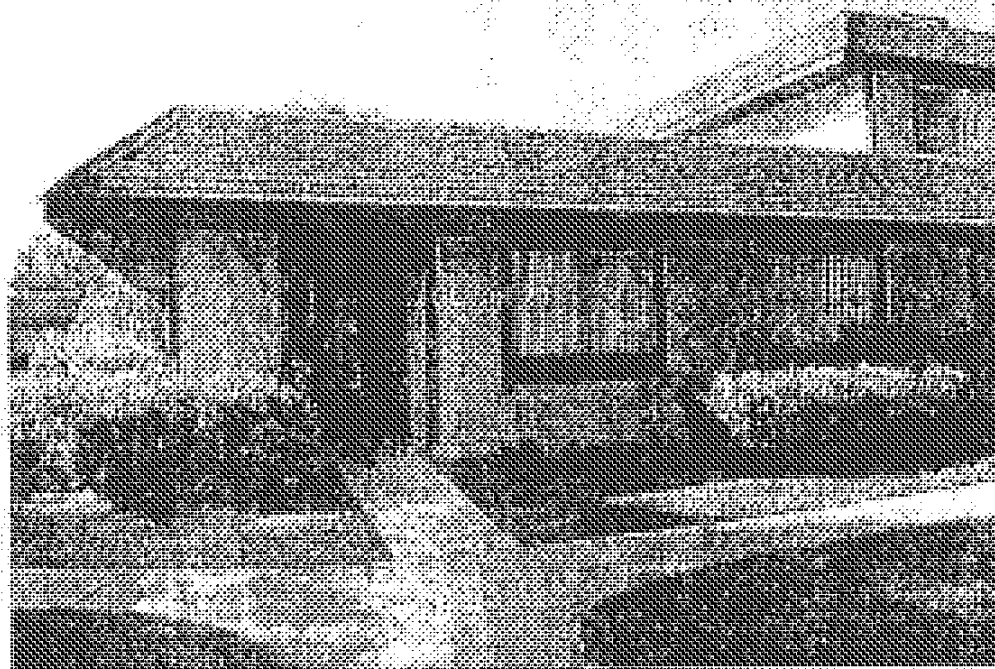


Current Listing 3

6139 Meadowgrass
 LAS VEGAS, NV 89103
 Orig List Date: 10/31/2013
 List Price: \$92,000
 Sq. Ft.: 1,048
 Miles to Subject 0.81

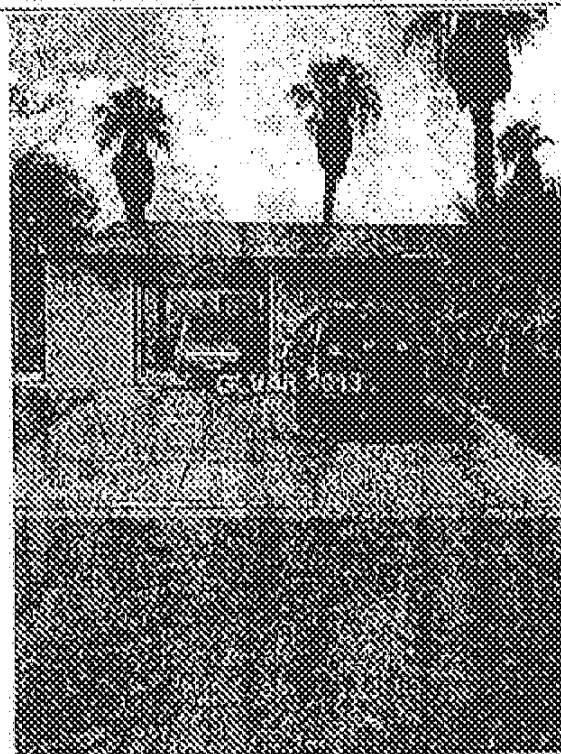
USB0291

IX. Recent Sales Photograph Addendum



Recent Sale 1

6166 Meadow View
LAS VEGAS, NV 89103
Closing Date: 10/18/2013
Sale Price: \$85,000
Sq. Ft.: 1,048
Miles to Subject 0.77



Recent Sale 2

3999 Calle Del Sol
LAS VEGAS, NV 89103
Closing Date: 10/14/2013
Sale Price: \$91,000
Sq. Ft.: 989
Miles to Subject 0.85

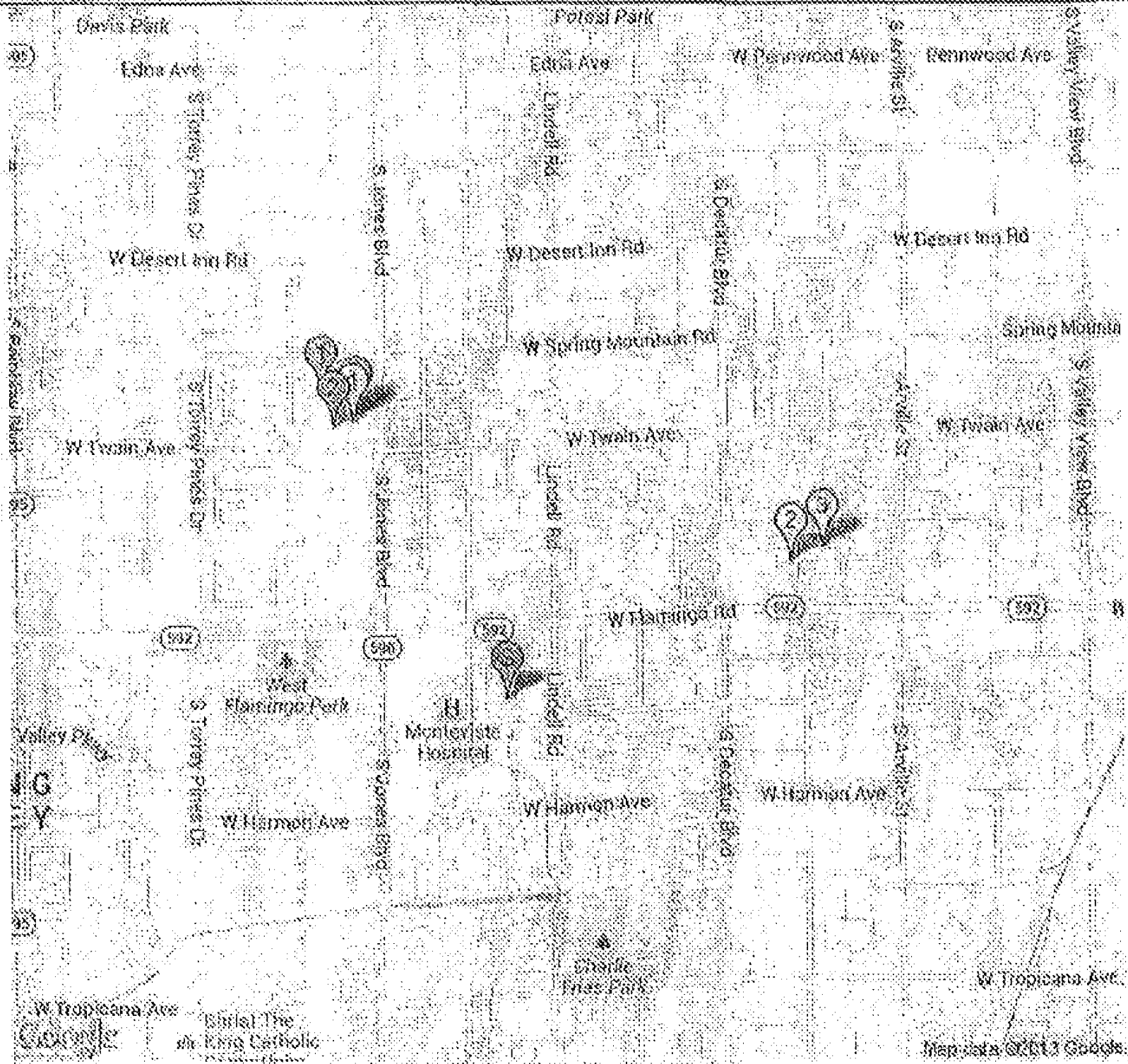


Recent Sale 3

4547 Via Madrigal
LAS VEGAS, NV 89103
Closing Date: 10/22/2013
Sale Price: \$85,000
Sq. Ft.: 1,036
Miles to Subject 0.98

USB0292

XL Map

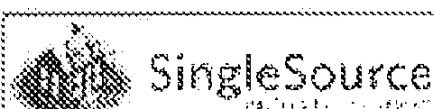


- Comparable Listings**
- 8228 Meadow Vista
 - 8167 Meadow View
 - 8129 Meadowgrass

- Subject Property** 4754 ROLLINGSTONE DR
- Recent Sales**
- 1 8158 Meadow View
 - 2 3098 Cafe Del Sol
 - 3 4547 Via Madrigal

- Distance**
- 0.77mi
 - 0.85mi
 - 0.98mi

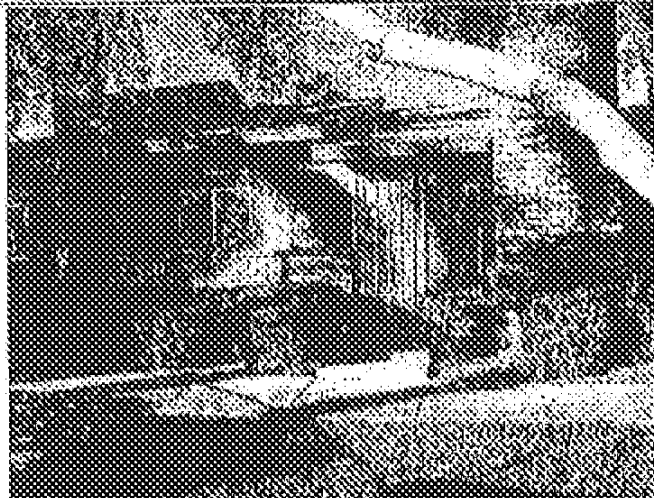
USB0293



Exterior BPO

Property Address:	4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103				
Borrower	GEORGE EDWARDS	Inspection Date	11/4/2014	Effective Date	11/5/2014
APN	163-24-111-021	Loan #	3000706195	Order ID	141172885
Company	West Coast Realty LLC		Name	Reggie Broaden	
Phone	702-856-7401	Fax	702-946-0877	Email	westcoastrealty1@gmail.com
Address	5510 S Fort Apache #1 LAS VEGAS NV 89148			Distance from the Subject	5 Miles

I. General Conditions

Property Type	Townhouse	
Occupancy	Owner	
# OF Units	1	
Data Source	MLS	
Property Condition	Good	
HOA	Yes	
HOA Fees	\$150	
HOA Assoc. Name	Glenview	
Phone	702-365-6720	
Fees Include	Other	
Monthly Rental Value	\$850	

Subject Description

The subject shows in average condition with no repairs noted per exterior inspection. The community shows well maintained by the homeowners and is also well located within close proximity to schools, shopping and freeways. The townhome community amenities include a pool and spa. There were very limited comps for townhomes with similarities to the subject in terms of age and living square footage and it was necessary to exceed the guidelines and consider adjustments in final valuations.

The undersigned certifies they have the qualifications and competence to perform the assignment and have no direct, indirect, or prospective interest, financial or otherwise, in the property or the transaction. I understand the intended use and that the service is being performed for a federally regulated lending institution

Preparer Signature: 

Repairs				
Category	Cost		Category	Cost
Exterior Paint	\$0		Foundation	\$
Siding / Trim Repair	\$		Fencing	\$
Exterior Doors	\$		Landscaping	\$
Windows	\$		Pool	\$
Garage	\$		Other	\$
Roof / Gutters	\$		Other	\$
Fire Damage	\$		Other	\$
Total Estimated Exterior Repairs		\$0		
Subject Condition and Repair Comments				
No repairs noted per exterior inspection.				

USB0294


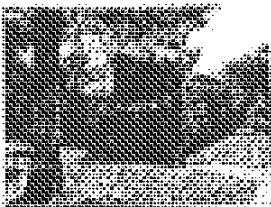
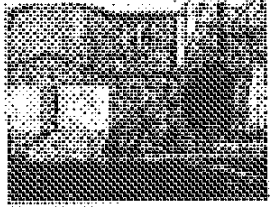

II. Subject Sales and Listing History							
Currently Listed?	No	By:	//				
List Date	Orig List Price	Current List Price		MLS#			
	\$	\$					
Prior History (36 Month)							
Original List Price	Original List Date	DOM	Date Listed	Date Sold	List Price	Sale Price	Notes
					\$	\$	
					\$	\$	
					\$	\$	
Analysis of Current and Prior Listing History:							
III. Neighborhood Market Data							
Location	Suburban	Local Economy is	Stable	Housing Supply is	In Balance		
Number of Listing is	Stable		Normal Marketing Time		Under 3 Months		
Total # of Active Listings in the subject's specific MLS district						15	
Total # of Sales in the subject's specific MLS district in the past 12 months						29	
# of REO Sales in the subject's specific MLS district in the past 12 months						5	
# of Boarded Properties on Subject Street						0	
# of Rentals on the market in the subject's specific MLS district						12	
Predominant Occupancy						Owner	
Market for this type of property				Increased 20 % in the past 6 months.			
Market for this type of property REO%				5			
Market for this type of property Short Sale %				30			
Range of Value in this area:				Low: \$87,000		High: \$119,000	
Pride of Ownership				Average			
Does agent feel there will be a Resale Problem?				No			
Reason there will be a Resale Problem:				None			
Do any environmental issues affect the value of the property?							
Neighborhood Comments							
The Las Vegas valley has experiencing rapid growth due to limited housing inventory, the comps used in the report are thought to be the best indicators of current market activity however, there are large value variances in the area and MLS data indicates slightly longer listing times as values begin to stabilize.							

USB0295

IV. Marketing Strategy				
Comp #		90-120 Day Value	Repaired Value	30 Day Value
	Suggested List Price	\$109,000	\$109,000	\$99,000
	Probable Sales Price	\$99,000	\$99,000	\$90,000
Comments Regarding Pricing Strategy				
<p>Due to limited comp availability it was necessary to expand the search to nearby communities of similar age and style to locate comps and the distance guidelines were exceeded however, although slightly outside of distance guidelines all three of the sold comps are similar overall to the subject in terms of age and style, and are thought to be the best indicators of current market activity. It should also be noted that the listing comp # 1 is a model match to the subject and it has been listed for 19 days with no offers pending, this is also taken into consideration in final valuations. Additionally, it was also necessary to exceed the sold date guidelines due to limited comp availability.</p>				
Unique Property Conditions				



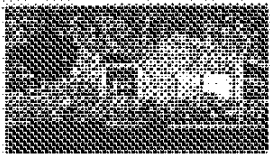
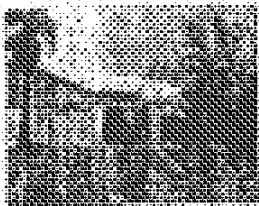
The attached Broker Price Opinion (BPO) has been completed outside of The Uniform Standards of Professional Appraisal Practice (USPAP). The BPO is an evaluation tool and is not considered an appraisal of the market value of the property - it is an opinion of the probable sales price. SingleSource completes BPO requests for property listing, RED analysis, loan due diligence, modifications, etc to aid our servicing customers. SingleSource BPO reports are not eligible or appropriate for loan origination purposes.

USB0296

V. Current Listings					
Listing Comparables		Subject	Listing #1	Listing #2	Listing #3
					
	Street Address	4254 ROLLINGSTONE DR	4242 ROLLINGSTONE DR	5226 SOUVENIR LN	5265 SOUVENIR LN
	City	LAS VEGAS	LAS VEGAS	LAS VEGAS	LAS VEGAS
	State	NV	NV	NV	NV
	Zip Code	89103	89103	89118	89118
	Miles to Subject		.05	1.30	1.30
	Community Name	Glenview	Glenview	Souvenir	Souvenir
	Data Source	MLS	MLS	MLS	MLS
	MLS Number		1488644	1486408	1474421
	Original List Date		10/16/2014	10/08/2014	08/24/2014
	Original List Price		90,000	124,500	128,900
	Current List Price		90,000	124,500	128,900
	Listing Type		REO	Arms Length	Arms Length
	Days On Market		20	28	73
	Year Built	1984	1984	1994	1994
	Condition	Good	Good	Good	Good
	View	Residential	Residential	Residential	Residential
	Style/Design	Townhouse	Townhouse	Townhouse	Townhouse
	# of Units	1	1	1	1
	Gross Living Area	840	840	1,089	1,089
	Bedrooms	2	2	2	2
	Baths/Half Baths	2 0	2 0	2 0	2 0
	Basement	No	No	No	No
	Basement Finished	Slab	Slab	Slab	Slab
	Total Room #	4	4	4	4
	Garage/Carport	1 Parking Space	1 Parking Space	1 Attached	1 Parking Space
	Lot Size	.03 Acres	.03 Acres	.04 Acres	.04 Acres
	Other	None	None	None	None
Comments On Listing Comparables					
Listing #1	Same sub, same living sf, a model match to the subject, new carpet and interior paint, well maintained, bank owned.				
Listing #2	Slightly outside of distance guidelines, slightly larger living sf, superior overall for age, well maintained per MLS, new interior paint, all appliances, not a short sale or REO.				
Listing #3	Nearby townhome community, slightly larger living sf, superior overall for age, tile flooring, well maintained per MLS, traditional sale.				

USB0297

VI. Recent Sales

		Subject	Sale #1	Sale #2	Sale #3
					
Sale Comparables	Street Address	4254 ROLLINGSTONE DR	7011 FORES VISTA	4442 HONEYDEW CR	4460 PINEAIRE ST
	City	LAS VEGAS	LAS VEGAS	LAS VEGAS	LAS VEGAS
	State	NV	NV	NV	NV
	Zip Code	89103	89147	89147	89147
	Miles to Subject		1.74	1.85	1.44
	Community Name	Glenview	Colony Homes	Colony Homes	Colony Homes
	Data Source	MLS	MLS	MLS	MLS
	MLS Number		1467825	1454696	1436429
	Original List Price		\$89,900	\$115,000	\$115,000
	Original List Date		08/01/2014	06/13/2014	04/09/2014
	List Price at Sale		\$89,900	\$115,000	\$115,000
	Sale Price		\$93,000	\$109,000	\$110,000
	Closing Date		8/18/2014	7/14/2014	5/7/2014
	Type of Financing		CASH	CASH	CASH
	Type of Sale		Arms Length	Arms Length	REO
	Days On Market		17	31	28
	Year Built	1984	1976	1981	1977
	Condition	Good	Good	Good	Good
	View	Residential	Residential	Residential	Residential
	Style/Design	Townhouse	Townhouse	Townhouse	Townhouse
	# of Units	1	1	1	1
	Gross Living Area	840	1,024	1,024	1,024
	Bedrooms	2	2	3	3
	Baths/Half Baths	2	2	2	2
	Basement	No	No	No	No
	Basement Finished	Slab	Slab	Slab	Slab
	Total Room #	4	5	5	5
	Garage/Carport	1 Parking Space	1 Attached	1 Attached	1 Attached
	Lot Size	.03 Acres	.09 Acres	.09 Acres	.09 Acres
	Other	None	None	None	None
	Overall Adjustment		\$-6,500	\$-6,500	\$-6,500
	Adjusted Value		\$86,500	\$102,500	\$103,500
Comments on Sale Comparables					
Sale #1	Nearby townhome community, most similar to the subject for age, slightly larger living sf adj. \$ -2000, lot size adj. \$ -2000, new roof and ac unit, traditional sale, adj for garage count \$ -2500.				
Sale #2	Slightly larger living sf adj. \$ -2000, lot size adj. \$ -2000, garage count adj. \$ -2500, tile and carpet flooring, traditional sale. Similar overall to the subject for age and style.				
Sale #3	Slightly larger living sf adj. \$ -2000, lot size adj. \$ -2000, garage count adj. \$ -2500, most similar to the subject in terms of age and style, There were limited comps for townhome sales within the area, it was necessary to exceed the sold date guidelines.				

USB0298

Nevada BPO Supplement

Nevada law requires that a Broker Price Opinion ("BPO") prepared by a Nevada real estate licensee includes certain information. This form supplements any preprinted form or electronic submission required by the person or entity requesting the BPO. The BPO is not complete without this Supplement.

The BPO has been prepared by Reggie Broaden ("Licensee"), who is duly licensed (License No.: 43579) and in good standing. Licensee is affiliated with West Coast Realty LLC ("Broker").

1. The BPO has been prepared for SingleSource Property Solutions, LLC., as an agent for CitiMortgage, Inc. ("Recipient") regarding real property located at 4254 ROLLINGSTONE DR, LAS VEGAS, NV 89103, APN 163-24-111-021 ("Property").
2. Licensee is informed that Recipient's interest in the property is: As Agent for the existing Lienholder and/or Servicer.
3. The intended purpose of this BPO is: To allow the current lienholder to make an informed decision regarding potential asset disposition via sale or loan modification of the above named property.
4. The basis used to determine BPO is "a comparative market sales approach" with the following applicable market data "from local MLS and public record sources" and computation of capitalization "is not otherwise applicable for this residential property."
5. Assumptions or limiting conditions used to determine the BPO: See attached form report for the Assumptions/Limiting Conditions. This is not an appraisal and assumes published MLS and public record used in the attached is accurate. Report results and opinions are limited by the physical inspection completed and the agents is not a licensed building inspector or appraiser.
6. Licensee has the following existing or contemplated interest in the Property (including, without limitation, the possibility of representing the seller or purchaser): No interest at the time of assignment.

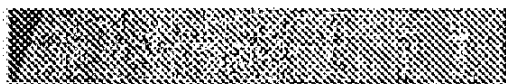
By entering my name and the date of Addendum completion below, I certify that the information provided above is accurate to the best of my knowledge. I understand that entering my name and date below will act as my electronic signature of this Addendum.

Issue Date: 11/04/2014

Licensee Name: Reginald Broaden

SIGNATURE

Signature



Notwithstanding any preprinted language to the contrary, this opinion is not an appraisal of the market value of the property. If an appraisal is desired, the services of a licensed Or certified appraiser must be obtained

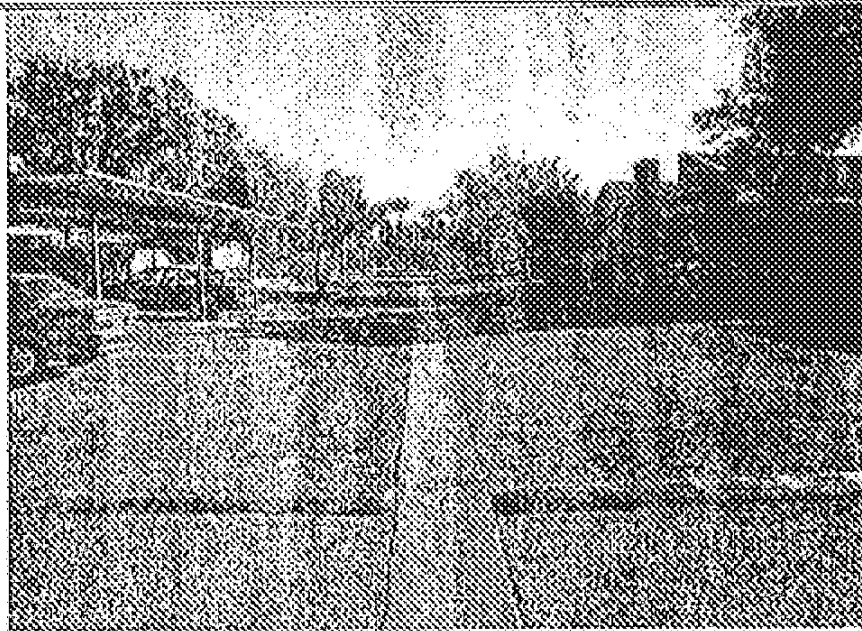
USB0299

VII. Subject Photograph Addendum



Subject Front

Subject Front



Subject Street

Subject Street

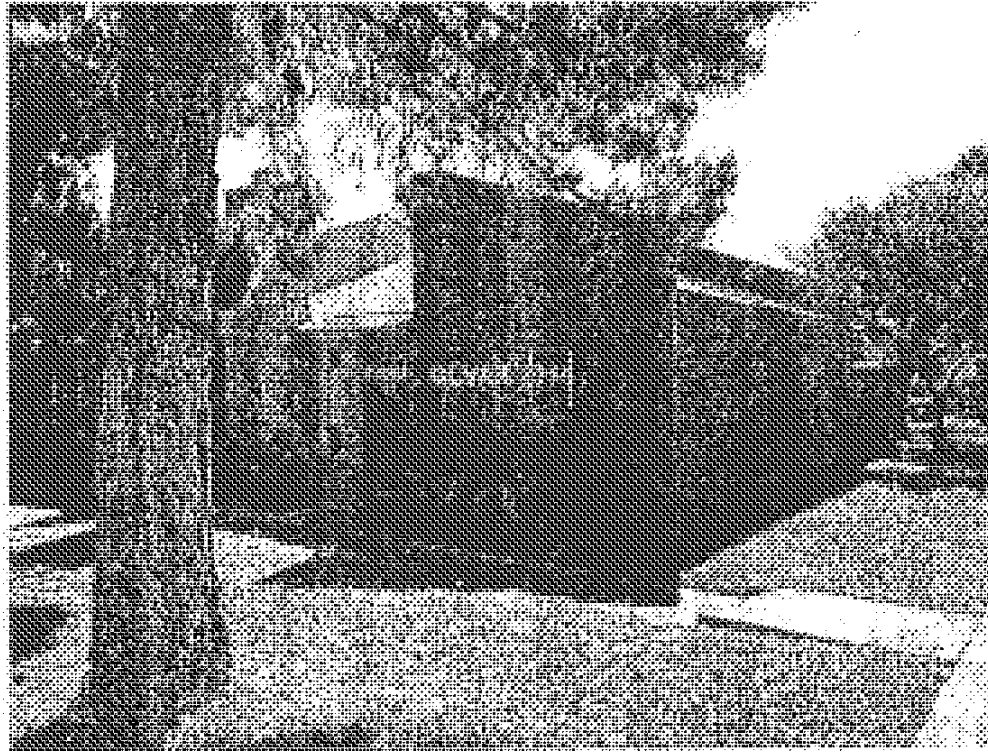


Subject Address

Subject Address

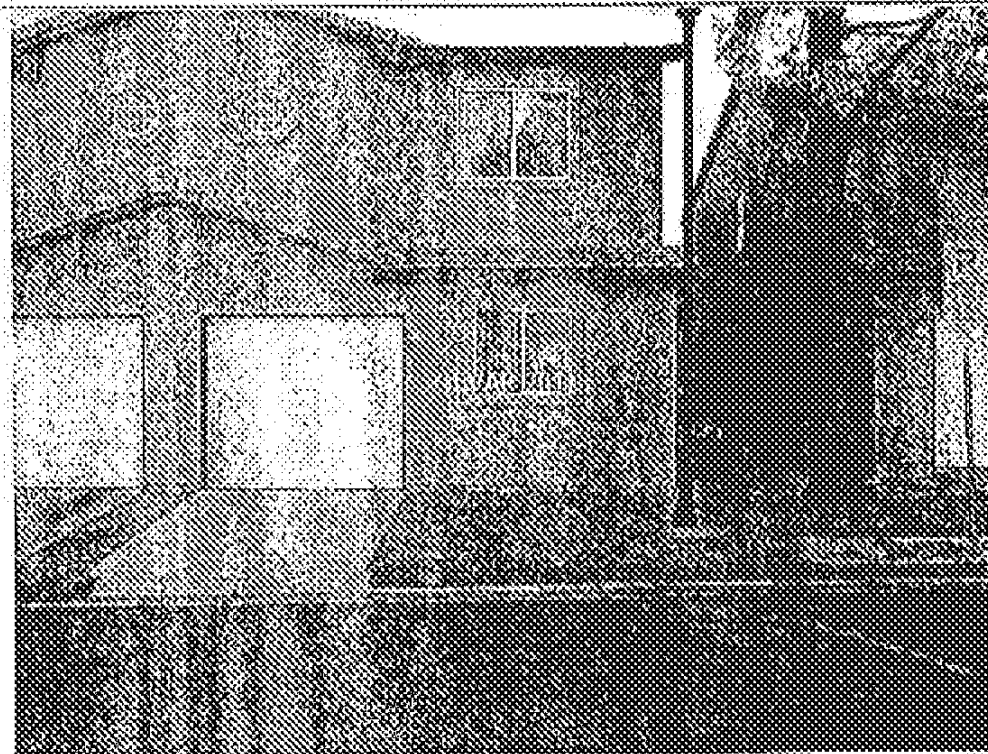
VIII. Current Listings Photograph Addendum

USB0300



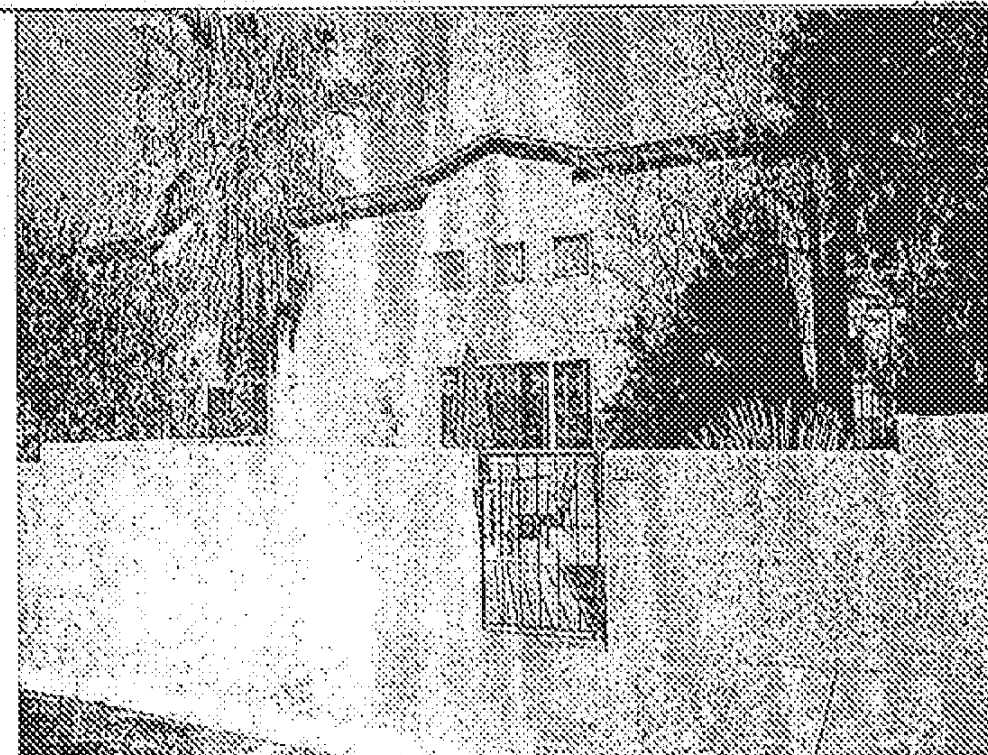
Current Listing 1

4242 ROLLINGSTONE DR
LAS VEGAS, NV 89103
Orig List Date: 10/16/2014
List Price: \$90,000
Sq. Ft.: 840
Miles to Subject .05



Current Listing 2

5226 SOUVENIR LN
LAS VEGAS, NV 89118
Orig List Date: 10/08/2014
List Price: \$124,500
Sq. Ft.: 1,089
Miles to Subject 1.30



Current Listing 3

5265 SOUVENIR LN
LAS VEGAS, NV 89118
Orig List Date: 08/24/2014
List Price: \$128,900
Sq. Ft.: 1,089
Miles to Subject 1.30

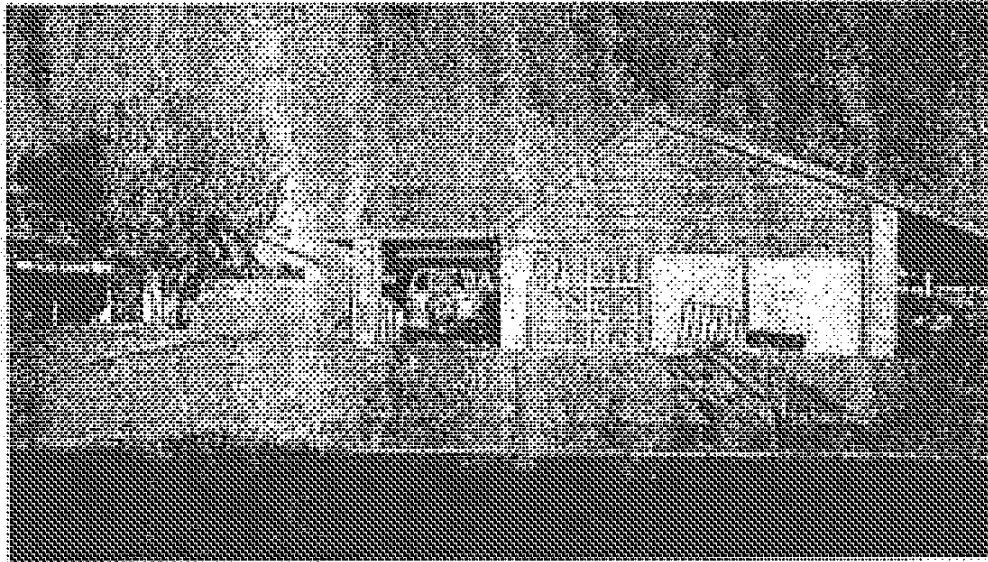
USB0301

IX. Recent Sales Photograph Addendum



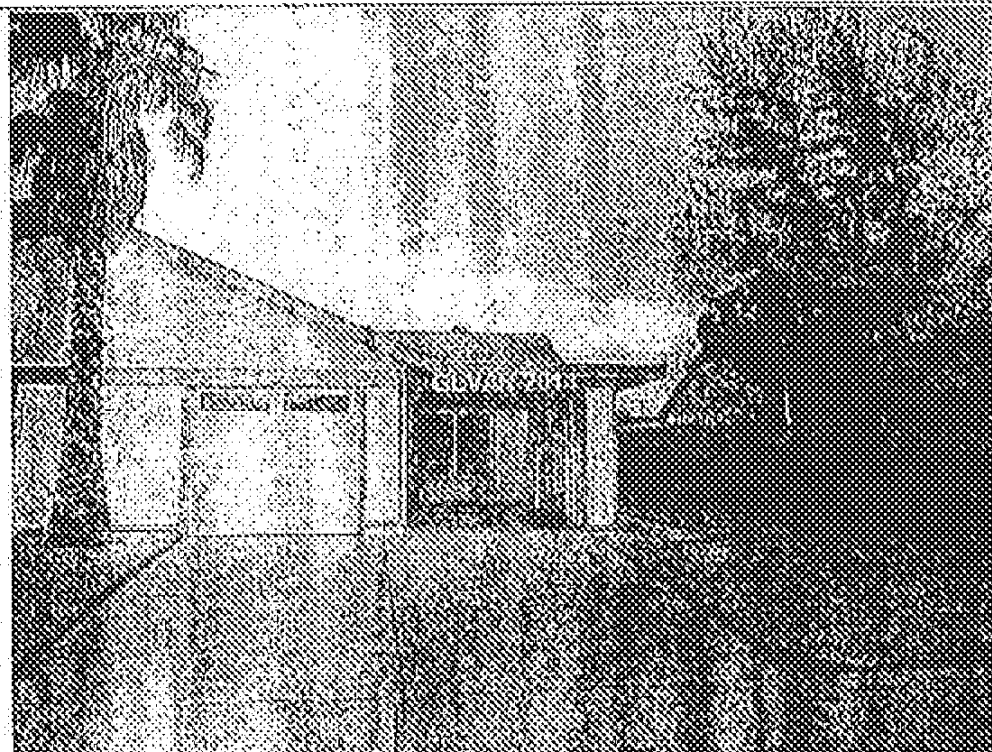
Recent Sale 1

7011 FORES VISTA
LAS VEGAS, NV 89147
Closing Date: 8/18/2014
Sale Price: \$93,000
Sq. Ft.: 1,024
Miles to Subject 1.74



Recent Sale 2

4442 HONEYDEW CR
LAS VEGAS, NV 89147
Closing Date: 7/14/2014
Sale Price: \$109,000
Sq. Ft.: 1,024
Miles to Subject 1.85

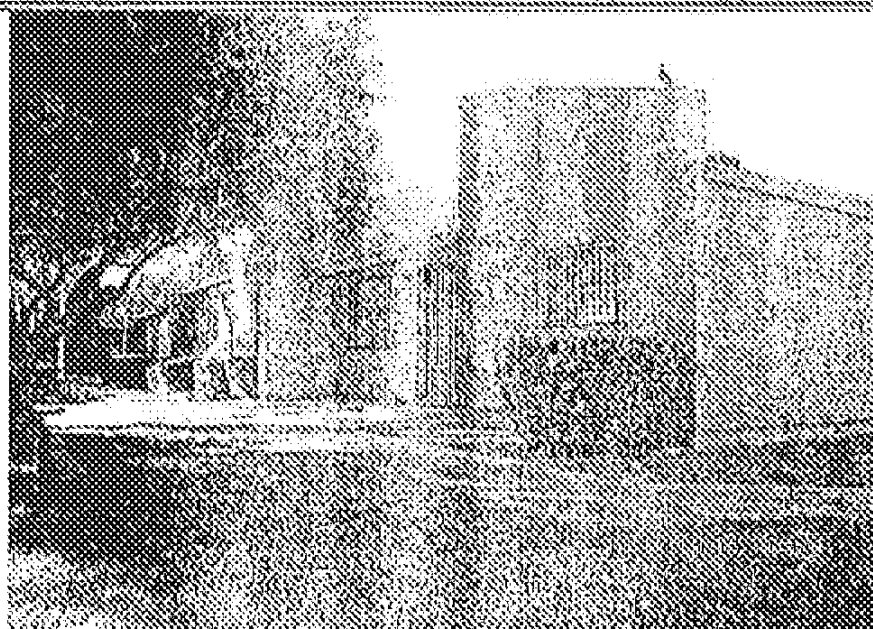


Recent Sale 3

4460 PINEAIRE ST
LAS VEGAS, NV 89147
Closing Date: 5/7/2014
Sale Price: \$110,000
Sq. Ft.: 1,024
Miles to Subject 1.44

USB0302

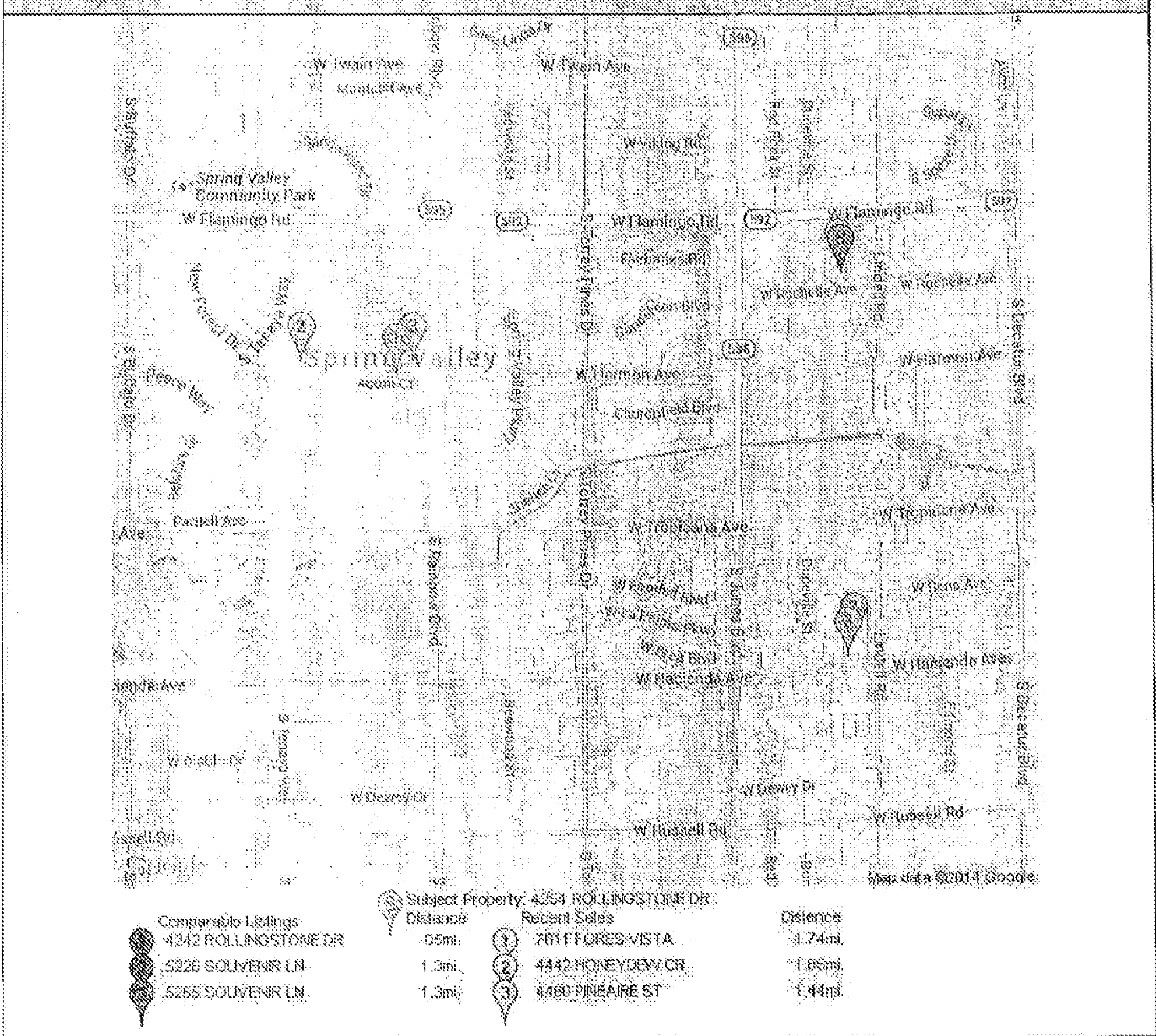
X. Additional Photograph Addendum



Subject Exterior

USB0303

XI. Map



USB0304

COMPETITIVE CLOSED SALES							
Broker should report the days from list to close for each sale under Date of Sale.							
ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address	4254 Rollingsstone Dr., Las Vegas, NV 89103-34	4244 Rollingsstone Dr., Las Vegas, NV 89103-34		4541 Via San Marco, Las Vegas, NV 89103-25		4571 Via San Marco, Las Vegas, NV 89103-25	
Proximity to Subject		0.02 miles		0.95 miles		0.91 miles	
Sales Price		\$75,000		\$91,500		\$86,500	
Price/Gross Liv. Area		\$89		\$107		\$87	
Value Adjustments	Description	Description	+(-)Adjustment	Description	+(-)Adjustment	Description	+(-)Adjustment
Sales or Finc. Conces		0		0		0	
Date of Sale/D.O.M.		09/09/15, 37		08/03/15, 3		03/31/15, 105	
Location	Suburban	Suburban		Suburban		Suburban	
Lot Size	1307	1307		3485	(\$2,000)	3920	(\$2,400)
Design/style	Average/Row Ho	Average/Row	\$0	Average/Row	\$0	Average/Row	\$0
Construction type	Frame	Frame		Frame		Frame	
Year Built	1984	1984		1980		1980	
Condition	Average	Average		Average		Average	
Above Grade Room Count	Total Beds Baths 4 2 2/0 840 Sq.Ft.	Total Beds Baths 4 2 2/0 840 Sq.Ft.	\$0	Total Beds Baths 4 2 1/0 854 Sq.Ft.	(\$158)	Total Beds Baths 4 2 2/0 989 Sq.Ft.	(\$7,003)
Basement & Finished Rooms Below Grade	None	None		None		None	
Functional Utility	Average	Average		Average		Average	
Heating/Cooling	Both	Both		Both		Both	
Garage/Carport	None/1 Car Open/Slab/None	None/1 Car Open/Slab/None	\$0	1 Car Attached/None Open/Slab/None	(\$500)	1 Car Attached/1 Car Open/Slab/None	(\$1,000)
Porch, Patio, Pools			\$0		\$0		\$0
Special Energy Efficient Items	Average	Average		Average		Average	
Fireplace(s)	1	None	\$500	None	\$500	None	\$500
Other (e.g. kitchen equip., remodeling)	none	none		none		none	
Net Adj. (total)			\$ 500		\$ (\$2,158)		\$ (\$9,903)
Indicated Value of Subject			\$ 75,500		\$ 89,342		\$ 76,597

VI. COMMENTS on Sales Comparison and Reconciliation

No negative attributes affecting marketability.

THE VALUE FOR THE SUBJECT PROPERTY BASED ON 90 DAYS TO SELL AND CLOSE IS:

OPINION OF VALUE		
	AS IS	REPAIRED
Probable Final	\$75,500	\$75,500
Suggested List	\$85,500	\$85,500

Check one block below:

- ☐ Both the interior and exterior were inspected.
☒ Only the exterior was inspected.

CLIENT LOAN NUMBER: 3000706195

US80308
15Y6D4337

Nations Valuation Services

3 PHOTO(S), PAGE 1 of 3

NVS #: 15VSD4337

MORTGAGOR:

CLIENT: FIRSTAR/US Bank - OH

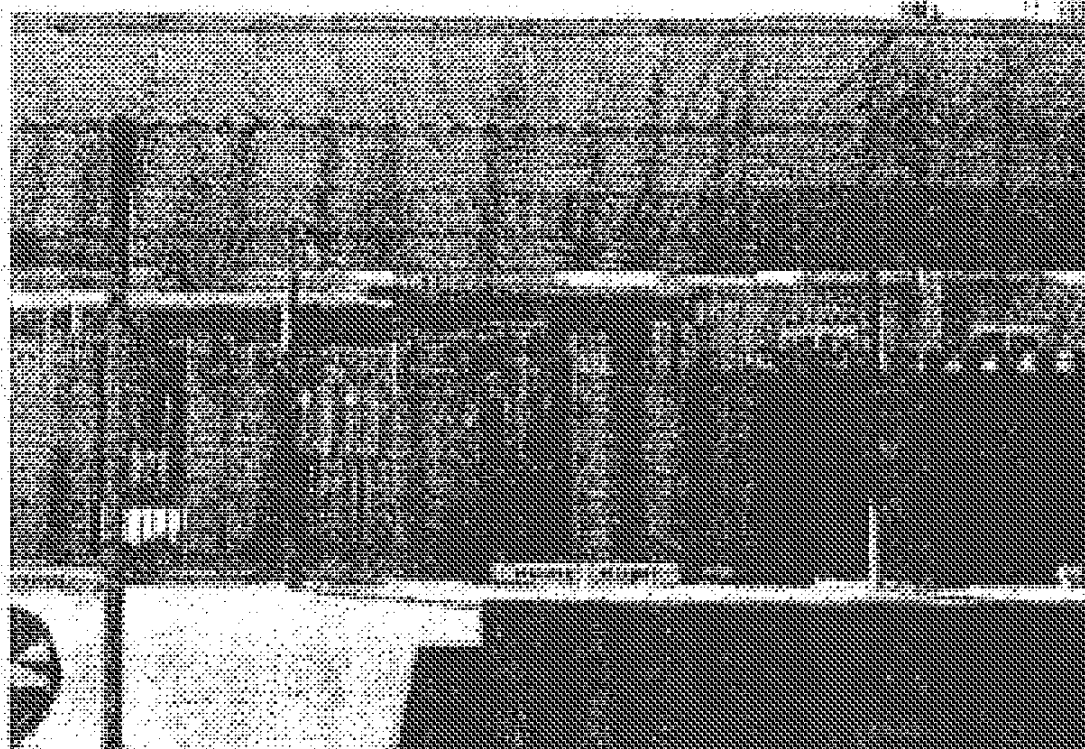
PROPERTY ADDRESS: 4254 Rollingsone Dr
Las Vegas, NV 89103-3407

LOAN: 3000706195

INSPECTION DATE: 09/17/15

Subject Exterior Photos

Source: Original
front



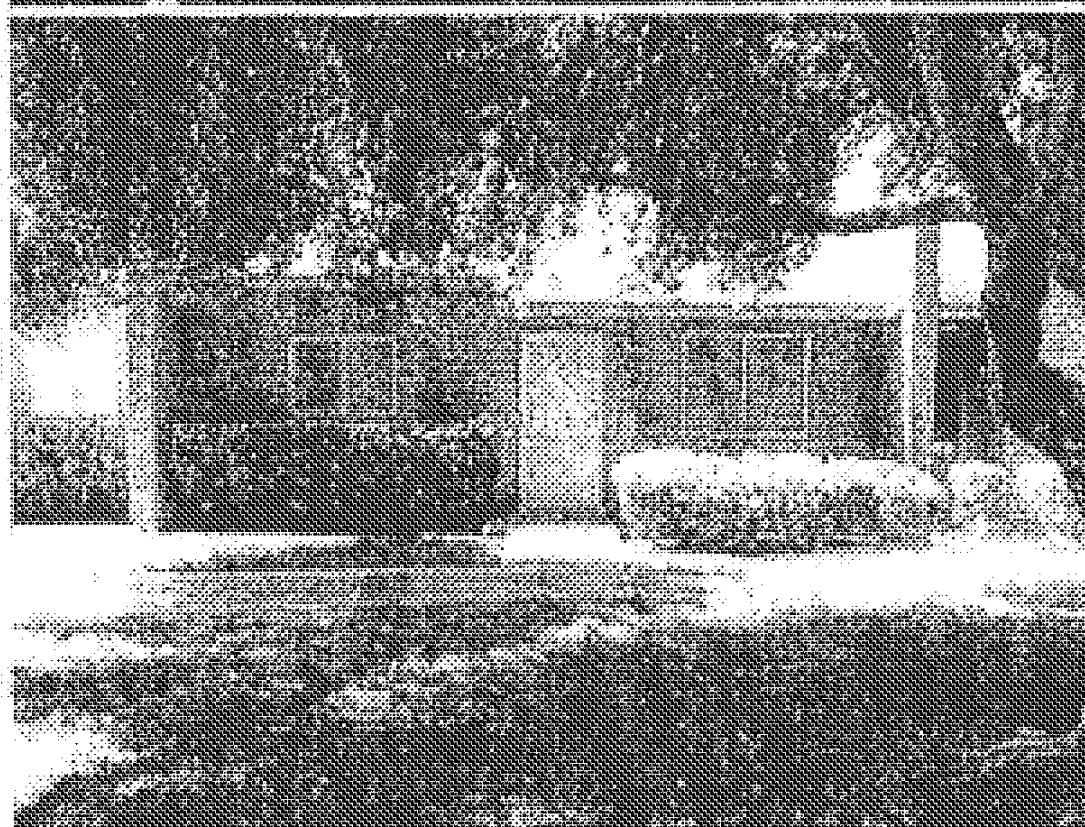
Street Scene Photos

Source: Original
street



Sale Comp 1

Source: mls



USB0307

Nations Valuation Services

3 PHOTO(S), PAGE 2 of 3

NVS #: 15VSD4337

CLIENT: FIRSTAR/US Bank - OH

LOAN: 3000706195

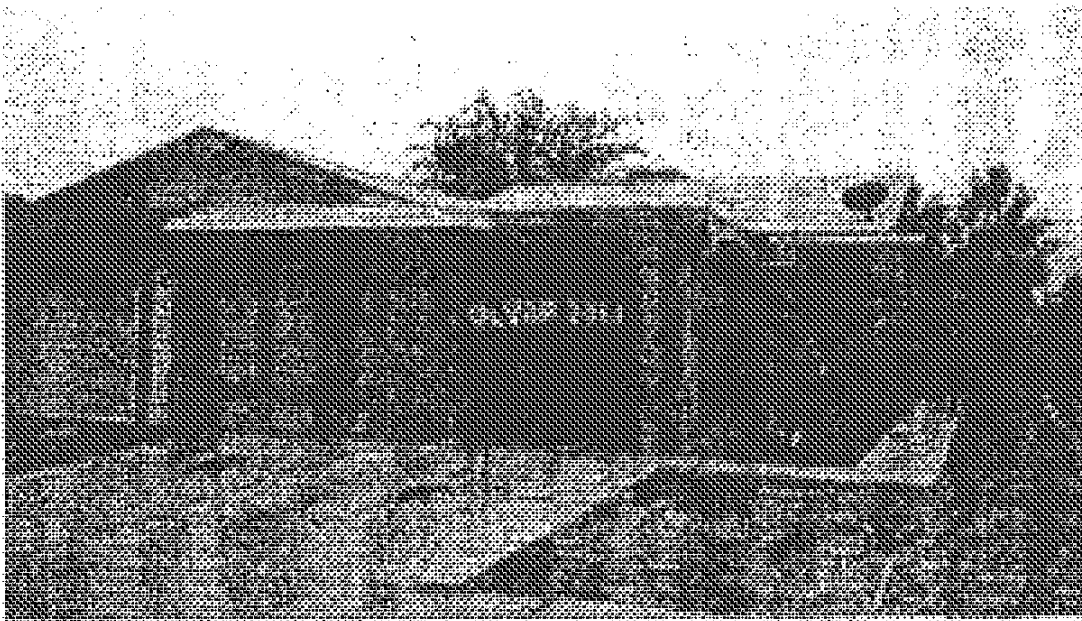
MORTGAGOR:

PROPERTY ADDRESS: 4254 Rollingstone Dr
Las Vegas, NV 89103-3407

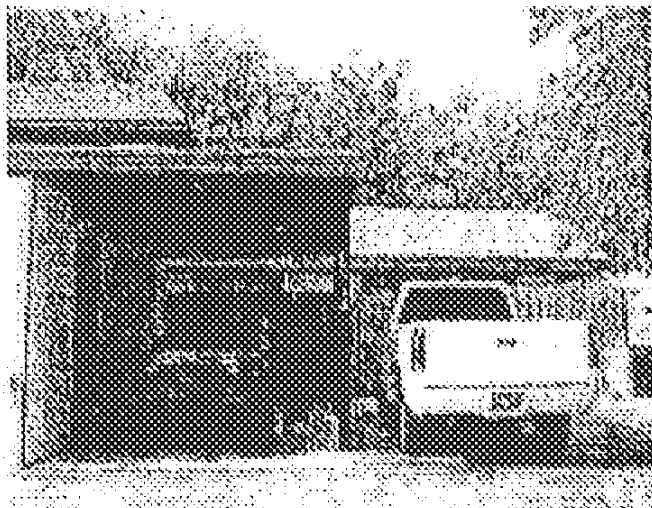
INSPECTION DATE: 09/17/15



Sale Comp 2
Source: mls



Sale Comp 3
Source: mls



Listing Comp 1
Source: mls

USB0308

Nations Valuation Services

2 PHOTO(S), PAGE 3 of 3

NVS #: 15VSD4337

CLIENT: FIRSTAR/US Bank - OH

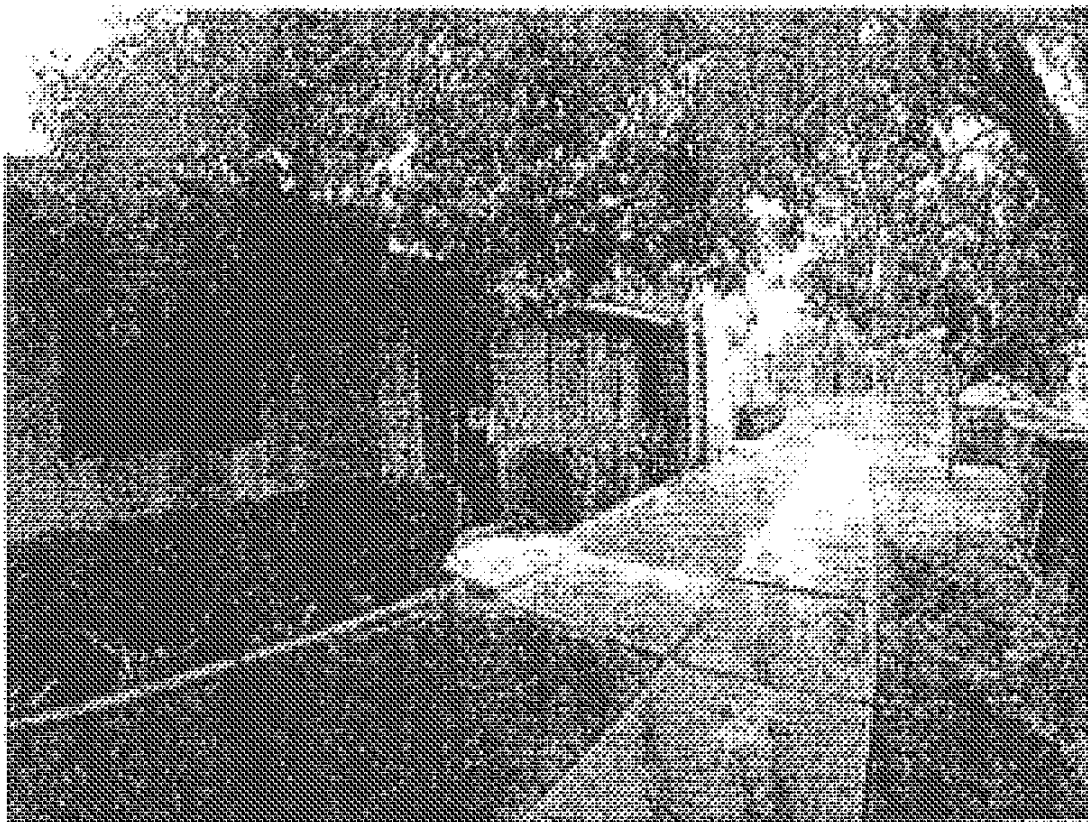
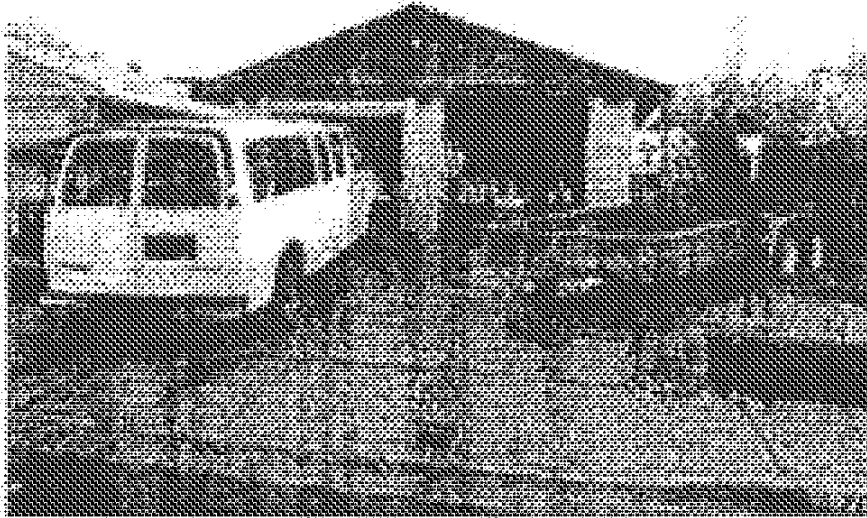
LOAN: 3000706195

MORTGAGOR:

PROPERTY ADDRESS: 4254 Rollingsstone Dr
Las Vegas, NV 89103-3407

INSPECTION DATE: 09/17/15

Listing Comp 2
Source: mls



Listing Comp 3
Source: mls

USB0309



NEVADA BPO SUPPLEMENT

Nevada law requires that a Broker Price Opinion ("BPO") prepared by a Nevada real estate licensee includes certain information. This form supplements any preprinted form or electronic submission required by the person or entity requesting the BPO. **The BPO is not complete without this Supplement.** Nevada law requires that compensation for real estate services, including BPOs, be made directly to the Broker, and that the Broker retain records for a minimum of five years.

The BPO has been prepared by _____ ("Licensee"), who is duly
Licensee Name
licensed (License No.: 57846) and in good standing. Licensee is affiliated with
Nevada Real Estate License No.
Lonnie Garvin - Wellcity Realty ("Broker").
Broker Name

1. The BPO has been prepared for NVS ("Recipient") regarding
real property located at 4254 Rollingstone Dr Las Vegas NV 89103
, APN 183-24-111-021 ("Property").

2. Licensee is informed that Recipient's interest in the property is: An existing or potential sell, and existing or potential buyer, or third party making decisions, or performing due diligence for an existing, or potential lien holder.

3. The intended purpose of this BPO is To assist the recipient in making decisions within the scope of applicable regulatory requirements and/or performing due diligence.

4. The basis used to determine the BPO is MLS, Tax Records, Experience evaluating in subject market place.
with the following applicable market data N/A and
computation of capitalization N/A

5. Assumptions or limiting conditions used to determine the BPO: N/A

6. Licensee has the following existing or contemplated interest in the Property (including, without limitation, the possibility of representing the seller or purchaser): None.

Issue Date: 9/17/2015

Licensee Signature: _____

Robert P Johnson

Digitally signed by Robert P Johnson
DN: cn=Robert P Johnson, o, ou,
email=rpjohnson@realstate.com, c=US
Date: 2015.09.17 14:49:52 -07'00'

**Notwithstanding any preprinted language to the contrary,
this opinion is not an appraisal of the market value of the
property. If an appraisal is desired, the services of a licensed
or certified appraiser must be obtained.**

EXHIBIT 14

30(b)(6) Eddie Haddad - 10/25/2016
U.S. Bank National Association vs. George R. Edwards, et al.

IN THE EIGHTH JUDICIAL DISTRICT COURT
FOR THE STATE OF NEVADA

IN AND FOR THE COUNTY OF CLARK

U.S. BANK NATIONAL ASSOCIATION,)
ND, A NATIONAL ASSOCIATION,)
Plaintiff,)

vs.)

Case No. A-12-667690-C
Dept. No. XVI

GEORGE R. EDWARDS, an individual,)
ANY AND ALL PERSON UNKNOWN,)
CLAIMING TO BE PERSONAL)
REPRESENTATIVES OF GEORGE R.)
EDWARDS ESTATE OR DULY APPOINTED,)
QUALIFIED, AND ACTING EXECUTOR OF)
THE WILL OF THE ESTATE OF GEORGE)
R. EDWARDS; RESOURCES GROUP, LLC,)
a Nevada Limited-Liability)
Company; GLENVIEW WEST TOWNHOMES)
ASSOCIATION, a Nevada non-profit)
corporation; DOES 4 through 10,)
inclusive, and ROES 1 through 10,)
inclusive,)
Defendants.)

And all related claims.)

DEPOSITION OF NRCP 30(b)(6) WITNESS
FOR EDDIE HADDAD RESOURCES GROUP, LLC, EDDIE HADDAD

Taken at Depo International
on October 25, 2016
at 1:15 p.m

at 703 South 8th Street
Las Vegas, Nevada

Reported By: Joanne C. Williams, RPR, CR
CCR No. 899

30(b)(6) Eddie Haddad - 10/25/2016
U.S. Bank National Association vs. George R. Edwards, et al.

1 APPEARANCES:

2 For Plaintiff:

3 McCarthy & Holthus, LLP
4 By: Thomas N. Beckom, Esq.
9510 West Sahara Avenue, Suite 200
Las Vegas, Nevada 89117

5 For Defendant Resources Group, LLC:

6 Law Offices of Michael F. Bohn
By: Michael F. Bohn, Esq.
376 East Warm Springs Road, Suite 140
7 Las Vegas, Nevada 89119

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30(b)(6) Eddie Haddad - 10/25/2016
U.S. Bank National Association vs. George R. Edwards, et al.

1	I N D E X		
2	WITNESS		PAGE
	EDDIE HADDAD		
3			
	Examination by Mr. Beckom		4
4			
5			
6	E X H I B I T S		
7	EXHIBITS		PAGE
8	1	Binder containing documents related to	
		foreclosure sale of 4254 Rollingstone	
9		Drive, Las Vegas, Nevada 89103	4
10	2	Notice of Deposition	4
11			
12			
13			
14			
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30(b)(6) Eddie Haddad - 10/25/2016
U.S. Bank National Association vs. George R. Edwards, et al.

1 EDDIE HADDAD,
2 having been first duly sworn, was examined and testified
3 as follows:

4 (Exhibit 1 marked)

5 MR. BECKOM: This is the time and place for the
6 deposition of the Nevada 30(b)(6) witness for Resources
7 Group, LLC in the case of U.S. Bank versus George
8 Edwards.

9 EXAMINATION

10 BY MR. BECKOM:

11 Q Can you please state and spell your name for the
12 record.

13 A Eddie Haddad, E-d-d-i-e H-a-d-d-a-d.

14 Q And are you here today as a representative of
15 Resources Group, LLC?

16 MR. BOHN: Are you here on behalf of Resources
17 Group? We are here on the Rollingstone property it looks
18 like.

19 THE WITNESS: On the what?

20 MR. BOHN: Rollingstone.

21 MR. BECKOM: Let's try this. Can you mark this
22 as Exhibit 2,

23 (Exhibit 2 marked)

24 MR. BOHN: Is this book Exhibit 1?

25 MR. BECKOM: Yes.

1 THE WITNESS: Where is the Trustee's Deed,
2 please?

3 BY MR. BECKOM:

4 Q Second page.

5 A That's not the Trustee's Deed.

6 Q It's USB89. It's about 10 pages back after the
7 photo copies of the cash.

8 A There we are. 42 --- I'm here on behalf of 4254
9 Rollingstone Drive Trust.

10 Q You are not here on behalf of Resources Group,
11 LLC?

12 A I don't have the legal makeup of all the
13 paperwork and all that stuff. Do you have it? Do you
14 have the 30(b) --- Thank you.

15 MR. BOHN: Resources is the trustee for itself.

16 THE WITNESS: Okay. So, yes, I am. Resources
17 is the trustee for Rollingstone Drive Trust.

18 BY MR. BECKOM:

19 Q Okay. So you are familiar with -- Well,
20 actually before we get too far into it, as I'm sure
21 you're painfully aware, this is a deposition and the
22 court reporter just gave you a court oath. It's the same
23 kind of oath that you would take as if you were in a
24 court of law and the same types of penalties of perjury
25 apply to your testimony today. Do you understand?

1 A Yes, I do.

2 Q Okay. A couple of admonishments that I'm sure
3 you have heard a bunch of times. The court reporter will
4 be transcribing everything that you state here today. A
5 couple of things don't really translate very well across
6 depo transcripts, uh-huhs, uh-uhs, nods of the head,
7 things like that. We all might understand you in this
8 room, but the judge will not understand you and it will
9 not come across clear in the transcript. So please make
10 sure you avoid those kinds of gestures or statements. Do
11 you understand?

12 A Yes.

13 Q At the end of this deposition, you will be
14 provided a transcript. You will be able to review the
15 transcript for anything that you feel is inaccurate. You
16 can change spellings and things like that in the
17 transcript and sign it, but if you change the substance
18 in any way, we will be able to comment on it and use it
19 to impeach your credibility at trial in this matter. Do
20 you understand?

21 A Yes.

22 Q Have you had any drugs or alcoholic beverages in
23 the last 24 hours that would affect your ability to give
24 testimony here today?

25 A No.

30(b)(6) Eddie Haddad - 10/25/2016
U.S. Bank National Association vs. George R. Edwards, et al.

1 Q Is there any reason why you can't give your best
2 testimony here today?

3 A No.

4 Q Okay. Let's start with Exhibit 2, the Notice of
5 Deposition. Pursuant to Nevada Rule of Civil Procedure
6 30(b)(6), we noticed seven topic areas. They were the
7 foreclosure auction of the property which is the subject
8 of this action, 4254 Rollingstone Drive, Las Vegas,
9 Nevada 89103. Are you familiar with this property?

10 A Yes.

11 Q Okay. We asked you to -- We asked Resources
12 Group to produce a witness about any other properties
13 that Resources Group owns or any of their affiliate
14 companies own from January 1st, 2011 to present.

15 Are you the person most -- Are you knowledgeable
16 about this?

17 A Yes.

18 Q We asked you to -- We asked Resources Group to
19 produce a witness concerning the litigation history of
20 Resources Group from January 1, 2011 to present.

21 Are you knowledge about this?

22 MR. BOHN: What's the question?

23 THE WITNESS: We're here to discuss 4254
24 Rollingstone Drive Trust, right?

25 MR. BOHN: Yes.

1 THE WITNESS: Okay.

2 BY MR. BECKOM:

3 Q But we did ask Resources Group to produce a
4 witness concerning the litigation history of Resources
5 Group from January 1, 2011 to present.

6 Are you knowledgeable about that?

7 A No. I have no idea. I'm here to discuss
8 Rollingstone Drive Trust.

9 Q You have no idea about the litigation history of
10 Resources Group?

11 A No. My attorney would. I would not.

12 Q You don't have any knowledge as far as
13 litigation that Resources Group is involved in at all?

14 A No. That's a lot of years to go back. I don't
15 have exact knowledge.

16 Q Do you have general knowledge at all?

17 A General knowledge, yeah. In this particular
18 one, yes.

19 Q Have you prepared in any way to discuss the
20 litigation history of Resources Group?

21 A No.

22 Q Okay. We asked that a witness be produced
23 concerning interactions with Alessi & Koenig, LLC or any
24 of their employees, officers, directors or affiliates.

25 Are you the person most knowledgeable to discuss

1 interactions between Resources Group and Alessi & Koenig?

2 A Yes.

3 Q We asked you to produce a witness concerning the
4 operations and management generally of Resources Group.

5 Are you the person most -- Are you the
6 knowledgeable person to discuss that?

7 A Yes.

8 Q We asked you to produce a witness regarding any
9 discussion, non-privileged, regarding the anticipated
10 effect of NRS 116.3116 et seq.

11 Are you the person most knowledgeable about
12 that?

13 A I don't know what that means.

14 Q So you are not knowledgeable about the
15 anticipated effect of a Nevada statute?

16 A NRS 116?

17 Q Yes.

18 A Yes, I am.

19 Q Okay. And we asked to produce a witness
20 concerning Resources's business plan or investment
21 strategies from January 1, 2011 to present.

22 Are you person most knowledgeable to discuss
23 that?

24 A Yes.

25 Q Okay. So what is the relationship between

1 Resources Group and the 42 --- What is it --- 4254
2 Rollingstone Drive Trust?

3 A Resources Group is the trustee.

4 Q Okay. When did Resources Group become the
5 trustee of that trust?

6 A The date of the auction.

7 Q Okay. Who are the officers, officers or
8 directors or --- I guess let me rephrase that.

9 A Manager.

10 Q Who is the manager of Resources Group, LLC?

11 A I am.

12 Q Okay. And do you have any knowledge about who
13 is in control of the 4254 Rollingstone Drive Trust?

14 A What do you mean who is in control?

15 Q Who makes the decisions for that trust?

16 A I do.

17 Q Okay. Do you know who the beneficiaries of the
18 trust are?

19 A We are not here to discuss beneficiaries of the
20 trust, just the manager.

21 Q Do you know?

22 A We are not here to discuss it.

23 Q But do you know?

24 MR. BOHN: Do you know who the beneficiaries are
25 of the trust? You don't have to say who they are. It's

1 a yes or no question.

2 THE WITNESS: Yes.

3 BY MR. BECKOM:

4 Q Okay. But you are declining to answer any
5 questions concerning the beneficiaries of the 4254
6 Rollingstone Drive Trust?

7 A Yes.

8 Q Is there --

9 MR. BOHN: We will -- Well, number one, that's
10 not one of the topics. But we will answer that none of
11 the beneficiaries are owners or have any contractual
12 relationship with Alessi & Koenig or the HOA that
13 conducted the sale.

14 BY MR. BECKOM:

15 Q So you are not a beneficiary of the Rollingstone
16 Drive Trust?

17 MR. BOHN: We are not saying that.

18 BY MR. BECKOM:

19 Q Mr. Haddad?

20 A We are not saying that.

21 Q Okay. Then what are you saying?

22 MR. BOHN: Well --

23 THE WITNESS: It's irrelevant. The only thing
24 of relevance here is the manager, that I am the manager.

25 BY MR. BECKOM:

1 Q So there are other beneficiaries on the trust
2 that we are talking about other than yourself?

3 MR. BOHN: Objection. This is outside the scope
4 of the 30(b)(6) designation. The designation doesn't ask
5 anything about the ownership or beneficiaries of the
6 trust.

7 MR. BECKOM: My understanding of the 30(b)(6) is
8 twofold. Number one, you are directed to prepare a
9 witness on those topic areas. Most certainly that is the
10 case. But number two, NRCP 30(b)(6) is not a limit on
11 the scope of discovery or a deposition. Rule 26 is. And
12 Rule 26 states that anything that can be used for
13 discovery of admissible evidence can be asked in a
14 deposition to the extent that Mr. Haddad is aware. On
15 that basis are you instructing your client not to answer
16 the question?

17 MR. BOHN: Yes.

18 MR. BECKOM: Okay. And on that basis anything
19 that was within his knowledge but is not within the scope
20 of the topic areas on the Notice of Deposition you will
21 be instructing your client not to answer?

22 MR. BOHN: Correct.

23 MR. BECKOM: Okay.

24 MR. BOHN: Well, if it's irrelevant, privileged
25 or private, then yes. And the beneficiary of the trust

1 would be considered to be irrelevant and private.

2 MR. BECKOM: Understood.

3 BY MR. BECKOM:

4 Q Now, if there was any transfer, though, between
5 the Rollingstone Trust and Resources Group, then -- I
6 mean, that's just a transfer between corporate entities.
7 But you control both entities; is that correct?

8 A I am manager of both entities, correct.

9 Q Okay. Did you attend the HOA foreclosure sale
10 of the 4254 Rollingstone Drive property?

11 A It was a while ago.

12 Q It was.

13 A I don't recall, but most likely, yes.

14 Q Is there anyone else that potentially could
15 have -- And actually let's go ahead and just flip forward
16 in the book to the date of the sale. I was quite
17 surprised. This is one of the older ones I have seen.
18 Can you flip your book over to USB0089?

19 A Got it.

20 Q It says this property was purchased on January
21 25th, 2012; is that correct?

22 A Yes. I don't dispute that.

23 Q Okay. Were you attending a lot of foreclosure
24 auctions in January of 2012?

25 A Five days a week, 52 weeks a year.

1 Q For homeowners associations?

2 A All different types of foreclosure sales, NRS
3 107 and NRS 116.

4 Q Were you attending a large volume of HOA
5 foreclosure sales specifically in the beginning of 2012?

6 A They're all mixed together. They're all
7 clustered.

8 Q So you don't -- Your testimony today is you do
9 not remember?

10 A I just said they're all clustered.

11 Q So your testimony today is you do not remember?

12 A No. I remember that they're all clustered.

13 Q They're all clustered?

14 A Yeah. Estate sale, you show up. They have
15 NRS 107 and they have NRS 116 sales, as a general
16 statement.

17 Q So you were attending foreclosure auctions at
18 930 South 4th Street, Las Vegas, Nevada every single day?

19 A Five days a week, yes, except for the holidays.
20 It's fun. You should go down there.

21 Q I have been down there.

22 Okay. What is located at that address actually
23 that I just described, the --

24 A 930 South 4th Street is Nevada Legal News.

25 Q Okay. On an average day, how many properties

1 would you say went to sale at the Nevada Legal News in
2 the beginning of 2012?

3 A Up to 1,200 a day.

4 Q 1,200 a day?

5 A Were scheduled, yeah. I don't know how many
6 would go to sale but up to 1,200 a day.

7 Q How many would you bid on approximately?

8 A I don't recall, not 1,200.

9 Q Was it more than five?

10 A One.

11 Q One?

12 A To five.

13 Q One to five properties?

14 A I don't -- Yeah, something like that.

15 Q But you're not sure but you feel it's a good
16 estimate, correct?

17 A Yeah. Correct.

18 Q Okay. Out of those one to five properties,
19 approximately how many were traditional foreclosure sales
20 under 107?

21 A I don't recall.

22 Q Was it more than three?

23 A I don't recall.

24 Q Was it less than three?

25 A I don't recall.

1 Q Okay. So they would hold the HOA foreclosure
2 auctions at the same time as mortgage foreclosure
3 auctions in the beginning of 2012?

4 A Pretty much, yes.

5 Q Okay. And how many people would bid on
6 traditional auctions?

7 A I don't recall.

8 Q How many people would bid on HOA foreclosure
9 auctions?

10 A I don't recall.

11 Q Was there any difference --- Were there more or
12 less people that bid on HOA foreclosure auctions when
13 compared with traditional foreclosure auctions?

14 A Less people in HOA auctions.

15 Q Why?

16 A I don't know. You would have to ask them.

17 Q Can you give me an estimate of the number of
18 people that would typically bid at a 107 auction or
19 mortgage foreclosure auction?

20 MR. BOHN: During what time period?

21 BY MR. BECKOM:

22 Q January 1012.

23 A I can't, no. It's too long ago. It's four or
24 five years ago.

25 Q More than 50?

1 A I don't know.

2 Q More than 20?

3 A I can't. It's been that long.

4 Q More than two people?

5 A Depending on the sale I guess. 1,200 a day.

6 Not everybody would bid on everything.

7 Q But there were more people that would bid on 107
8 auctions than there were on HOA foreclosure auctions?

9 A There were more 107 sales too.

10 Q I don't think you answered my question. So
11 there were more people that bid on mortgage foreclosure
12 auctions than HOA foreclosure auctions?

13 A But I did answer that question earlier. So the
14 answer was yes.

15 Q Okay. Just making sure.

16 A Okay.

17 Q Are you checking your phone for any specific
18 reason right now?

19 A No.

20 Q Are you deriving any kind of information for
21 this deposition from your phone?

22 A No.

23 Q Let's talk about bid increments on foreclosure
24 auctions that took place at the Nevada Legal News in
25 January of 2012.

1 Can you explain to me the difference between the
2 opening bid for an HOA foreclosure auction versus the
3 opening bid for a mortgage foreclosure auction?

4 A No, I can't.

5 Q There is no difference?

6 MR. BOHN: I don't understand the question.
7 What are you asking?

8 BY MR. BECKOM:

9 Q So they always start with an opening bid,
10 correct?

11 A Yes.

12 Q Okay. What would be the opening bid for a
13 mortgage foreclosure auction? Like would it be more than
14 an HOA foreclosure auction? Less than an HOA foreclosure
15 auction?

16 A I don't know how to answer that. It depends.
17 If it's the second deed of trust foreclosing, there would
18 be a very low opening bid.

19 Q Okay.

20 A Every day there was seconds going to sale too.

21 Q Let me clarify that then. For a first deed of
22 trust --

23 A Would it be higher?

24 Q Yes.

25 A Yeah.

1 Q Okay. Do you have any idea why?

2 A No.

3 Q Do you have any reason to believe that 4254
4 Rollingstone Drive would have been encumbered by a deed
5 of trust when you purchased the property at the auction
6 on January 25th of 2012?

7 A I don't recall.

8 Q Did you think you were getting a property free
9 and clear of a mortgage when you purchased this property
10 in January of 2012?

11 A Yes. That's the only reason why I bought it.

12 Q So you had no reason to be concerned about any
13 kind of deed of trust on 4254 Rollingstone Drive,
14 correct?

15 A Only the cost of litigation.

16 Q I see. Flip over in your book, please, to --
17 Are you familiar with an entity called the
18 Bourne Valley Court Trust?

19 A Yes.

20 Q Do you have any knowledge about -- What is your
21 relationship to the Bourne Valley Court Trust?

22 A I don't have that record on me, but I would
23 probably be the manager.

24 Q So you were also the manager of Bourne Valley
25 Court Trust?

1 A I would have to confer with my attorney to
2 verify that.

3 Q Why would your attorney know that as opposed to
4 you?

5 A He's got the files.

6 Q Okay.

7 THE WITNESS: Is that on one of the questions
8 that we were supposed to be prepared for ---

9 MR. BOHN: No.

10 THE WITNESS: --- Bourne Valley? Okay. That's
11 why we didn't prepare for that.

12 MR. BECKOM: I understand.

13 BY MR. BECKOM:

14 Q Can you flip over in your book --- There is a
15 list of some bankruptcy schedules in the back. If you
16 can flip over to the bankruptcy schedule where it says
17 Schedule A, it would be Docket Number 11, page number 3
18 of 29.

19 A Okay.

20 Q Are you familiar with this property? This is
21 5245 --- or 4254 Rollingstone Drive, Las Vegas, Nevada.
22 That is the property that brings us here today, correct?

23 A Yes.

24 Q Do you have any idea about why 4254 Rollingstone
25 Drive, Las Vegas, Nevada 89103 would have been included

1 in a bankruptcy petition in 2012 as shown by this
2 schedule?

3 A You would have to ask the attorney at that time,
4 Ryan Alexander, what his whole philosophy was.

5 Q Okay. But did you have any knowledge of this
6 bankruptcy filing.

7 A Yeah, somewhat.

8 Q Okay.

9 A He was the bankruptcy expert.

10 Q He was the bankruptcy expert?

11 A Correct.

12 Q Can you flip over on this to page 19 of 29?

13 A Okay.

14 Q There is an electronic signature for an Eddie
15 Haddad. Is that you?

16 A Yes.

17 Q Did you sign these documents?

18 A No. You would have to ask Ryan Alexander how my
19 signature was on there.

20 Q So there was a bankruptcy petition filed with
21 your electronic signature in which you never signed?

22 A I don't see a signature on here. So I don't ---

23 MR. BOHN: Well, if you ask him if he authorized
24 his electronic signature ---

25 MR. BECKOM: Well, I would like to hear that

1 from Mr. Haddad.

2 BY MR. BECKOM:

3 Q Did you authorize the filing of this bankruptcy?

4 A Probably, yeah.

5 Q Probably?

6 A Yeah.

7 Q So if your electronic signature is on this
8 bankruptcy petition, then you would have been
9 knowledgeable of its contents and authorized it?

10 A It's been a long time, but yeah, most likely.

11 Q Okay. And you would have attended the 341
12 meetings?

13 A Yes.

14 Q Okay. Did you talk to a very nice lady by the
15 name of McCall Bloom?

16 A Yes.

17 Q Now, question. Here's where I'm getting a
18 little sideways on this. If you could turn to page, on
19 that same one, 8 of 29.

20 A Okay.

21 Q Now, if you go to the bottom, it lists Southwest
22 Financial Services as holding a first mortgage on this
23 property. Can you explain why that is listed there?

24 A No, I can't.

25 Q But you previously testified that you did not

1 think that there was a mortgage on this home when you
2 bought it, correct?

3 A Now you're confusing me. You're saying at the
4 time of the sale or this happened obviously after the
5 sale? What time period are you talking about? At the
6 time of sale or after the sale?

7 Q I think you have testified -- And I can have the
8 court transcriber go back to the transcript if you want.

9 A Sure.

10 Q You would like that?

11 A Yeah, I mean, because you were talking about at
12 the sale, on the date of the sale, right?

13 Q Uh-huh.

14 A And I think my testimony was I don't recall.

15 MR. BECKOM: Can we go back in the transcript
16 and see where -- He talked about like right before we got
17 into this line of questioning whether or not the property
18 was encumbered by a mortgage. I thought he said no, but
19 I'm pretty forgetful, so --

20 (Record read by the court reporter as follows:

21 "Q Did you think you were getting a property
22 free and clear of a mortgage when you
23 purchased this property in January of 2012?

24 A Yes. That's the only reason why I bought
25 it.")

1 THE WITNESS: That's not the same thing as
2 saying was there a deed of trust recorded against the
3 property.

4 BY MR. BECKOM:

5 Q So you -- I guess I'm still confused though, but
6 you listed this as having -- You listed this property --
7 You authorized this bankruptcy filing through Ryan
8 Alexander, correct?

9 A Yes.

10 Q And you listed this property as having a first
11 mortgage on it as of June 13 of 2012, correct?

12 A Yes.

13 Q The document basically --

14 A I don't have the dates, but okay.

15 Q But you purchased this property -- But your
16 previous testimony was that you purchased this in January
17 of 2012 and you knew it was free and clear of a mortgage,
18 correct?

19 A No. There must have been a first deed of trust,
20 but according to NRS 116, the homeowners association lien
21 extinguishes the first deed of trust. However, we did
22 not get a Supreme Court decision until way later. In the
23 meantime Ryan Alexander thought it would be prudent to go
24 ahead and stop some of these foreclosure actions by
25 putting them all into a bankruptcy in case we did not get

1 a Supreme Court decision.

2 Q So you're waiving your attorney/client privilege
3 with Mr. Alexander, correct?

4 MR. BOHN: No. I was just going to state --

5 MR. BECKOM: He kind of just did.

6 MR. BOHN: Huh?

7 MR. BECKOM: He kind of just did.

8 MR. BOHN: Well, as to --

9 THE WITNESS: It's my opinion. I'm not the
10 attorney, but it's my opinion.

11 BY MR. BECKOM:

12 Q You just said that Alexander told you to file a
13 bankruptcy, a Chapter 11 bankruptcy to stop foreclosures
14 because of mortgages on the property and foreclosures,
15 correct?

16 MR. BOHN: He said the advice given --

17 MR. BECKOM: I would like to hear Mr. Haddad's
18 answer on that. You can object and advise him not to
19 answer. That's well within your grounds.

20 THE WITNESS: I mean, that was the advice given.

21 BY MR. BECKOM:

22 Q Okay. So you were testifying concerning
23 communications with your attorney.

24 Okay. Who is Great Bridge Properties?

25 A I'm the broker of Great Bridge Properties.

1 Q You're the broker of Great Bridge Properties?

2 A Yes.

3 Q Okay. Did you engage in any litigation with the
4 secured lender on this 4254 Rollingstone Drive property
5 during the course of this bankruptcy?

6 A I don't know how to answer that one. When you
7 say litigation, what do you mean by litigation?

8 Q Anybody show up on behalf of the bank?

9 MR. BOHN: As far as the bankruptcy proceedings?

10 MR. BECKOM: Uh-huh.

11 MR. BOHN: That's a yes? You have to answer
12 audibly during a deposition.

13 MR. BECKOM: Do what?

14 MR. BOHN: You said uh-huh.

15 MR. BECKOM: Thank you.

16 MR. BOHN: So the question is -- Can you restate
17 the question?

18 MR. BECKOM: No. I don't remember.

19 MR. BOHN: Did U.S. Bank -- Are you asking if
20 the trust deed holder on the property at 4254
21 Rollingstone Drive made an appearance in the bankruptcy?

22 MR. BECKOM: Yes.

23 THE WITNESS: I don't know. I don't know. I
24 don't recall.

25 BY MR. BECKOM:

1 Q Who would know that?

2 A Ryan Alexander.

3 Q How much do you think this property is worth?

4 A I don't have that information on me.

5 Q You do -- I mean, you've got to like -- You are

6 the person -- I mean, like do you think it's worth

7 \$5,000? \$10,000? \$40,000?

8 A I don't have that information.

9 Q Okay.

10 A Do you mean how much was it worth at the NRS 116

11 sale?

12 Q Yeah.

13 A But the NRS 116 sale, you know, a -- What do you

14 call it? An impaired sale value is an impaired sale

15 value.

16 Q Okay.

17 A It has nothing -- It's not comparable to an

18 unimpaired sale value.

19 Q Okay. Do you think that this property was worth

20 \$5,331, the \$5,331 that you paid for it?

21 A Well, according to the district attorney for

22 Clark County Recorder's Office, yes.

23 Q So what do you think? Do you think it's worth

24 \$5,331?

25 A Well, I just look at what the professionals out

1 there, the D.A.'s office says, you know, if the sale was
2 published properly, if the sale was noticed properly, if
3 the prior owner had the chance to come out and bid, if
4 the bank had a chance to come out and bid. If there
5 was -- you know, all the statutes under NRS 116 were
6 followed, then that is the fair market value. That is
7 the value, the commercial reasonable value.

8 Q Okay. So the commercial reasonable -- What do
9 you mean by commercial reasonable?

10 A That's the value that the highest price it was
11 going to fetch.

12 Q Can you flip over in this book to the same
13 bankruptcy petition, page 3 of 29?

14 A (Complying.)

15 Q Now, these are the same ones -- This is the same
16 bankruptcy filing you said you authorized, correct?

17 A Yes.

18 Q Okay. And it says right there 4254 Rollingstone
19 Drive, Las Vegas, Nevada 89103 and it lists the value of
20 the property as \$35,000.

21 A Yes.

22 Q Was that your testimony of the value of this
23 unit as of June 13, 2012?

24 A Yes. Well --

25 MR. BOHN: You said testimony. There was no

1 testimony. There is no evidence of any testimony on June
2 13, 2012.

3 MR. BECKOM: Well, then let's take a look.

4 MR. BOHN: That's the representation made on the
5 bankruptcy filing.

6 BY MR. BECKOM:

7 Q But then if we go back over to page 28 of 29, if
8 you want to read through that with me it says, "I, the
9 registered agent of the corporation named as the debtor
10 in this case, declare under penalty of perjury that I
11 have read the foregoing" --- Actually never mind. I'm
12 look at the wrong one.

13 Did you review these schedules at your 341 with
14 the Department of Justice?

15 A I don't recall.

16 Q Actually I'm sorry. It's on page 19 of 29. And
17 it says, "I, the registered agent of the corporation
18 named as the debtor in this case, declare under penalty
19 of perjury that I have read the foregoing summary and
20 schedules consisting of 18 sheets and that they are true
21 and correct to the best of my knowledge, information and
22 belief." Below that there is an electronic signature
23 that states, "Eddie Haddad."

24 You said you did authorize this bankruptcy,
25 correct?

1 A Yes.

2 Q And so did you authorize your electronic
3 signature on this document?

4 A I don't recall, but most likely, yes.

5 Q So then at the time in June of 2012, you would
6 have reviewed this including page 3 of 29 on the
7 schedules where you testified the value of the property
8 was \$35,000, correct?

9 MR. BOHN: Well, again, you're using the word
10 testified.

11 MR. BECKOM: Mr. Haddad needs to answer.

12 MR. BOHN: Well --

13 THE WITNESS: I didn't testify to anything.
14 What do you mean by testify?

15 BY MR. BECKOM:

16 Q You said that you declared under penalty of
17 perjury that everything in this was accurate.

18 A And what's the point?

19 Q So I'm just trying to -- What I'm trying to get
20 at here is you previously testified that you thought the
21 property was worth \$5,000, correct?

22 A Yes, as an impaired value.

23 Q But then five months later you testified that
24 it's worth \$35,000.

25 A Yeah, but you should have seen it five months

1 later, fresh paint, new carpet, new tile, new kitchen,
2 you know. And it's worth a lot more money after the
3 eviction, after the repairs, always the properties are
4 worth a lot more money.

5 Q You said that you were the I guess -- You own
6 Great Bridge Properties?

7 A I'm the broker of Great Bridge Properties.

8 Q Broker for Great Bridge Properties. So you
9 oversee everybody?

10 A When you say oversee everybody -- I'm the
11 broker, yes.

12 Q Okay. Do you know Cheryl Van Elsis?

13 A Yeah. She is an independent agent with Great
14 Bridge.

15 Q She is an independent agent with Great Bridge
16 Properties?

17 A Yes.

18 Q Did you retain her at any point in time to
19 perform an appraisal on this unit?

20 A Yeah, I believe. Probably we did. My attorney
21 probably would have. She would have probably even
22 appointed some comparables to that too, correct?

23 Q Okay. And it looks like if you go over to ---
24 it's page 9 of 14 on that appraisal, that she stated that
25 the property was worth \$33,000 correct?

1 A Yes.

2 Q And that's an independent contractor that works
3 with your company, correct?

4 A Yes, but she is independent.

5 Q Okay. It's always a good thing for appraisers
6 to be independent.

7 A Yeah.

8 Q And it looks like that this was filed as part of
9 a portion of your bankruptcy with the court, correct?

10 A Yes.

11 Q Okay. What happened with -- What was the
12 outcome of this bankruptcy? Did you manage to -- Were
13 you trying to cram properties down?

14 A I don't know. You're going to have to ask Ryan
15 Alexander.

16 Q Okay. Do you still have any relationship or
17 affiliation with Mr. Alexander?

18 A I do not.

19 Q Is there any reason for that that you're able to
20 discuss?

21 A No.

22 Q Now, the other thing that I'm like -- There were
23 a lot of -- If you go back to the bankruptcy schedules,
24 there was a lot of -- Go to page 11 of 29. You listed
25 Alessi & Koenig, LLC as having unpaid HOA dues on 4254

1 Rollingstone Drive, an amount unknown. Why?

2 A I don't know. You have to ask Ryan Alexander.
3 He is the bankruptcy attorney. He is the one that filed
4 this. I did not prepare this.

5 Q But you did review it?

6 A I did not prepare it.

7 Q But did you prepare it?

8 A He recommended I sign. I electronically signed,
9 or as you call it, authorized his electronic signature.

10 Q Okay.

11 A I can't say if I reviewed it or not but --

12 Q And it says you testified under penalty of
13 perjury that you thought that there might be unpaid HOA
14 dues on 4254 Rollingstone Drive as of June 2012.

15 A I don't know. You have to ask Ryan Alexander.

16 Q Okay. Do you know what ultimately happened with
17 this bankruptcy filing?

18 A I don't.

19 Q Okay. On page 14 of 29, is this bankruptcy
20 filing still active?

21 A I don't know. I'm not a bankruptcy attorney, so
22 I don't know what are the different, you know, outcomes
23 that could have come out from a bankruptcy filing.

24 Q On page 14 of 29 there is listed an unpaid lien
25 on 4254 Rollingstone Drive from the Law Offices of Les

1 Zieve. Can you tell me what that is?

2 A I cannot, no. No. I would assume that the
3 attorney would have pulled his own record search and
4 named the creditors off of the record search.

5 Q Do you have any reason to believe that Mr.
6 Alexander's record search was inaccurate?

7 A I don't know what to say about that. He does --
8 He would have done his own record search.

9 Q Okay. And then you affirmed his work and record
10 search?

11 A Yes.

12 Q Okay. And you testified that -- It appears you
13 testified that you thought the property was subject to
14 multiple liens.

15 A Again, he would have prepared this.

16 Q Okay. And this was after the HOA foreclosure
17 sale, correct?

18 A What are -- Can I see a copy of the Trustee's
19 Deed? Yeah, when was this filed?

20 MR. BOHN: This is June. The Trustee's Deed was
21 January.

22 THE WITNESS: Okay. Yes. Correct.

23 BY MR. BECKOM:

24 Q Okay. I guess just for posterity's sake, is
25 there any reason -- I think you indicated on here that

1 you thought 4254 Rollingstone Drive was subject to at
2 least three different liens at least through this
3 petition. Is there any reason why that you thought that?

4 A Repeat your question again.

5 Q In this petition which you signed under penalty
6 of perjury you testified at least three times that you
7 thought after the homeowners association sale, that you
8 thought this was subject to at least three different
9 liens. Is there any reason why you thought that?

10 MR. BOHN: I have to object. You keep saying he
11 testified to. He didn't testify to anything. There's
12 representations in the petition but no testimony. You
13 can answer if you know.

14 THE WITNESS: I don't know how to answer that.

15 BY MR. BECKOM:

16 Q So there is no reason why you would be concerned
17 about liens on this property five months after the sale?

18 A There's always a concern. As the Supreme Court
19 stated, you know, never let a creditor go to sale. You
20 file an injunction. You file a TRO. You pay and then
21 argue later. You know, here I consulted with an attorney
22 who said --

23 MR. BOHN: Don't say what the attorney said.
24 That's privileged.

25 THE WITNESS: Okay. Yeah. That's -- It was his

1 advice.

2 BY MR. BECKOM:

3 Q His advice was to put these creditors in your
4 petition?

5 A And to, yeah, file this bankruptcy.

6 Q Okay. Did you ever attempt to do what's called
7 a strip-off on these properties?

8 A I don't know what a -- what that is.

9 Q Did your attorney ever ask you about filing a
10 motion to value?

11 A I don't recall.

12 Q Did Mr. Alexander -- Do you know what that is, a
13 motion to value?

14 A No.

15 Q Okay. So how did you find out that 4254
16 Rollingstone Drive was going to sale?

17 A Before the auction I checked the Nevada Legal
18 News and the Clark County Recorder's Web site.

19 Q What did you check on the Clark County
20 Recorder's Web site?

21 A The Notice of Default, the Notice of Sale that
22 would have, you know, the recording information.

23 Q Are you able to pull those off independent of
24 going down to court?

25 A They would have the parties' names and then they

1 would have the dates.

2 Q So you just checked grantor and grantee index?

3 A Exactly.

4 Q Okay.

5 A The Nevada Legal News would have the Trustee's
6 Sales calendar.

7 Q So those would be the only three things you
8 would check would be the Trustee's Sales calendar and
9 then the just brief look at the Recorder's Web site to
10 determine what you were going to do before you got there?

11 A Yes.

12 Q Is there anything that you would see on the
13 Recorder's Web site typically on these sales that would
14 like make you think that maybe you shouldn't purchase the
15 property?

16 A A \$40,000 tax lien.

17 Q Why would a \$40,000 tax lien make you not want
18 to purchase the property?

19 A Because it would be superior to an NRS 116 lien.

20 Q Would you -- Are we talking about federal tax
21 or --

22 A No. Clark County treasurers tax, property tax.

23 Q Property tax. Did you ever check any of the
24 CC&Rs or anything like that?

25 A No.

1 Q Why?

2 A There's not enough time.

3 Q Okay. Can you take a look at ---

4 A And they're trumped by law as well.

5 Q Were you of that opinion in January of 2012?

6 A I can't recall, but I'm sure.

7 Q Was there ever a time when you weren't of that
8 opinion?

9 A No.

10 Q Did you burst into this world upon the first day
11 of creation thinking that CC&Rs are trumped by statute?

12 A Ever since I was a baby.

13 MR. BOHN: He was born in 1991.

14 THE WITNESS: I was born in UCIOA, U-C-I-O-A.

15 BY MR. BECKOM:

16 Q Take a look at USB0164 in that book, please.

17 MR. BOHN: The CC&Rs here?

18 MR. BECKOM: Uh-huh.

19 MR. BOHN: Okay.

20 BY MR. BECKOM:

21 Q So it says right there in section 11, "The lien
22 and the assessments provided for herein shall be
23 subordinate to the lien of any first mortgage."

24 What is your understanding of the word
25 subordinate?

1 A Well, subordinate means flip, but in this
2 context the CC&Rs have been trumped by law.

3 Q I don't think I asked about the operation of the
4 statute. I think I asked about what your understanding
5 of subordinate is. And you said it was to be flipped?

6 A Yes.

7 Q Okay. So it says, "The lien and the assessments
8 provided for herein shall be subordinate to the lien of
9 any first mortgage."

10 So your understanding of that is that the
11 assessment lien was going to be flipped with the first
12 mortgage, at least according to the CC&Rs?

13 A I didn't read it but --

14 Q Okay.

15 A Like I said, I don't read these CC&Rs before the
16 sale.

17 Q Okay. And it goes on to say, "The sale or
18 transfer of any lot shall not affect the assessment
19 lien."

20 So would you buy a property -- I mean, like
21 would you buy a property at a foreclosure sale if it
22 stated that your lien had been -- the lien had been
23 subordinated?

24 A Would you live in a homeowners association that
25 had no rights to foreclose and ensure a hundred percent

1 of the homeowners that a hundred percent of the
2 homeowners will be paying the delinquent assessments, and
3 if they were to go to sale, the bank needs to be
4 responsible, and if this language was effective, then the
5 bank wouldn't care about bringing the dues current and
6 therefore the homeowners association wouldn't necessarily
7 have the power to foreclose because nobody would show up
8 to bid when the CC&Rs are subordinate to the first deed
9 of trust, which means that you can't have an effective
10 collection policy, which means that 20 percent of the
11 homeowners are going to live for free forever until the
12 bank decides to strategically not delay their
13 foreclosures anymore? Would you live in a homeowners
14 association like that? I think this is why the law is --
15 says what it says.

16 Q Well, thank you for that. I don't live in an
17 HOA for multiple reasons.

18 A But if you did.

19 Q And nor will I ever. Notwithstanding -- It's
20 too much of my family's libertarian strategy.

21 A NRS must -- NRS 116 must work. And for it to
22 work, for the law to work to protect the communities of
23 Nevada, this language cannot -- you cannot strip the
24 homeowners' rights to foreclose and to bring the highest
25 bid possible.

1 MR. BECKOM: Can you repeat the actual question
2 that I asked him?

3 THE WITNESS: I forgot it too.

4 (Record read by the court reporter as follows:

5 "Q So would you buy a property -- I mean, like
6 would you buy a property at a foreclosure
7 sale if it stated that your lien had
8 been -- the lien had been subordinated?"

9 BY MR. BECKOM:

10 Q Can you please answer my question, sir?

11 A I think your question is confusing. Would I buy
12 it with this language?

13 Q Uh-huh.

14 A Yes, because I know the law trumps this
15 language. I hope that answers your question.

16 Q Even though you testified in your bankruptcy
17 schedules that you thought it was subject to a lien,
18 correct?

19 A I did?

20 Q Anyway, do you know how many HOA foreclosures
21 were going on in January of 2012? Were you going to a
22 lot of them?

23 A I don't recall how many.

24 Q Who is Sin City Realty?

25 A I don't know who they are.

1 Q Who is Matt Mitchell?

2 A Matt Mitchell is the guy that works for Absolute
3 Collection Services I believe. He is the auctioneer.

4 Q He is an auctioneer?

5 A Yes.

6 Q So you know where he works. How do you know
7 where he works?

8 A Well, I've been to Absolute Collection auctions
9 as well.

10 Q Okay. Can you flip over to USB88?

11 A Okay.

12 Q It looks like it says, "Agent for trustee, Matt
13 Mitchell."

14 Was he conducting this sale on the day that you
15 purchased this property?

16 A I don't recall, but I don't believe -- I don't
17 dispute this here.

18 Q Okay. Was he working for Alessi & Koenig at the
19 time of this sale?

20 A Wow, this is -- You're taking this way back. I
21 think at some point Alessi was using Matt Mitchell to
22 hold their sales. You're right.

23 Q Okay. And he was conducting these sales at the
24 Nevada Legal News?

25 A Yes.

1 Q Was he the only auctioneer at the Nevada Legal
2 News? You previously testified that there was sometimes
3 mortgage foreclosures on seconds, on firsts --

4 A Yeah.

5 Q -- HOA foreclosures. Was he crying all those
6 other sales or was he just crying HOA stuff?

7 A No. He was just crying HOA sales.

8 Q Okay.

9 A Heather would cry the bank foreclosures.

10 Q Who is Heather?

11 A Heather works for Nevada Legal News. So all the
12 bank foreclosures she would do. And then apparently at
13 that time -- Well, she would do HOA sales as well. It
14 just depends on whoever the agent is that was assigned.

15 Q Understood.

16 A But in this particular instance, it was Matt
17 Mitchell as agent for Alessi, right?

18 Q Okay. Do you only know Mr. Mitchell through
19 foreclosure auctions?

20 A Yes.

21 Q Okay. When was the first time you went to an
22 HOA foreclosure auction?

23 A I can't recall.

24 Q Was it before January of 2012?

25 A As I mentioned earlier, they're clustered. So

1 yeah, it's very possible that I was present during
2 NRS 107 sales and heard NRS 116 sales.

3 Q Okay. When was the first time you bought a
4 property at a 116 sale?

5 A I don't recall.

6 Q Do you have any recollection of how many bidders
7 there would be on this HOA foreclosure auction?

8 A I do not.

9 Q Do you have any recollection about how many
10 bidders would be bidding on HOA foreclosure auctions
11 generally in January of 2012?

12 A I do not.

13 Q Is it more than five?

14 A I don't -- I don't recall.

15 Q How much money would you bring with you to an
16 HOA foreclosure auction if you were intending to purchase
17 property?

18 A I don't recall.

19 Q Is it more than \$50,000?

20 A I don't recall.

21 Q Did you ever pay more than a hundred thousand
22 dollars for an HOA foreclosure property?

23 MR. BOHN: Is there a time frame or forever?

24 BY MR. BECKOM:

25 Q Forever.

1 A Yes.

2 Q Okay. Let's talk about the entity that
3 conducted the sale. Are you familiar with Alessi &
4 Koenig?

5 A Yes.

6 Q How are you familiar with Alessi & Koenig?

7 A They're a HOA trustee.

8 Q Okay. Is that the only way you are familiar
9 with them?

10 A Yes.

11 Q Are you involved in any litigation with Alessi &
12 Koenig?

13 A Did I what, now?

14 Q Are you involved in any litigation with Alessi &
15 Koenig?

16 A Yes.

17 Q What is the nature of that litigation?

18 A I don't know. My attorney would have to give
19 more.

20 Q Have you ever sued Alessi & Koenig?

21 A Yes.

22 Q For what?

23 A Failure to provide a deed.

24 Q Why did they not provide a deed?

25 A I don't have the specific facts on me.

1 Q Is the only time you ever sued them was for
2 failure to provide a deed?

3 A I don't recall. You have to ask my attorney.

4 Q Okay.

5 A We have a few files.

6 Q So I've been told.

7 And would the sale take place in -- The sale of
8 the 4254 Rollingstone Drive property, did it take place
9 outside or in the lobby?

10 A You mean the physical location?

11 Q Uh-huh.

12 A I don't recall. Five years ago, I don't recall.

13 Q To your recollection about how many people were
14 present at this auction?

15 A No idea.

16 Q Do you know someone who would?

17 A Do I know someone who would?

18 Q Uh-huh.

19 A Matt Mitchell, the auctioneer.

20 Q Okay.

21 A You can ask him.

22 Q Do you have any reason to believe -- Actually
23 strike that.

24 And how many HOA properties have you purchased?

25 A I don't have that information on me.

1 Q How many HOA properties have you lost in court
2 action?

3 A Have I lost?

4 Q Uh-huh.

5 A Zero.

6 Q You have lost zero properties?

7 A Yes.

8 Q Okay.

9 A Knock on wood.

10 Q Did you talk to anyone about purchasing
11 homeowners association properties prior to January of
12 2012?

13 A I can't recall.

14 Q What made you want to start buying HOA
15 foreclosure properties?

16 A I don't recall.

17 Q So you just --- All you know is one day you just
18 decided to start buying HOA foreclosure properties and
19 never looked back?

20 A I mean, I didn't just one day decide to show up
21 to the auction. I was already at the auction.

22 Q So you discussed --- You did not discuss
23 purchasing homeowners association foreclosure property
24 with anyone prior to the first time you purchased it?

25 A I don't recall.

1 Q Did you read through the statute before you
2 purchased it?

3 A I'm sure, but I don't recall.

4 Q Is there someone that could help you remember?

5 A No.

6 Q Did you ever talk about HOA foreclosure
7 properties with anyone but an attorney?

8 A No.

9 Q Did you ever talk about it with David Alessi?

10 A No.

11 Q So you never talked about HOA foreclosure
12 auctions at all with David Alessi?

13 A Ryan Kerbow was my attorney at the time. Ryan
14 Kerbow worked for Alessi & Koenig.

15 Q Your attorney -- Your personal attorney worked
16 for Alessi & Koenig?

17 A My attorney doing quiet titles at the time was
18 Ryan Kerbow.

19 Q When was the first time you filed a quiet title?

20 A I don't recall. You would have to go back in
21 the record.

22 Q So the attorney that was filing quiet titles for
23 you ultimately went and worked for Alessi & Koenig?

24 A Yeah. I mean, I would buy a property from
25 Alessi and I would say I need a quiet title to get title

1 insurance. And then they're lawyers, so they would
2 conveniently do it, for a small fee.

3 Q You retained Alessi & Koenig in 2012 to
4 prosecute quiet title actions for you?

5 A Yes. There was nothing wrong with it. I don't
6 know when. I don't know when the date was. But I
7 retained Ryan Kerbow, who was with Alessi & Koenig.

8 Q Okay. So Alessi & Koenig was both a foreclosure
9 trustee on this property as well as your -- one of their
10 attorneys was your lawyer?

11 A Again, I don't have the date scheme. If I
12 retained Ryan Kerbow before or after, I don't recall.
13 It's been a long time.

14 Q And why --- To the extent you're able to speak on
15 it, is there any reason why you are no longer affiliated
16 with Mr. Kerbow? Are you still affiliated with Mr.
17 Kerbow?

18 A No.

19 Q Okay. So then it would seem like you would have
20 had quite a few discussions with attorneys at Alessi &
21 Koenig concerning HOA foreclosure properties.

22 A With Mr. Ryan Kerbow.

23 Q Do you know where I can find Mr. Ryan Kerbow?

24 A I don't.

25 MR. BOHN: He is still in town.

1 BY MR. BECKOM:

2 Q Had you retained Mr. Kerbow to prosecute your
3 quiet titles as of January of 2012?

4 A I don't recall when I retained Mr. Ryan Kerbow.

5 Q Do you have any recollection about when you
6 stopped using Mr. Kerbow?

7 A I don't recall that either.

8 Q Okay. Are you one of those one dollar guys? By
9 one dollar guys, do you ever go to the foreclosure
10 auctions and there's one guy that bids like \$4,000 and
11 another one that bids like \$4,001?

12 A Am I one of those guys?

13 Q Yes. There's always one of them at every
14 auction I've been to.

15 A I don't think -- I don't know. I mean, have I
16 ever done that? Probably.

17 Q It does seem like it would be kind of fun.

18 A Yeah. It's actually annoying, you know.

19 Q That's what I've been told. They start bidding
20 fractional pennies.

21 A Yeah, exactly. It is annoying.

22 Q So when you're bidding against somebody in
23 January of 2012, are you bidding up only a dollar?

24 A I don't recall. How much was paid for this one?

25 Q Five thousand some odd dollars, \$5,300.

1 A The very first bid, you bid, you know, a dollar
2 more.

3 Q Okay.

4 A And then if somebody jumps in, you bid
5 accordingly.

6 Q Was this a dollar more than the opening bid?

7 A Let's see here. According to this the amount of
8 unpaid debt was \$5,331. The amount paid by the grantee
9 at the trustee's sale was \$5,331.

10 Q How were you able -- Did you just pay off the
11 debt?

12 A I don't understand the question.

13 Q Well, you said the amount of the unpaid debt was
14 \$5,331, correct?

15 A Yes.

16 Q And you paid \$5,331, correct?

17 A You know, I don't know what -- Yes. Correct.

18 Q So there would have been no bidders at this
19 sale?

20 A Yes. Well, nobody placed a bid.

21 Q Except for you.

22 A Apparently so, yeah.

23 Q This is your property, correct?

24 A Yes.

25 Q Okay. It looks like -- Here's an interesting

1 thing. This Trustee's Deed is actually executed by Ryan
2 Kerbow. Was this the deed that was given to you by
3 Alessi & Koenig?

4 A Yes.

5 Q And this is the same Ryan Kerbow that you
6 retained as your lawyer?

7 A At some point. I don't know what year I
8 retained Ryan Kerbow and I don't know what year I no
9 longer had Ryan Kerbow doing work for me.

10 Q I understand. On the second page on the
11 Declaration of Value, is that Mr. Kerbow's signature
12 again there next to grantor?

13 A Is that what it says? I guess. I'm not sure.

14 Q Do you file these deeds or does Alessi & Koenig
15 file these deeds for you?

16 A This one here looks like it's been filed by
17 Alessi & Koenig.

18 Q Okay. Do you pay the transfer tax?

19 A According to this deed, it looks like Alessi &
20 Koenig paid the transfer tax.

21 Q Okay. Let's go back to USB84. This is a Notice
22 of Trustee's Sale. Is this the Notice of Trustee's Sale
23 that you would have I guess reviewed prior to purchasing
24 this property?

25 A I don't see a recording stamp on it.

1 Q And this appears to be signed by Ryan Kerbow on
2 behalf of Glenview West Townhomes Association.

3 A I don't know. I don't recall. I mean, I don't
4 recognize this document.

5 Q Is this the same Ryan Kerbow that you said did
6 legal work for you?

7 A I don't know. Is there another Ryan Kerbow in
8 town?

9 Q I'm asking you.

10 A I'm not sure.

11 Q It appears that he also represents the HOA. Are
12 you aware that Mr. Kerbow was representing both the HOA
13 and you?

14 A No. Again, I'm not saying he was representing
15 me here. I'm not sure at what point he was representing
16 me.

17 Q I understand.

18 Is there anything else you would like to add to
19 your deposition testimony today?

20 A No. There's nothing else.

21 Q Is the property currently leased?

22 A I don't have that record on me.

23 Q Is the property currently maintained in good
24 condition?

25 A All properties, yes.

1 Q Have you transferred the property to any
2 entities since the start of this litigation other than
3 entities you control?

4 A No.

5 Q Okay. So you are still in control of the
6 property at 4254 Rollingstone Drive?

7 A Yes.

8 Q Okay. And you have no reason to believe there
9 is anything wrong with that property at this time?

10 A That is correct.

11 MR. BECKOM: Okay. Are you going to ask him
12 anything or you can just ask him questions whenever you
13 feel like it?

14 MR. BOHN: (Shaking head.)

15 MR. BECKOM: All right. I have nothing further
16 then.

17 (Concluded at 2:22 p.m.)

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CERTIFICATE OF REPORTER

STATE OF NEVADA }
 } ss.
COUNTY OF CLARK }

I, Joanne C. Williams, CCR No. 899, certify as follows:

That I reported the taking of the deposition of the witness, EDDIE HADDAD, at the time and place aforesaid.

That prior to being examined, the witness was by me duly sworn to testify to the truth, the whole truth and nothing but the truth.

That I thereafter transcribed my stenographic notes into typewriting and that the transcript of said deposition is a complete, true and accurate transcript of said stenographic notes.

That transcript review pursuant to NRCP 30(e) was waived.

I further certify that I am not a relative or employee of any party involved in said action, nor a person financially interested in the action.

Dated at Las Vegas, Nevada, this 30th day of October, 2016.

Joanne C. Williams, RPR, CR, CCR No. 899